OPEC

Organization of the Petroleum Exporting Countries

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Monthly Oil Market Report

October 2002

OPEC Basket average price

US $ per barrel

Up 1.39 in September

September	**27.38**
August	25.99
Year-to-date	23.48

September OPEC production

million barrels per day, according to secondary sources

Algeria	0.97	Kuwait	1.95	Saudi Arabia	7.76
Indonesia	1.12	SP Libyan AJ	1.35	UAE	2.00
IR Iran	3.39	Nigeria	2.00	Venezuela	2.86
Iraq	1.92	Qatar	0.67		

Supply and demand

million barrels per day

2002	
World demand	76.46
Non-OPEC supply	51.63
Difference	**24.83**
2003	
World demand	77.22
Non-OPEC supply	52.48
Difference	**24.74**

NB *Non-OPEC supply includes OPEC NGLs and non-conventional oils*

Stocks

Massive draw in USA in September

World economy

World GDP growth estimate revised down to 2.7% for 2002

Inside

Data covers period up to end-September 2002, unless otherwise stated

Issued 18 October 2002

OIL MARKET HIGHLIGHTS

- World GDP is forecast to grow at 2.7% in 2002, slightly lower than last month's figure. Some downward revisions have been made to OECD Europe, especially Germany (by 0.2%), but also in other euro-zone countries, and a small downward revision to OECD Pacific (for Australia). In Latin America, a downward revision has been made to Brazil and Venezuela. Once more, the estimate for China has been revised up slightly.

- Recent indicators for the USA are mostly negative. Persistent stock market weakness and geopolitical tensions have discouraged businesses from investing and increasing hiring. This has fuelled fears that consumers, the mainstay of the economy, weighted down by record debt, may retrench before business investment picks up again. Consumer confidence continued to drop and retail sales contracted 1.2% in September, mainly due to the expected sharp drop in auto sales, after financing incentives were removed. Moreover, the ISM index shows that the manufacturing sector contracted in September.

- In Japan, there are increasing signs that the recovery faltered in the third quarter. Exports fell for the third month in a row, and machinery orders plunged in August. The unemployment rate remained stagnant, at a high level of 5.4%. Stock markets fell to 19-year lows. In the euro-zone, growth prospects have been revised down for the third and fourth quarters. Both the manufacturing and services purchasing managers' indexes fell below 50% in September, indicating a contraction in both sectors. The harmonized index of consumer prices rose to 2.2%, but again interest rates were left unchanged.

- The monthly average price of OPEC's Reference Basket of seven crudes staged a recovery for the third successive month in September, this time rising by $1.39/b, or 5.35%, with respect to August, to average $27.38/b. The good performance of the Basket, which, in the past six months, oscillated around the $25/b mean of the price-band mechanism, resulted in a firm recovery of the yearly average; nevertheless, the year-to-date comparison reveals a considerable gap of $1.23/b, vis-à-vis 2001.

- Product prices soared in September, reflecting the resurgence in crude oil prices and enjoying further support from several regional fundamental factors. Thus, the product-crude oil price differentials widened, improving refining margins, but this failed to push refinery throughput higher in the USA and Europe.

- OPEC area tanker spot-chartering rose by a remarkable 4.23 mb/d to a monthly average of 14.09 mb/d in September, the highest level since March 2001. As a result, VLCC spot freight rates on the Middle East westbound and eastbound routes increased by three points to WS36 and four points to WS38 respectively, on tighter prompt positions. Clean product tanker freight rates, however, maintained the previous month's mixed trends.

- The world oil demand averages for 2001, 2002 and 2003 have been revised up by 0.30 mb/d, 0.26 mb/d and 0.21 mb/d respectively, due to adjustments to historical data. The 2002 and 2003 world demand increments, however, have been revised down slightly to reflect further downward revisions to anticipated world GDP growth rates.

- OPEC crude oil production in September, based on secondary sources, has been estimated at 26.00 mb/d. The non-OPEC oil supply forecast for 2002 has been revised down to 47.96 mb/d, which is 1.48 mb/d more than the 2001 figure. 2003 non-OPEC supply is expected to reach a level of 48.78 mb/d, an increase of 0.82 mb/d over the 2002 forecast. Net FSU exports for 2002 and 2003 have been estimated at 5.38 mb/d and 5.71 mb/d respectively.

- The non-OPEC rig count increased in September by 32, while OPEC's rose by one.

- A further contra-seasonal draw on US commercial onland oil stocks in September intensified the year-on-year deficit to 51.8 mb, or 5%. A sharp draw on crude oil stocks, amid interrupted crude oil production, due to two heavy tropical storms (Isidore and Lili), pushed down US total core oil stocks by a large 25.1 mb, or a rate of 0.74 mb, to 982.1 mb. Commercial onland oil stocks in Eur-16 (EU plus Norway) showed a moderate unseasonable draw of 11.5 mb, or a rate of 0.38 mb/d, to stand at 1,055.0 mb in September.

- The assessment of the latest available information has resulted in a forecast of world demand in the second quarter of 2003 of 75.22 mb/d, and the sum of non-OPEC supply and OPEC NGLs is expected to be 52.45 mb/d. This leads to a projected difference of as low as 22.77 mb/d, implying the possible build-up of a substantial surplus, if the current OPEC production level is maintained.

HIGHLIGHTS OF THE WORLD ECONOMY

Economic growth rates 2002
%

World	G-7	USA	Japan	Euro-zone
2.7	1.4	2.3	–0.8	1.0

Industrialised countries

United States of America

Evidence is mounting of US economy slowing down, amid fears that consumers will retrench before business investment picks up

Persistent stock market weakness (down 12% in September) and geopolitical tensions have continued to discourage businesses from investing and hiring. In the meantime, on the consumer front, the home refinancing boom continues, with record low mortgage rates. However, this cannot last for ever, since interest rates do not have much room to fall further. Personal bankruptcies and mortgage foreclosures are at record levels and delinquency rates on credit cards and other debts are rising. In this connection, the Federal Reserve Board reported that consumer credit in August rose at its slowest pace in eight months, expanding by only $4.2 billion, to a seasonally adjusted $1,730 trillion. Meanwhile, the Conference Board's closely watched index of consumer confidence dropped further to 93.3 in September, compared with 110 in June. More recently, the University of Michigan's sentiment report fell to its lowest level in nine years. Alarmingly, retail sales in September dropped by 1.2% to $302.5 bn, after rising by a revised 0.6% in August; excluding volatile automobile sales, they grew by 0.1%. With the expiration of financial incentives, auto sales dropped by 5.2% in September, but were still 7.9% higher than a year ago. Factory orders were unchanged in August at $326.3 bn, following a 4.4% rise in July, while durable goods orders saw a 0.4% drop in August. The Institute of Supply Management (ISM) reported that its key gauge of manufacturing activity measured 49.5% in September, down from 50.5% in August, indicating a contraction in the manufacturing sector, which shed about 35,000 in September. However, the ISM's non-manufacturing index showed an improvement in the services sector, moving up to 53.9 from 50.9 in August. Labour markets remained weak, despite a fall of 0.1% in the rate of unemployment to 5.6% in September, as shown by the household survey. However, the business survey showed that payrolls dropped by 43,000, after a strong upward revision to 107,000 in August. The fall in payrolls and rising claims for jobless benefits (over 400,000/week) seem to contradict the improvement in the unemployment rate. Separately, the volume of "help-wanted" advertising in major US newspapers fell in August to the lowest level in almost four decades.

Japan

Decline in share prices, tepid Tankan business sentiment report and falling index of leading indicators are among signs pointing to waning Japanese economic recovery

In its latest monthly report, the Japanese government pointed to the dangers threatening the nascent Japanese recovery from a slowing US economy and a decline in Japanese stock markets to 19-year lows in September. Pressure is also mounting on the government to plan for an extra budget this current fiscal year to cushion the pain of bad debt write-offs, which are expected to lead to increased bankruptcies and higher unemployment. Bad loans are officially estimated at around $423 bn. Economic growth in the second quarter was powered by exports, which have since slumped. Export volumes fell in August for the third month in a row, by 0.4%, and are set to slide further, as demand from the USA, Japan's biggest overseas market, falters. The index of leading economic indicators fell below the 50% level in August, suggesting the recovery may be waning. The index, which includes job offers, machinery orders and other measures of future activity, dropped to 44.4% from 70% in July. Core machinery orders, widely regarded as a leading indicator of corporate capital investment, plunged by a larger-than-expected 13.6% in August from a month earlier, and were down 20.3% on the previous year. Orders for the manufacturing sector declined sharply, by 17.2% on the month — the lowest level, under current records. However, the monthly data is prone to large fluctuations. Core orders had risen in May, June and July. The Bank of Japan's quarterly Tankan business sentiment survey of large manufacturers rose by four points to –14 in September. A negative number means pessimists outnumbered optimists. The survey also showed that large manufacturers will cut business spending by 9.2% in the fiscal year ending 31 March. Meanwhile, overall household spending rose by 0.1% on the year in real terms in August, barely extending two previous months of gains. Overall household spending rose by 1.3% in July and 2.8% in June. Japan's jobless rate in August remained unchanged for the fourth month at 5.4%.

Euro-zone

Euro-zone growth falters, on increasing signs of weakness in both manufacturing and services sectors

Prospects in the euro-zone worsened in September. Both business and consumer confidence were subdued, largely due to lower share prices and general uncertainty about the global economic recovery. After only five months of growth, the purchasing managers' index (PMI) for manufacturing, compiled by Reuters/NTC Research, fell to 49.1 in September, from 50.8 in August and 51.6 in July (a level below 50 signals a contraction). Moreover, the services sector, which accounts for 60% of GDP, also fell in September — the PMI dropped to 49.1 from 50.8 in August. The European Central Bank again chose to keep interest rates on hold in September, arguing that a rate cut would not solve the economy's greatest problem, identified as a lack of confidence. Moreover, the ECB is still worried about inflation, which remained above the bank's 2% upper limit for the second month in a row, rising to 2.2%, from 2.1% in August. For the third time, the European Commission cut its forecast for third- and fourth-quarter euro-zone economic growth, to 0.2–0.5% from 0.3–0.6%, compared with a first estimate of 0.7–1.0%. Recent reports indicate that concern about Germany sinking back into recession may be exaggerated, despite the precipitous fall in the DAX index of about 50% this year. Industrial production rose by a higher-than-expected 1.8% in August, while factory orders climbed by 1.7% for the first month in three, indicating increased demand for machines and tools. Moreover, the total number of unemployed fell below four million in August. However, the Ifo Institute's index indicated a drop in business confidence in September, the fourth monthly decline. In France, industrial production expanded by only 0.3% in August, following a drop of 0.8% in July, indicating that growth is slowing. Moreover, confidence among French manufacturers fell to a six-month low in September.

Former Soviet Union

Russian oil exports in third quarter at highest level since Soviet times, but expected to register seasonal decline in fourth quarter

According to government sources, Russian oil exports in the third quarter of 2002 were at their highest level since Soviet times. Transneft exports reached 40m tonnes, 81% of which went to non-CIS consumers. Exports are likely to decline in the fourth quarter, due to poor weather conditions in Russia's major ports. Non-CIS exports through the Transneft system are forecast to drop by 4% to 31.1m tonnes in the fourth quarter; total exports, both to the CIS and non-CIS, are expected to decline by only 0.5% to 39.8 mt. Crude oil production is expected to grow by 3% to 100 mt in the fourth quarter. Russian official sources have reported a 5.5% year-on-year (y-o-y) rise in industrial output in September, bringing the y-o-y increase for January–September to 4%. Output in the five basic sectors of the economy (industry, construction, agriculture, transportation and retail) was up 2.5% y-o-y in August, against growth of 6.4% y-o-y in July. As a result, output over January–August posted a gain of just 3.9% y-o-y. Agricultural production expanded by 1.7% y-o-y in January–August, down from 3.9% in January–July. The fact that there were fewer working days this year than last year in August, but more in July, contributed to the slowdown. September inflation was 0.4%, slightly lower than the September 2001 figure of 0.6%, but in line with the usual drop in price growth at the start of autumn, due to lower prices for vegetables. In order to meet the government's 14% target for the year, inflation should exceed 1.1% a month between now and the end of the year.

Eastern Europe

Industrial production remains weak across Eastern Europe

Recent economic data points to a weakening recovery in industrial activity across Eastern Europe. Seasonally adjusted industrial output declined by 2% month-on-month (m-o-m) in Hungary, 2.8% in the Czech Republic and 1.2% in Poland in August. This decline was attributed to a combination of factors. One was the payback for the extraordinary increase in July, in the wake of softened domestic demand. Another related to fewer working days and different holiday patterns, as well as to weather problems, such as the extensive floods in the Czech Republic. A recovery in the fourth quarter is highly uncertain, especially since external demand is expected to slow down, due to weaker economic conditions in the euro-zone, the main trading partner. Headline inflation displayed different patterns in different countries. In September, the consumer price index (CPI) edged slightly higher to 0.6% and 0.4% m-o-m in Hungary and Poland respectively, while their respective annual rates reached 4.6% and 1.3%. In the Czech Republic, the CPI dropped to 0.5% m-o-m in September, owing mainly to regulatory factors. Positively, these inflation trends in Eastern Europe are likely to stimulate monetary expansion policies in the coming months, in the face of slowing economic growth in the region.

OPEC Member Countries

Some OPEC Member Countries witness improved financial stability, while others seek increased FDI and other forms of financing

The new Indonesian ''bonds law'' passed in September will ease the pressure on the budget deficit, benefiting both the government and the financial sectors. This new "bonds law" has restrained the government from selling assets to pay for the redemption of 3.9 trillion rupiahs in meeting recapitalization bonds. It has, furthermore, enhanced the rescheduling of US $5.4 bn in loans agreed by the Paris Club of creditors earlier this year. Generally, the Indonesian capability of paying its debts looks significantly improved, and the risk of a fiscal crisis has been reduced. On the other hand, Venezuela is seeking to obtain $1.2 bn in multilateral loans. It also plans to launch a $1 bn international bond. The Socialist People's Libyan Arab Jamahiriya is still seeking foreign direct investment (FDI) in the hydrocarbons sector; thus, the authorities intend to remove legal and bureaucratic obstacles to increasing foreign investment in this area. In Nigeria, robust growth in agriculture and services continues to boost government spending ahead of the elections. Real GDP is expected to grow by 2.5% this year and is forecast to raise to 3.9% next year, driven by new investment in gas and offshore oil fields.

Developing countries

Asia performs strongly, Sub-Saharan Africa gets more investment and Brazil follows conservative fiscal policies

Apart from South Asian countries, other developing countries are seen to experience subdued growth this year, due to several factors, including drought, flooding, weak external demand and political unrest. In general, Asia's developing economies are performing strongly. Asia's GDP will continue to grow this year and next year by 4.0% and 4.9%, respectively. While the global economic recovery has stumbled, China's economy has continued to perform strongly. Its robust export growth, which has been supplemented this year by a mini-boom in domestic demand, is mainly due to exports from foreign-owned companies. Foreign investment in China is officially forecast to reach $50 bn this year, but may be even larger. Foreign investment in Sub-Saharan Africa is likely to rise. For instance, Portuguese companies invested more than $66m in Angola during the first quarter of the year, compared with almost $100m for the whole of last year. Due to growing concern among investors about the October elections in Brazil, the authorities resorted to tight fiscal and monetary policies to maintain macroeconomic stability at the expense of economic growth, which is expected to reach only 1.2% this year.

Oil price, US dollar and inflation

Real oil price rises by 5.1% in September, as small dollar depreciation erodes part of gains in nominal price

The US dollar resumed its downward trend in September after a short interruption in August, falling against all the currencies in the modified Geneva I + US $ basket*, with the exception of the yen. The yen depreciated by 1.25% to ¥120.48/$ from ¥119.00/$ in August, while the euro rose by 0.31% against the dollar, averaging $0.9808/€ in September, compared with $0.9777/€ in August.

The dollar wavered back and forth, affected by geopolitical tensions and their effect on stock markets, as well as mixed economic news, some of which was negative (e.g. a drop in industrial production) and some positive (e.g. a shrinking trade deficit). However, on average, it appreciated versus the yen, but fell versus the euro. The US currency benefited somewhat from the conviction that the US growth outlook, although soft, is likely to be more robust than that of Japan and Europe. The dollar rose to three-month highs, versus the yen, of ¥123.7/$, in the last week of September, after official Japanese statements hinted at a possible change in policy, whereby massive sales of yen would be used to reflate the economy. The yen was also put under pressure by a tepid "Tankan" business sentiment report and, towards the end of the month, by signs that Japan was serious about reforms in the banking sector. On the other hand, the euro failed to reach parity with the dollar, as Germany's budget deficit this year appeared to be reaching the maximum 3.0% of GDP allowed by the EU's stability and growth pact. The euro fell as low as $0.9649 mid-month, but rose to $0.9860 at the end of the month, as the dollar suffered from fears that the economic cost of the shut-down in West Coast ports would be large.

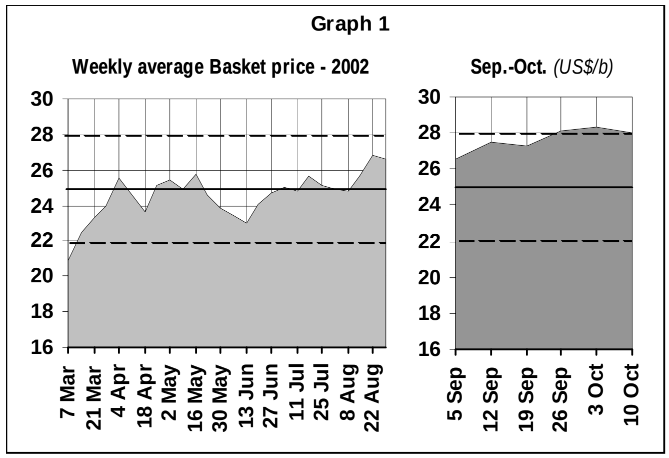
In September, the OPEC Reference Basket price rose by $1.39/b, or 5.35%, to $27.38/b from $25.99/b in August. In real terms (base July 1990=100), after accounting for inflation and currency fluctuations, the Basket price rose by 5.08% to $23.79/b from $22.64/b, as the dollar depreciation and inflation eroded part of the gains in the nominal price. The dollar fell by 0.17%, as measured by the import-weighted modified Geneva I + US dollar basket, while inflation was estimated to have been 0.10% in September.

* *The 'modified Geneva I + US $ basket' includes the euro, the Japanese yen, the US dollar, the pound sterling and the Swiss franc, weighted according to the merchandise imports of OPEC Member Countries from the countries in the basket.*

CRUDE OIL PRICE MOVEMENTS

OPEC's Reference Basket surged by more than 5% in September, consolidating recovery that started in July

The monthly average price of OPEC's Reference Basket of seven crudes recovered for the third successive month in September, this time rising by $1.39/b, or 5.35%, with respect to August, to average $27.38/b. In September, the Basket reached the highest level for the year, close to the upper limit of OPEC's price-band mechanism of $22–28/b. This was, indeed, the third-highest September average since 1984, exceeded only in 1990, with $32.09/b, and 2000, with $31.48/b. The good performance of the Basket, which, in the past six months, had oscillated around the $25/b mean of the price-band mechanism, resulted in a firm recovery in the yearly average; nevertheless, the year-to-date comparison reveals a considerable gap of $1.23/b, vis-à-vis 2001. The combined effect of lower output levels and prices translated into a loss of several billion dollars for the Organization as a whole.

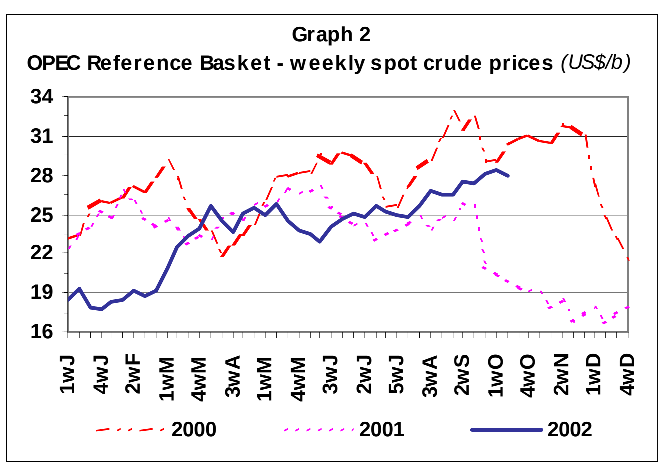


On a weekly count, the Basket started the month on a weak tone, falling by a marginal $0.03/b to $26.55/b. Then it made an about-turn and gained $0.98/b, to average $27.53/b during the second week. The Basket next underwent a correction of $0.20/b, after the previous week's rally. During the last week, it surged again, gaining $0.78/b to close at $28.11/b (above the upper band of the price-band mechanism for the first time since November 2000). The Basket continued its rising path, reaching a new year-high during the first week of October, averaging $28.34/b. However, the trend reversed during the second week, when the price stood at $27.98/b. Naturally, all the Basket's components improved, with Indonesia's light sweet Minas leading the gains, while Mexican light sour Isthmus posted the smallest recovery.

Politics and weather-related factors, combined with OPEC restraint on output level, influenced crude markets in September

In September, crude oil markets were driven by an array of factors, most of them of a bullish nature. Crude prices were heavily influenced by the Iraqi situation. According to analysts, the prospect of military action, if diplomatic means failed, added a "war premium" of a few dollars per barrel to the price of crude oil. While OPEC agreed with the existence of such a premium, it preferred not to quantify it.

Weather-related factors contributed to undermine crude oil prices later in the month. The tropical storm "Isidore" and hurricane "Lili", which hit the US Gulf of Mexico production province and the US Gulf Coast, where a large portion of that country's oil industry is located, prompted the closure of oil production platforms, several refineries, ports and pipelines. The impact of the storms became evident after the American Petroleum Institute, in its report for the week

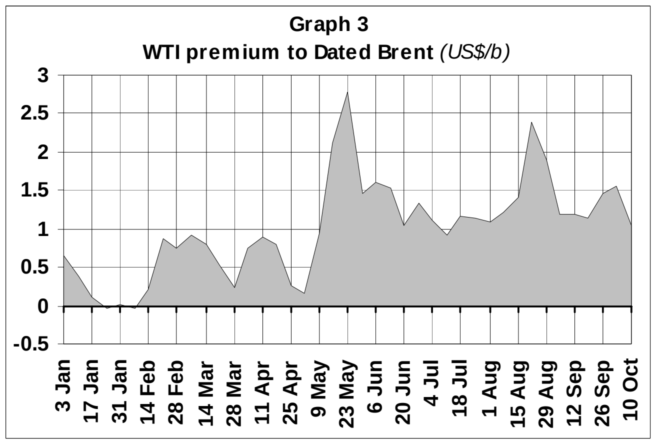


ending 27 September, showed an impressive crude oil stock draw of almost 14 million barrels. In the following weekly report (4 October), the refinery utilization rate dropped by the astonishing figure of 6.8 percentage points to 84.7%, corroborating the disruption in refinery operations of the last days of September. On 19 September, the 121st Meeting of the OPEC Conference convened in Osaka, Japan, after reviewing the modest global economic growth expected for the remainder of the present year, together with only normal seasonal growth in global oil demand. In order to preserve stability in the market, the Conference decided that the agreed production levels would be maintained, emphasizing commitment to discipline by Member Countries and underlining the importance of full compliance with this decision.

US benchmark crude reached 18-month high in September, underpinned by political factors, weather, dwindling crude oil inventories and OPEC's production restrictions

US and European markets

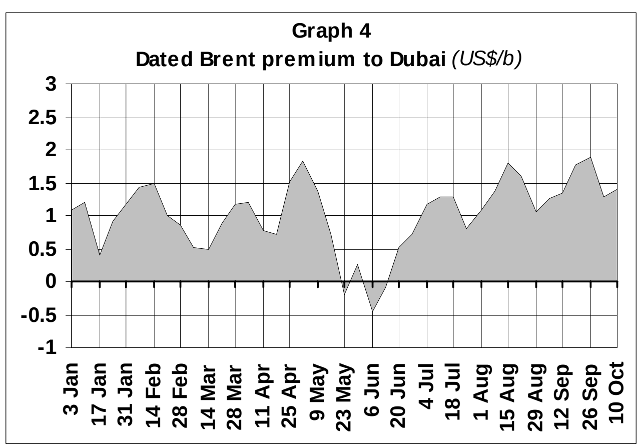
The front-month sweet West Texas Intermediate (WTI) crude contract reached a year-and-a-half high in September, underpinned by the continued threat of military action against Iraq, depleted crude oil stocks and OPEC's decision to keep production levels unchanged, combined with weather-related disruptions to oil operations in the US Gulf Coast. With crude stocks down by around 18 mb in September and the ever-present possibility of a confrontation, prompt WTI prices moved into backwardation from the contango seen in the first half of the month, when front-month WTI prices were discounted to forward prices. By the end of the month, the forward curve for WTI showed prompt month at a premium of nearly $6/b to that of a year ahead. Although not a completely true statement, one could argue that this premium captured most of the non-fundamental factors shaping actual crude prices. The relatively low WTI premium to dated Brent of $1/b, for the first part of the month, discouraged interest in Brent-related crudes heading west to the US Gulf Coast. Nonetheless, the situation reversed towards the end of the month, when the WTI/Brent spread widened to around $1.5/b, encouraging sellers of November West African and North Sea grades to offer their cargoes to the US East and Gulf Coasts. US refiners' loss of interest in Russian Urals was partially offset by European interest in the grade, on security of supply concern over the competing Iraqi crude, in the event of hostilities, and on buoyant refining margins. Good refining margins also encouraged European refiners to absorb 7 mb of West African October crude.



Concern over supply security downplayed weak fundamentals in Far East in September. Demand for fuel oil, distillates and naphtha helped support heavy and light sweet grades

Far East market

Sluggish demand and weak refining margins kept most grades under pressure in September. However, concern over a possible supply disruption in the event of an outbreak of hostilities in the Middle East, a natural supplier to the region, supported sentiment on Middle East grades in an otherwise bearish market. Earlier in the



month, a fuel oil price surge in Asia-Pacific kept heavy sweet grades relatively strong; nonetheless, as fuel oil prices eased, the grades came under pressure, ending month-long firm prices. A rebound in refining margins for distillate and naphtha-rich grades supported Australian and Malaysian light sweet grades. Brent's opening spread to the regional benchmark, Dubai, failed to stop the purchase of West African crudes by regional refiners, with at least 8 mb of crude committed to China, South Korea and Indonesia, as the issue of security of prompt supply overplayed the purely economic aspect. Nevertheless, in the latter part of September, after immediate supply concern had been met, the widening of the premium closed the flow of Atlantic Basin supplies into the Asia-Pacific region.

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

			Year-to-date average	
	Aug.02	**Sept.02**	2001	**2002**
Reference Basket	25.99	**27.38**	24.71	**23.48**
Arabian Light	25.63	**27.10**	24.49	23.74
Dubai	25.22	**26.72**	24.28	23.31
Bonny Light	26.94	**28.46**	26.16	24.38
Saharan Blend	26.87	**28.17**	26.43	24.05
Minas	25.92	**27.58**	25.96	23.90
Tia Juana Light	25.14	**26.31**	21.78	21.64
Isthmus	26.18	**27.33**	23.77	23.31
Other crudes				
Brent	26.68	**28.28**	26.15	24.31
WTI	28.41	**29.52**	27.82	25.29
Differentials				
WTI/Brent	1.73	1.24	1.67	0.98
Brent/Dubai	1.46	1.56	1.87	1.00

PRODUCT MARKETS AND REFINERY OPERATIONS

Product prices soared in September, reflecting the resurgence in crude oil prices and enjoying further support from several regional fundamental factors. Thus, the product-crude oil price differentials widened, improving refining margins, but this failed to push refinery throughput higher in the USA and Europe.

US Gulf market

Gasoline gained the least, while gasoil and fuel oil soared in US Gulf Coast in September. This supported refinery margins, but US refinery utilization rate fell to nearly 93%

Although gasoline demand was 3.3% above last year's corresponding period in September, it was 4.3% below August's level, according to the US Energy Information Administration's four-week moving average, which reflected the usual slowdown in demand at the end of the summer driving season. The fall in gasoline demand was largely offset by refiners' moves to maximise distillate production, instead of gasoline, which implied reducing supply. The gasoline price rose by $1.26/b, supported also by refinery glitches early in the month and stormy weather in the last part of the month. The tropical storm "Isidore", followed by another hurricane, "Lili", hit the US Gulf Coast late in September and lingered until early October, causing sharp rises in all product prices, on a combination of refinery run cuts, as precautionary measures, and the lack of availability of crude oil barges, due to high sea and winds. In addition to less availability, gasoil received strong support from the prevailing robust agricultural demand in the Midwest, that led to freezing the nomination of low sulphur diesel on the Explorer pipeline from the US Gulf during the first week of the month, for September delivery; hence gasoil rose by a significant $3.22/b. Higher refinery demand for high sulphur fuel oil (HSFO) as feedstock, instead of expensive crude oil, active arbitrage trading to the lucrative Far East market during the first half of the month, and then squeezed refinery supply and the lack of arrivals of foreign fuel oil cargoes, due to stormy weather, were the main reasons for the soaring $2.03/b increase in the HSFO price.

Product price rises moved at a faster pace than marker crude price increases and therefore supported refining margins, which barely shifted into positive territory in September.

The triple effect of the start of autumn refinery maintenance, discretionary run cuts and stormy weather led to another fall in US refinery throughput in September, of 280,000 b/d, with the equivalent utilization rate moving down to nearly 93%.

Rotterdam market

Large Brent price rise was underlying factor for product price increases in Rotterdam in September. Refining margins remained negative, with refinery utilization rate in Eur-16 almost flat, compared with previous month

Product prices maintained the previous month's uptrend in September, benefiting essentially from the strength of the Brent price, compared with other marker crudes. An average monthly increase of $1.50/b in the gasoline price, however, was less than the rise of $1.60/b for its counterpart Brent, hampered by subdued transatlantic arbitrage, despite some unplanned refinery outages that affected regional supply. Although Russian distillate exports rose in September, contrary to the previous two months, and large quantities of distillates moved from Asia to Europe, gasoil improved by a large $2.59/b, driven also by a resurgence in the jet fuel price during the first two weeks of the month, together with bullish US distillate markets. The HSFO market in Europe, despite the fact that its average monthly price soared by $2.35/b on prevailing exports to the Asian market, is expected to lose extensively throughout the year-end. European Union legislation will enforce the burning of only low sulphur fuel oil (LSFO) in electrical utilities in all its member countries, as of the beginning of next year. This removed the remaining regional demand for HSFO, which comes mostly from Greece and Portugal, which, in fact, issued the first tender for the purchase of LSFO, taking into consideration the fact that the other European utilities have either switched to natural gas or are already using LSFO.

Despite their moderate recovery, linked to the sharp rise in the distillate price, refining margins remained in negative territory in September, undermined by the soaring Brent price.

Refinery throughput in the Eur-16 (Europe + Norway) was almost unchanged from the previous month's level, at 11.72 mb/d. The corresponding utilization rate of 85.9%, however, was 1.4% below the previous year's level.

Product price gains were largely driven by crude oil price rises in Singapore in September; refining margins improved

Singapore market

All product prices displayed gains in September, reflecting the sharp rise in Dubai's price, but other factors were also at work. After four months of falling trends, gasoline surged by \$2.32/b; it was underpinned by a tightly supplied market, linked to a heavy reduction in gasoline exports from China, combined with a purchase from Indonesia, which was higher than in the previous month, when it exceeded 1 mb, and healthy demand from the Middle East. The distillate market continued to suffer from a supply glut, but this was alleviated by a number of price-supporting factors, including: first, a surge in the jet fuel price (owing to possible military operations in the Middle East; also, most importantly, kerosene, which represents the bulk of jet fuel, was in great demand to build winter stocks in some North Asian countries, prompting refiners to maximise its production at the expense of diesel); secondly, a lingering outflow of distillate product cargoes to other markets, particularly Europe; and, finally, increased buying from Indonesia, totalling 1.2 mb/d. All these factors combined to make gasoil soar by \$2.64/b. A continuous influx of foreign fuel oil cargoes, that extended to include, for the first time, ULCCs that were laden with Russian fuel oil, at a time of lower demand from China, due to price hikes, resulted in stock-builds in Singapore. Nonetheless, HSFO rose by \$1.25/b, driven by sizeable crude price rises, together with active buying by a local trader early in the month.

Strong gasoline and gasoil prices outpaced Dubai's price gains in September; thus, refining margins jumped into barely positive territory, after six months of negative values.

Refinery throughput in Japan increased by 70,000 b/d to 3.97 mb in August.

Table 2
Refined product prices
US \$/b

		Jul.02	Aug.02	**Sept.02**	**Change Sept./Aug.**
US Gulf					
Regular gasoline	*(unleaded)*	31.93	31.77	**33.03**	+1.26
Gasoil	*(0.2%S)*	27.68	28.77	**31.98**	+3.22
Fuel oil	*(3.0%S)*	21.87	22.78	**24.81**	+2.03
Rotterdam					
Premium gasoline	*(unleaded)*	30.77	31.14	**32.63**	+1.50
Gasoil	*(0.2%S)*	27.80	28.95	**31.54**	+2.59
Fuel oil	*(3.5%S)*	21.02	21.68	**24.02**	+2.35
Singapore					
Premium gasoline	*(unleaded)*	28.19	28.17	**30.49**	+2.32
Gasoil	*(0.5%S)*	28.19	28.79	**31.43**	+2.64
Fuel oil	*(380 cst)*	22.88	24.10	**25.34**	+1.25

Table 3
Refinery operations in selected OECD countries

	Refinery throughput *mb/d*			**Refinery utilization*** *%*		
	Jul.02	Aug.02	**Sept.02**	Jul.02	Aug.02	**Sept.02**
USA	15.75	15.67	**15.39**	95.1	94.6	**92.9**
France	1.70	1.65	**1.70**	89.4	86.9	**89.8**
Germany	2.18	2.20 R	**2.21**	96.4	97.5 R	**98.0**
Italy	1.81	1.69 R	**1.73**	79.4	74.3 R	**75.7**
UK	1.55	1.55 R	**1.56**	87.1	87.1 R	**87.3**
Eur-16	11.82 R	11.71 R	**11.72**	86.6 R	85.8 R	**85.9**
Japan	3.90	**3.97**	n.a.	81.4	**82.8**	n.a.

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

THE OIL FUTURES MARKET

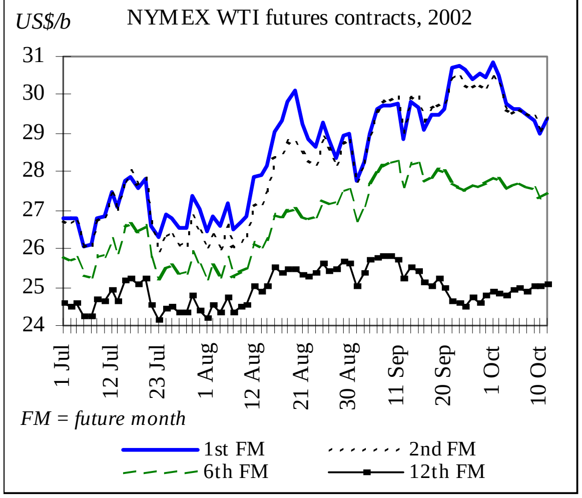
Ongoing tensions in Middle East in September, coupled with hurricane "Isidore", boosted so-called "war premium", and WTI rallied to 19-month high

During the first week of September, the WTI October front-month contract gained $1.83/b, despite a hefty drop in the first trading day of the month. The gain occurred on the back of a large decrease in US crude oil inventories and rising tensions in the Middle East, as conflict appeared imminent.

The following week's moderate gain of 56¢/b was mainly due to uncertainty regarding OPEC's production level for the fourth quarter and a further draw on US crude oil inventories. Prices experienced high volatility late that week, after the US President, George W. Bush, addressed the UN on the weapons inspection issue. The possibility of quick action by the USA regarding the issue was eliminated, resulting in the WTI price falling by nearly $1/b. However, prices regained the losses the next day, as the market reacted to Iraq's rejection of the unconditional terms for the return of the weapons inspectors, as well as to OPEC's assessment that high prices were not the result of a shortage of oil.

Graph 5

NYMEX WTI futures contracts, 2002

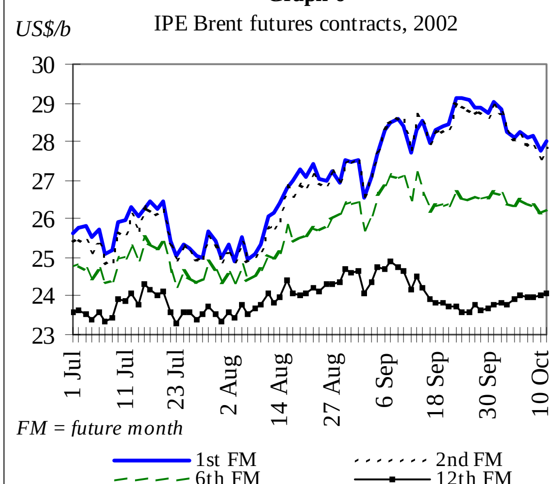


In the third week of the month, prices moved for a variety of reasons. Notably, on the bearish side, there was Iraq's acceptance of the unconditional return of the weapons inspectors, while, on the bullish side, there was a draw on US crude oil inventories.

During the closing week, the WTI futures October contract rallied and crossed the psychological level of $30/b, reaching $30.71/b. The ongoing tensions in the Middle East, coupled with the possibility of supply interruptions due to the tropical storm "Isidore" on the US Gulf Coast, triggered the rally; the decision by OPEC to keep its production level unchanged gave it further impetus.

Graph 6

IPE Brent futures contracts, 2002



Early in September, the front-month spread (Oct./Nov.) flattened its backwardation and dipped into contango, as banks sold the spread amid refinery turnarounds. Nonetheless, towards the end of the month, as November became the leading month, the front-month spread (Nov./Dec.) returned to a 26¢/b backwardation and remained at that level.

THE TANKER MARKET

OPEC area spot-chartering surged by 4.23 mb/d in September

OPEC area spot-chartering regained all the previous month's losses in September, rising by a remarkable 4.23 mb/d to a monthly average of 14.09 mb/d. The combination of high seasonal demand and increased concern over a possible supply disruption, in the wake of an escalation of tensions in the Middle East, were cited as the main factors behind this increase. Compared with September 2001, the current level of OPEC fixtures showed a surplus of 1.88 mb/d, or was about 15% higher. Meanwhile, although non-OPEC spot-chartering rose noticeably by 1.02 mb/d to a monthly average of 11.01 mb/d, its market share edged 6.46 percentage points lower to 43.86%. Consequently, global spot fixtures surged by a significant 5.25 mb/d to a monthly average of 25.09 mb/d, the highest level since March 2001, and 5.53 mb/d higher than in the same month last year. OPEC area's share of global spot-chartering improved in September by a significant 6.45 percentage points to 56.14%; however, this was 6.28 percentage points below the previous year's figure, due to the increase in non-OPEC spot-chartering. Spot fixtures from the Middle East on the eastbound and westbound long-haul routes rose by 0.94 mb/d to 4.92 mb/d and by 1.28 mb/d to 2.09 mb/d, respectively. However, OPEC's Middle East eastbound share of total fixtures declined significantly, by 5.37 percentage points to 34.96%, while the share of westbound chartering surged by 6.66 percentage points to 14.87%, due to increased demand in the western markets. Together, they accounted for 49.83% of total chartering in the OPEC area, which was 1.29 percentage points above the previous month's level. According to preliminary estimates, sailings from the OPEC area continued to improve, rising by 1.69 mb/d to a monthly average of 23.67 mb/d. Sailings from the Middle East also edged higher, by 1.64 mb/d to a monthly average of 16.39 mb/d, about 69% of total OPEC sailings. Additionally, preliminary estimates of arrivals in the US Gulf Coast, the US East Coast and the Caribbean reversed the previous month's trend, improving by 0.92 mb/d to a monthly average of 8.09 mb/d. Arrivals in North-West Europe and Euromed also increased, by 0.82 mb/d to 5.82 mb/d and by 0.99 mb/d to 5.84 mb/d, respectively. Estimated oil-at-sea on 22 September was 448 mb, which was 12 mb above the level observed at the end of the previous month.

VLCC freight rates rose in September, on increased fixtures from Middle East

The crude tanker markets ended mixed in September, in tandem with regional fundamentals. In the Middle East, the VLCC market started to be active in the second half of the month, on concern over possible supply disruptions, as the tensions between the USA, the UN and Iraq were intensified, with the possibility of US military action against Iraq. As a result, charterers rushed to fix more crude cargoes from the Middle East in the spot tanker market, as precautionary stockpiling. Tanker-owners, therefore, were able to stop the decline in freight rates and push them up to slightly tighter positions for charterers who required modern tonnage. The monthly average spot freight rates for VLCC cargoes from the Middle East on eastbound and westbound long-haul routes edged four points higher to WS38 and three points higher to WS36 respectively. The Suezmax market on the route across the Atlantic remained generally quiet. However, thin VLCC availability on the transatlantic route at the end of September intensified market activity on the route from West Africa to the US Gulf Coast, and the rates edged up two points to WS70. On the other hand, freight rates for Suezmax vessels, operating along the route from North-West Europe to US destinations, softened by two points to WS67, on the back of excess prompt tonnage availability, as most business was fixed off the market. Freight rates for Aframax tankers trading on short-haul routes retreated further in September, amid fewer enquiries. In the Caribbean, freight rates for crude cargoes to US destinations plummeted by 19 points to WS104, due to weather problems on the US coasts. Meanwhile, on the route across the Mediterranean, freight rates continued to slide on lower activity, decreasing by a further 11 points to WS112. Freight rates for 70–100,000 dwt tankers, on the route from Indonesia to the US West Coast, eased by three points to WS94, while, on the route from the Mediterranean to North-West Europe, they rose by 15 points to WS102.

Clean tanker freight rates ended mixed in September

The product tanker market continued to maintain the previous month's mixed trends in September. Large-range (LR1) clean tonnage in the Middle East market remained in demand for Far East cargoes, and, therefore, freight rates continued to climb, gaining another two points to reach a monthly average of WS184. Furthermore, medium-range (MR) product tankers in the Singapore market remained active, with more fixture volumes, and freight rates to Far East destinations rose by another four points to WS218. On the bearish side, the monthly average freight rates for clean cargoes from Rotterdam to the US East Coast plunged by 12 points to WS148, while, in the Caribbean, freight rates retreated by 15 points to WS147 for voyages to the US Gulf Coast, undermined by stormy weather. In the Mediterranean, the product tanker market weakened further, and freight rates extended the previous month's losses, decreasing by eight points to WS152 on the route across the Mediterranean and remaining at WS172 on the route from the Mediterranean to North-West Europe.

Table 4
Spot tanker chartering — sailings and arrivals
mb/d

	Jul.02	Aug.02	**Sept.02**	**Change Sept./Aug.**
Chartering				
All areas	22.94	19.84	**25.09**	+5.25
OPEC	11.99	9.86	**14.09**	+4.23
Middle East/east	4.34	3.98	**4.92**	+0.94
Middle East/west	1.39	0.81	**2.09**	+1.28
Sailings				
OPEC	21.70	21.98	**23.67**	+1.69
Middle East	14.47	14.75	**16.39**	+1.64
Arrivals				
US Gulf Coast, US East Coast, Caribbean	7.37	7.17	**8.09**	+0.92
North-West Europe	5.79	5.00	**5.82**	+0.82
Euromed	5.15	4.85	**5.84**	+0.99

Source: Oil Movements.

Table 5
Spot tanker freight rates
Worldscale

	Size *1,000 DWT*	Jul.02	Aug.02	**Sept.02**	**Change Sept./Aug.**
Crude					
Middle East/east	200–300	44	34	**38**	+4
Middle East/west	200–300	36	33	**36**	+3
West Africa/US Gulf	100–160	70	68	**70**	+2
North-West Europe/US East Coast	100–160	70	69	**67**	–2
Indonesia/US West Coast	70–100	91	97	**94**	–3
Caribbean/US East Coast	40–70	127	123	**104**	–19
Mediterranean/Mediterranean	40–70	134	123	**112**	–11
Mediterranean/North-West Europe	70–100	98	87	**102**	+15
Products					
Middle East/east	30–50	173	182	**184**	+2
Singapore/east	25–30	191	214	**218**	+4
Caribbean/US Gulf Coast	25–30	174	162	**147**	–15
North-West Europe/US East Coast	25–30	180	160	**148**	–12
Mediterranean/Mediterranean	25–30	164	160	**152**	–8
Mediterranean/North-West Europe	25–30	197	172	**172**	0

Source: Galbraith's Weekly Tanker Market Report.

WORLD OIL DEMAND

World oil demand for 2001 revised up by 0.30 mb/d to 76.32 mb

Historical data

Due to adjustments to historical data, average world oil demand for 2001 has been revised up by 0.30 mb/d to 76.32 mb/d, since the previous *MOMR*. According to the latest available figures, world oil consumption during 2001 rose by 0.35 mb/d, or 0.46%. Demand in the FSU grew by a remarkable 0.17 mb/d, or 4.53%. While developing countries also experienced healthy demand growth of 0.27 mb/d, or 1.39%, the OECD witnessed a minor decline of 0.07 mb/d, or 0.14%. On a quarterly basis, world demand in 2001 enjoyed healthy growth of 1.05 mb/d, or 1.38%, and 0.93 mb/d, or 1.25%, in the first and second quarters, respectively. The third and fourth quarters, however, experienced declines of 0.10 mb/d, or 0.14%, and 0.45 mb/d, or 0.58%, respectively, due to the worldwide economic slowdown, the effects of which were accelerated by the tragic events of 11 September. The resulting quarterly averages were 77.10 mb/d, 75.20 mb/d, 76.02 mb/d, and 76.97 mb/d, respectively.

Projections for 2002

World oil demand for 2002 revised up by 0.26 mb/d to 76.46 mb/d

World

For the present year, the projected volume of world oil demand has been revised up to an average of 76.46 mb/d, compared with the previously projected 76.20 mb/d; this is mainly due to upward revisions to historical data and to the actual first- and second-quarter consumption figures. The 2002 world demand increment, however, is now estimated at 0.14 mb/d, or 0.18%, which is lower than the 0.18 mb/d, or 0.23%, presented in the last *MOMR*. Quarterly and regional details are given in Table 6.

Table 6
World oil demand in 2002
mb/d

							Change 2002/01	
	2001	1Q02	2Q02	3Q02	4Q02	**2002**	Volume	%
North America	23.85	23.69	23.78	24.15	24.01	23.91	0.06	0.23
Western Europe	15.27	15.17	14.67	15.32	15.78	15.24	–0.03	–0.22
OECD Pacific	8.55	9.08	7.66	8.02	8.86	8.40	–0.15	–1.73
Total OECD	**47.68**	**47.94**	**46.11**	**47.49**	**48.65**	**47.55**	**–0.13**	**–0.27**
Other Asia	7.30	7.40	7.36	7.21	7.59	7.39	0.09	1.23
Latin America	4.73	4.55	4.66	4.83	4.66	4.68	–0.06	–1.18
Middle East	4.83	4.87	4.77	5.04	4.95	4.91	0.07	1.51
Africa	2.44	2.49	2.45	2.42	2.46	2.45	0.02	0.62
Total DCs	**19.31**	**19.30**	**19.24**	**19.50**	**19.66**	**19.43**	**0.12**	**0.63**
FSU	3.93	3.92	3.49	3.84	4.25	3.88	–0.06	–1.51
Other Europe	0.72	0.77	0.73	0.68	0.73	0.73	0.01	1.46
China	4.69	4.74	5.10	4.89	4.77	4.88	0.19	4.05
Total "other regions"	**9.34**	**9.43**	**9.32**	**9.41**	**9.76**	**9.48**	**0.14**	**1.51**
Total world	**76.32**	**76.67**	**74.68**	**76.41**	**78.06**	**76.46**	**0.14**	**0.18**
Previous estimate	76.02	76.42	74.49	76.04	77.84	76.20	0.18	0.23
Revision	0.30	0.26	0.19	0.36	0.22	0.26	–0.04	–0.05

Totals may not add, due to independent rounding.

OECD

Based on estimates of actual first-quarter consumption, the OECD was solely responsible for the fall in world consumption, with a substantial 0.87 mb/d decline, partly offset by the 0.15 mb/d and 0.30 mb/d rises in demand in the developing countries and the former CPEs. Within the OECD, the highest drop, of 3.56%, was experienced by the OECD Pacific, followed by 2.03% in North America and a minor 0.30% in Western Europe. See Table 7 for details.

Data on actual consumption in the second quarter also points to a drop, of 0.34 mb/d, or 0.73%, in OECD consumption, due to a steep decline in OECD Pacific demand of 0.31 mb/d, combined with a moderate 0.11 mb/d drop in Western Europe's consumption, but partly offset by a slight rise of 0.08 mb/d in demand in North America.

Actual data on OECD consumption during January–July 2002 indicates a 0.52 mb/d, or 1.09%, decline, compared with the corresponding period in 2001. All three regions within the OECD shared the experience, with the OECD Pacific leading, with a significant fall of 0.27 mb/d, or 3.15%. North America and Western Europe followed, with decreases of 0.20 mb/d, or 0.84%, and 0.05 mb/d, or 0.31%, respectively. Except for gasoline and kerosene, all petroleum products, and even refinery own-use, witnessed consumption declines in the OECD Pacific.

On a product basis, the period January–July continued to see significantly weaker (–7.63%) aviation fuel consumption, compared with the similar period last year, as subdued air travel persisted. Residual fuel oil consumption was also lower, by 13.41%, mostly due to a shift back to natural gas consumption, as the price of the latter moderated. Liquefied petroleum gas and gasoline consumption, however, enjoyed positive growth of 7.50% and 2.72%, respectively, mostly due to substantial rises in consumption in North America, helped by relatively low natural gas prices and robust growth in automobile use.

DCs

Oil demand for developing countries is expected to grow by 0.12 mb/d, or 0.63%, to 19.43 mb/d in 2002. The demand outlook for Latin America continues to be weaker than in 2001, due to persistent economic and financial problems. "Other Asia" is anticipated to enjoy the highest volume growth of 0.09 mb/d, followed by the Middle East and Africa, with 0.07 mb/d and 0.02 mb/d, respectively.

Other regions

Apparent demand in the "other regions" group of countries is expected to rise by 0.14 mb/d, almost entirely due to a promising demand outlook for China. In the FSU, demand is estimated to grow by 0.12 mb/d in the third quarter. The other three quarters are anticipated to experience demand declines, in comparison with the corresponding quarters of 2001. The overall yearly average is expected to drop by 0.06 mb/d, or 1.51%. In contrast, Chinese demand is anticipated to undergo healthy growth in every quarter of the current year, leading to average annual growth of 0.19 mb/d, or 4.05%.

Table 7
First- and second-quarter world oil demand comparison for 2002
mb/d

	1Q01	1Q02	Change 2002/01 Volume	Change 2002/01 %	2Q01	2Q02	Change 2002/01 Volume	Change 2002/01 %
North America	24.19	23.69	–0.49	–2.03	23.70	23.78	0.08	0.34
Western Europe	15.21	15.17	–0.05	–0.30	14.78	14.67	–0.11	–0.72
OECD Pacific	9.42	9.08	–0.33	–3.56	7.98	7.66	–0.31	–3.91
Total OECD	**48.82**	**47.94**	**–0.87**	**–1.79**	**46.45**	**46.11**	**–0.34**	**–0.73**
Other Asia	7.32	7.40	0.08	1.03	7.30	7.36	0.06	0.88
Latin America	4.68	4.55	–0.13	–2.81	4.78	4.66	–0.11	–2.40
Middle East	4.68	4.87	0.18	3.92	4.75	4.77	0.02	0.42
Africa	2.47	2.49	0.02	0.82	2.43	2.45	0.02	0.95
Total DCs	**19.16**	**19.30**	**0.15**	**0.77**	**19.25**	**19.24**	**–0.01**	**–0.04**
FSU	3.95	3.92	–0.03	–0.80	3.75	3.49	–0.26	–6.96
Other Europe	0.76	0.77	0.01	0.79	0.72	0.73	0.01	1.11
China	4.41	4.74	0.33	7.37	5.02	5.10	0.08	1.59
Total "other regions"	**9.13**	**9.43**	**0.30**	**3.28**	**9.50**	**9.32**	**–0.17**	**–1.83**
Total world	**77.10**	**76.67**	**–0.42**	**–0.55**	**75.20**	**74.68**	**–0.52**	**–0.69**

Totals may not add, due to independent rounding.

Table 8
Third- and fourth-quarter world oil demand comparison for 2002
mb/d

	3Q01	3Q02	Change 2002/01 Volume	Change 2002/01 %	4Q01	4Q02	Change 2002/01 Volume	Change 2002/01 %
North America	23.93	24.15	0.22	0.92	23.61	24.01	0.40	1.70
Western Europe	15.50	15.32	–0.18	–1.15	15.58	15.78	0.19	1.25
OECD Pacific	8.04	8.02	–0.02	–0.31	8.79	8.86	0.07	0.83
Total OECD	**47.48**	**47.49**	**0.02**	**0.03**	**47.98**	**48.65**	**0.67**	**1.39**
	0.00							
Other Asia	7.21	7.21	0.01	0.11	7.38	7.59	0.21	2.85
Latin America	4.83	4.83	0.00	0.08	4.64	4.66	0.02	0.38
Middle East	4.99	5.04	0.05	0.94	4.91	4.95	0.04	0.88
Africa	2.41	2.42	0.01	0.39	2.45	2.46	0.01	0.30
Total DCs	**19.43**	**19.50**	**0.07**	**0.35**	**19.38**	**19.66**	**0.28**	**1.44**
FSU	3.72	3.84	0.12	3.16	4.31	4.25	–0.06	–1.50
Other Europe	0.67	0.68	0.01	2.08	0.72	0.73	0.01	1.93
China	4.72	4.89	0.16	3.49	4.58	4.77	0.19	4.19
Total "other regions"	**9.11**	**9.41**	**0.30**	**3.25**	**9.62**	**9.76**	**0.14**	**1.46**
Total world	**76.02**	**76.41**	**0.38**	**0.50**	**76.97**	**78.06**	**1.09**	**1.41**

Totals may not add, due to independent rounding.

Forecast for 2003

World oil demand for 2003 projected at 77.22 mb, revised up by 0.21 mb/d

Our demand forecast for 2003 has been adjusted up to 77.22 mb/d, versus 77.01 mb/d reported in the previous *MOMR*. The increment, however, has been revised down slightly to 0.76 mb/d, which is equivalent to 1.00%, from the previous 0.80 mb/d, equivalent to 1.06%. Further adjustments are expected as more information becomes available on major factors, such as economic growth outlook, prices and the weather. Regional and quarterly breakdowns of demand forecasts are given in Table 9.

All three major consuming groups are forecast to experience stronger demand. The OECD's growth in volume is expected to be the highest, at 0.28 mb/d. The remaining 0.48 mb/d out of the 0.76 mb/d world growth will be nearly equally shared by developing countries (0.23 mb/d) and the former CPEs (0.25 mb/d).

Table 9
World oil demand forecast for 2003
mb/d

	2002	1Q03	2Q03	3Q03	4Q03	2003	Change 2003/02 Volume	Change 2003/02 %
North America	23.91	23.95	23.81	24.17	24.35	24.07	0.16	0.68
Western Europe	15.24	15.31	14.70	15.28	15.87	15.29	0.05	0.35
OECD Pacific	8.40	9.19	7.59	8.00	9.09	8.47	0.06	0.74
Total OECD	**47.55**	**48.45**	**46.11**	**47.45**	**49.30**	**47.83**	**0.28**	**0.59**
Other Asia	7.39	7.54	7.46	7.30	7.66	7.49	0.10	1.36
Latin America	4.68	4.53	4.62	4.85	4.72	4.68	0.01	0.14
Middle East	4.91	4.99	4.90	5.12	5.02	5.01	0.10	2.03
Africa	2.45	2.51	2.49	2.44	2.48	2.48	0.03	1.09
Total DCs	**19.43**	**19.58**	**19.46**	**19.71**	**19.89**	**19.66**	**0.23**	**1.20**
FSU	3.88	4.02	3.68	3.89	4.18	3.94	0.07	1.78
Other Europe	0.73	0.76	0.73	0.70	0.75	0.74	0.01	1.46
China	4.88	4.94	5.23	5.07	4.95	5.05	0.17	3.50
Total "other regions"	**9.48**	**9.73**	**9.64**	**9.66**	**9.88**	**9.73**	**0.25**	**2.64**
Total world	**76.46**	**77.76**	**75.22**	**76.82**	**79.07**	**77.22**	**0.76**	**1.00**
Previous estimate	76.20	77.54	75.07	76.50	78.90	77.01	0.80	1.06
Revision	0.26	0.22	0.14	0.32	0.18	0.21	–0.04	–0.06

Totals may not add, due to independent rounding.

All four quarters are forecast to register gains in consumption over the corresponding periods of 2002. A remarkable 1.08 mb/d level of growth is expected to mark the first quarter; this will be the highest rise of the year. The next highest will occur in the fourth quarter, with a significant 1.01 mb/d gain. The second and third quarters are expected to see growth of 0.54 mb/d and 0.42 mb/d respectively. Further details are shown in Tables 10 and 11.

Table 10
First- and second-quarter world oil demand comparison for 2003
mb/d

	1Q02	1Q03	Change 2003/02 Volume	Change 2003/02 %	2Q02	2Q03	Change 2003/02 Volume	Change 2003/02 %
North America	23.69	23.95	0.25	1.07	23.78	23.81	0.04	0.15
Western Europe	15.17	15.31	0.14	0.94	14.67	14.70	0.03	0.23
OECD Pacific	9.08	9.19	0.11	1.18	7.66	7.59	–0.07	–0.91
Total OECD	**47.94**	**48.45**	**0.50**	**1.05**	**46.11**	**46.11**	**0.00**	**0.00**
Other Asia	7.40	7.54	0.15	1.96	7.36	7.46	0.10	1.35
Latin America	4.55	4.53	–0.02	–0.41	4.66	4.62	–0.04	–0.94
Middle East	4.87	4.99	0.12	2.50	4.77	4.90	0.13	2.73
Africa	2.49	2.51	0.03	1.06	2.45	2.49	0.04	1.45
Total DCs	**19.30**	**19.58**	**0.27**	**1.42**	**19.24**	**19.46**	**0.22**	**1.15**
FSU	3.92	4.02	0.11	2.69	3.49	3.68	0.19	5.41
Other Europe	0.77	0.76	–0.01	–0.72	0.73	0.73	0.00	0.35
China	4.74	4.94	0.21	4.34	5.10	5.23	0.13	2.50
Total "other regions"	**9.43**	**9.73**	**0.31**	**3.24**	**9.32**	**9.64**	**0.32**	**3.42**
Total world	**76.67**	**77.76**	**1.08**	**1.41**	**74.68**	**75.22**	**0.54**	**0.72**

Totals may not add, due to independent rounding.

Table 11
Third- and fourth-quarter world oil demand comparison for 2003
mb/d

	3Q02	3Q03	Change 2003/02 Volume	Change 2003/02 %	4Q02	4Q03	Change 2003/02 Volume	Change 2003/02 %
North America	24.15	24.17	0.02	0.10	24.01	24.35	0.34	1.40
Western Europe	15.32	15.28	–0.05	–0.31	15.78	15.87	0.09	0.56
OECD Pacific	8.02	8.00	–0.02	–0.23	8.86	9.09	0.23	2.59
Total OECD	**47.49**	**47.45**	**–0.04**	**–0.09**	**48.65**	**49.30**	**0.65**	**1.35**
Other Asia	7.21	7.30	0.09	1.22	7.59	7.66	0.07	0.93
Latin America	4.83	4.85	0.02	0.43	4.66	4.72	0.07	1.42
Middle East	5.04	5.12	0.08	1.52	4.95	5.02	0.07	1.43
Africa	2.42	2.44	0.02	0.93	2.46	2.48	0.02	0.93
Total DCs	**19.50**	**19.71**	**0.21**	**1.06**	**19.66**	**19.89**	**0.23**	**1.17**
FSU	3.84	3.89	0.05	1.30	4.25	4.18	–0.07	–1.53
Other Europe	0.68	0.70	0.02	3.59	0.73	0.75	0.02	2.82
China	4.89	5.07	0.18	3.64	4.77	4.95	0.17	3.59
Total "other regions"	**9.41**	**9.66**	**0.25**	**2.68**	**9.76**	**9.88**	**0.13**	**1.30**
Total world	**76.41**	**76.82**	**0.42**	**0.55**	**78.06**	**79.07**	**1.01**	**1.30**

Totals may not add, due to independent rounding.

WORLD OIL SUPPLY

2002 non-OPEC supply figure revised down to 47.96 mb/d — increase of 1.48 mb/d over 2001

Non-OPEC

Forecast for 2002

The 2002 non-OPEC supply figure has been revised down by 0.01 mb/d since the last *MOMR*, to 47.96 mb/d. The third-quarter figure has been revised down considerably, by 0.12 mb/d to 47.80 mb/d, while the other three quarters have witnessed minor upward adjustments of 0.03 mb/d to 47.67 mb/d, 0.01 mb/d to 47.96 mb/d and 0.03 mb/d to 48.39 mb/d respectively. The yearly average increase is estimated at 1.48 mb/d, compared with the 2001 figure.

Table 12
Non-OPEC oil supply in 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	**2002**	**Change 02/01**
North America	14.36	14.61	14.64	14.52	14.46	14.56	0.20
Western Europe	6.70	6.76	6.75	6.43	6.97	6.73	0.03
OECD Pacific	0.77	0.76	0.77	0.78	0.70	0.75	–0.02
Total OECD	**21.82**	**22.13**	**22.16**	**21.73**	**22.13**	**22.04**	**0.22**
Other Asia	2.28	2.35	2.36	2.37	2.43	2.38	0.10
Latin America	3.75	3.92	3.93	3.90	3.95	3.92	0.17
Middle East	2.13	2.09	2.06	2.03	2.05	2.05	–0.08
Africa	2.80	3.02	3.03	2.99	3.09	3.03	0.23
Total DCs	**10.96**	**11.38**	**11.38**	**11.29**	**11.51**	**11.39**	**0.43**
FSU	8.53	8.92	9.15	9.46	9.49	9.26	0.73
Other Europe	0.18	0.18	0.18	0.17	0.17	0.18	0.00
China	3.30	3.35	3.37	3.43	3.36	3.38	0.08
Total "Other regions"	**12.00**	**12.45**	**12.71**	**13.07**	**13.02**	**12.81**	**0.81**
Total non-OPEC production	**44.79**	**45.95**	**46.24**	**46.08**	**46.67**	**46.24**	**1.45**
Processing gains	1.69	1.72	1.72	1.72	1.72	1.72	0.03
Total non-OPEC supply	**46.48**	**47.67**	**47.96**	**47.80**	**48.39**	**47.96**	**1.48**
Previous estimate	46.48	47.64	47.95	47.92	48.36	47.97	1.50
Revision	**0.00**	**0.03**	**0.01**	**–0.12**	**0.03**	**–0.01**	**–0.01**

Totals may not add, due to independent rounding.

Expectations for 2003

2003 non-OPEC supply forecast at 48.78 mb/d, 0.82 mb/d above 2002

Non-OPEC supply is forecast to rise by 0.82 mb/d in 2003. The major contributors to the rise are expected to be North America and the FSU. The quarterly distribution is 48.48 mb/d, 48.78 mb/d, 48.63 mb/d and 49.23 mb/d respectively, resulting in a yearly average of 48.78 mb/d.

Table 13
Non-OPEC oil supply in 2003
mb/d

	2002	1Q03	2Q03	3Q03	4Q03	2003	Change 03/02
North America	14.56	14.79	14.82	14.70	14.65	14.74	0.18
Western Europe	6.73	6.80	6.79	6.46	7.02	6.77	0.04
OECD Pacific	0.75	0.76	0.77	0.78	0.70	0.75	0.00
Total OECD	**22.04**	**22.35**	**22.38**	**21.95**	**22.36**	**22.26**	**0.22**
Other Asia	2.38	2.39	2.40	2.41	2.47	2.42	0.04
Latin America	3.92	3.97	3.98	3.95	4.00	3.97	0.05
Middle East	2.05	2.09	2.06	2.03	2.05	2.05	0.00
Africa	3.03	3.09	3.11	3.07	3.17	3.11	0.08
Total DCs	**11.39**	**11.54**	**11.55**	**11.46**	**11.69**	**11.56**	**0.17**
FSU	9.26	9.31	9.55	9.87	9.90	9.66	0.40
Other Europe	0.18	0.18	0.18	0.17	0.17	0.18	0.00
China	3.38	3.35	3.37	3.43	3.36	3.38	0.00
Total "Other regions"	**12.81**	**12.83**	**13.10**	**13.47**	**13.43**	**13.21**	**0.40**
Total non-OPEC production	**46.24**	**46.73**	**47.03**	**46.88**	**47.48**	**47.03**	**0.79**
Processing gains	1.72	1.75	1.75	1.75	1.75	1.75	0.03
Total non-OPEC supply	**47.96**	**48.48**	**48.78**	**48.63**	**49.23**	**48.78**	**0.82**
Previous estimate	47.97	48.55	48.87	48.84	49.30	48.89	0.92
Revision	**–0.01**	**–0.07**	**–0.09**	**–0.22**	**–0.07**	**–0.11**	**–0.10**

Totals may not add, due to independent rounding.

FSU net oil export forecasts revised up for 2002 and 2003

The FSU's net oil export estimates for 1999–2001 remain unchanged from the last *MOMR*. Minor upward revisions have been made to the 2002 and 2003 forecasts, which are now 5.38 mb/d and 5.71 mb/d respectively.

Table 14
FSU net oil exports
mb/d

	1Q	2Q	3Q	4Q	Year
1999	3.12	3.62	3.52	3.49	**3.44**
2000	3.97	4.13	4.47	4.01	**4.14**
2001	4.30	4.71	4.89	4.47	**4.59**
2002 (forecast)	5.00	5.66	5.62	5.24	**5.38**
2003 (forecast)	5.28	5.87	5.98	5.72	**5.71**

OPEC natural gas liquids

2003 OPEC NGL expected at 3.70 mb/d

The OPEC NGL figures for 2001–03 have been revised up to 3.58 mb/d, 3.67 mb/d and 3.70 mb/d, respectively, compared with the last *MOMR*. All the revisions are due to the introduction of recent NGL and condensates data in releases from some Member Countries.

OPEC NGL production — 1998–2002
mb/d

1999	2000	2001	1Q02	2Q02	3Q02	4Q02	2002	Change 02/01	2003	Change 03/02
3.16	**3.34**	**3.58**	3.64	3.64	3.67	3.74	**3.67**	0.09	**3.70**	0.03

Available secondary sources put OPEC's September production at 26.00 mb/d

OPEC crude oil production

Available secondary sources indicate that, in September, OPEC output was 26.00 mb/d, which was 0.80 mb/d higher than the August level of 25.20 mb/d. Table 15 shows OPEC production, as reported by selected secondary sources.

Table 15
OPEC crude oil production, based on secondary sources
1,000 b/d

	2000	2001	2Q02	Aug.02*	**Sept.02***	3Q02*	Sept.–Aug.
Algeria	808	820	829	877	**973**	901	96
Indonesia	1,278	1,214	1,128	1,119	**1,120**	1,116	1
IR Iran	3,671	3,665	3,360	3,406	**3,390**	3,414	–16
Iraq	2,552	2,383	1,511	1,577	**1,922**	1,762	345
Kuwait	2,100	2,030	1,878	1,913	**1,949**	1,923	36
SP Libyan AJ	1,405	1,361	1,309	1,318	**1,345**	1,330	27
Nigeria	2,031	2,097	1,932	1,959	**2,004**	1,963	45
Qatar	698	683	632	651	**670**	654	19
Saudi Arabia	8,272	7,944	7,388	7,598	**7,764**	7,634	166
UAE	2,251	2,163	1,967	1,995	**2,003**	1,994	8
Venezuela	2,897	2,831	2,630	2,785	**2,862**	2,790	77
Total OPEC	**27,963**	**27,192**	**24,566**	**25,198**	**26,001**	**25,479**	**803**

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

RIG COUNT

Non-OPEC rig count down by 32 in September

Non-OPEC

Rig activity was higher in September. North America, the major contributor, saw an increase of 27 rigs, compared with August. In Canada, the rig count rose by 15 to 250. Also, the USA witnessed an increase of 12 to 860 rigs, while Mexico's activity was unchanged at 65 rigs. Western Europe witnessed a minor increase of two rigs to 78 rigs.

Table 16
Non-OPEC rig count in 2002

	2000	**2001**	**Change 02/01**	**Aug.02**	**Sept.02**	**Change Sept.–Aug.**
North America	1,305	1,552	247	1,148	**1,175**	27
Western Europe	125	95	–30	76	**78**	2
OECD Pacific	17	20	3	17	**14**	–3
OECD	**1,447**	**1667**	**220**	**1,241**	**1,267**	**26**
Other Asia	83	95	12	116	**116**	0
Latin America	120	141	20	103	**105**	2
Middle East	45	50	5	63	**65**	2
Africa	34	36	2	44	**46**	2
DCs	**282**	**321**	**40**	**326**	**332**	**6**
FSU	n.a.	n.a.	n.a.	n.a.	**n.a.**	n.a.
Other Europe	3	3	0	2	**2**	0
China	n.a.	n.a.	n.a.	n.a.	**n.a.**	n.a.
Other regions	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**
Total non-OPEC	**1,732**	**1,991**	**260**	**1,569**	**1,601**	**32**

Totals may not add, due to independent rounding.
n.a. Not available.
Source: Baker Hughes International.

OPEC rig count up in September

OPEC

OPEC's rig count rose by one to 226, compared with August. Most of the changes came from Algeria, where the count increased by three rigs to 21.

Table 17
OPEC rig count

	2000	2001	Change 02/01	Aug.02	Sept.02	Change Sept.–Aug.
Algeria	15	20	5	18	**21**	3
Indonesia	32	41	9	44	**45**	1
IR Iran	27	30	3	34	**34**	0
Iraq	0	0	0	n.a.	**n.a.**	n.a.
Kuwait	12	9	–3	7	**6**	–1
SP Libyan AJ	7	5	–2	10	**10**	0
Nigeria	8	12	4	13	**13**	0
Qatar	6	9	3	12	**11**	–1
Saudi Arabia	25	30	5	33	**33**	0
UAE	13	15	3	16	**16**	0
Venezuela	63	67	5	38	**37**	–1
Total OPEC	**206**	**238**	**32**	**225**	**226**	**1**

Totals may not add, due to independent rounding.
n.a. Not available
Source: Baker Hughes International.

STOCK MOVEMENTS

Massive 28.0 mb draw on crude oil stocks resulted in sharp 0.74 mb decrease in total core oil stocks in USA in September

USA

A further contra-seasonal draw on US commercial onland oil stocks during the period 30 August – 4 October intensified the year-on-year deficit to 51.8 mb, or 5%. A sharp draw on crude oil stocks pushed US total core oil stocks down by a large 25.1 mb, or a rate of 0.74 mb, to 982.1 mb. Amid interrupted crude oil production, due to two heavy tropical storms (Isidore and Lili), which hammered the US Gulf of Mexico and shut-in production of up to 20 mb in the last two weeks of September, crude oil fell by a massive 28.0 mb to 270.5 mb, a level not seen since 1976; this was 39.2 mb less than the level of a year earlier. Distillates also contributed to the overall decrease, declining by a marginal 2.2 mb to 127.4 mb, bringing the year-on-year surplus to just above its level of last year. Other major products showed minor builds, except gasoline, which remained unchanged from the previous level.

During the same period, the Strategic Petroleum Reserve (SPR) continued to receive more volumes, under the US Administration's policy of filling it to its capacity of 700 mb. Therefore, it rose by 5.3 mb to 586.2 mb.

Table 18
US onland commercial petroleum stocks*
mb

	28 Jun.02	30 Aug.02	4 Oct.02	Change Sept./Aug.	4 Oct.01	11 Oct.02**
Crude oil (excl. SPR)	321.2	298.5	**270.5**	**–28.0**	309.7	**279.4**
Gasoline	216.4	205.3	205.3	0.0	206.1	199.0
Distillate fuel	128.3	129.6	127.4	–2.2	127.2	125.4
Residual fuel oil	34.6	32.1	33.6	1.5	37.3	33.3
Jet fuel	40.3	38.9	40.6	1.7	42.6	39.7
Unfinished oils	89.9	84.7	83.5	–1.2	93.0	84.0
Other oils	200.7	218.1	221.3	3.2	218.2	218.9
Total	1,031.4	1,007.2	**982.1**	**–25.1**	1,033.9	**979.8**
SPR	575.4	580.9	586.2	5.3	544.8	587.7

* *At end of month, unless otherwise stated.*
** *Latest available data, at time of report's release.*
Source: US Department of Energy's Energy Information Administration.

Western Europe

Moderate unseasonable draw of 0.38 mb/d in Eur-16 in September

Commercial onland oil stocks in Eur-16 (EU plus Norway) showed a moderate unseasonable draw of 11.5 mb, or a rate of 0.38 mb/d, to stand at 1,055.0 mb in September. This decrease was largely confined to a significant draw on total major products, particularly distillates, while other major products declined marginally; the overall level was still 12 mb above that of a year ago. The sharp draw on distillates was attributed mainly to healthy demand for jet fuel, as well as the selling-off of summer grade distillates, in order to fill tanks with winter grade material. Distillates were 21.2 mb higher than the level of a year earlier. Gasoline and fuel oil witnessed marginal movements, declining by 0.6 mb to 141.8 mb and by 0.8 mb to 109.8 mb, respectively. Tighter gasoline supplies, due to the shut-downs of refineries, depressed gasoline, especially the independent stocks in Rotterdam. Meanwhile, increased Portuguese utility demand, coupled with higher volumes exported to China, moved fuel oil to 5.3 mb below the year-earlier level. Crude oil diminished this draw slightly, when it rose by a marginal 0.7 mb to 439.8 mb, on the back of lower refinery runs, due to a strike in Norway's refineries and the shut-down of some North-West European refineries.

Table 19
Western Europe commercial oil stocks*
mb

	Mar.02	Jun.02	Aug.02	**Sept.02**	**Change Sept./Aug.**	Sept.01
Crude oil	440.9	444.1	439.1	**439.8**	**0.7**	444.7
Mogas	156.5	145.3	142.4	141.8	–0.6	136.7
Naphtha	24.2	24.6	23.3	22.0	–1.3	26.1
Middle distillates	340.9	345.4	351.2	341.6	–9.5	320.4
Fuel oils	111.7	109.5	110.6	109.8	–0.8	115.1
Total products	633.3	624.8	627.4	**615.2**	**–12.2**	598.4
Overall total	1,074.2	1,069.0	1,066.5	**1,055.0**	**–11.5**	1,043.1

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

Japan

Significant seasonal build of 0.32 mb/d in Japan in August

In August, commercial onland oil stocks regained the previous month's unseasonable draw, increasing by a significant 9.8 mb, or a rate of 0.32 mb/d, to 186.1 mb. Crude oil and middle distillates led this build, rising by 4.3 mb to 113.5 mb and by 5.7 mb to 40.4 mb, respectively. Crude oil increased, on the back of higher imports and in spite of rising refinery throughput. Meanwhile, distillates benefited from higher refinery runs, as well as the tendency of traders to stock up with winter distillate grades. Residual fuel oil also added to this build, moving up by a marginal 0.5 mb to 19.7 mb. Gasoline continued to show a draw, declining by 0.8 mb to 12.4 mb, due to relatively healthy demand. Total oil stocks were 4.7 mb, or about 3%, below the year-earlier level.

Table 20
Japan's commercial oil stocks*
mb

	Mar.02	Jun.02	Jul.02	**Aug.02**	**Change Aug./Jul.**	Aug.01
Crude oil	106.8	118.3	109.2	**113.5**	**4.3**	115.0
Gasoline	15.8	14.2	13.2	12.4	–0.8	13.9
Middle distillates	29.5	30.2	34.7	40.4	5.7	43.1
Residual fuel oil	18.7	20.1	19.2	19.7	0.5	18.8
Total products	64.0	64.4	67.1	**72.5**	**5.4**	75.8
Overall total **	170.9	182.7	176.3	**186.1**	**9.8**	190.8

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

BALANCE OF SUPPLY AND DEMAND

2002 supply/demand difference revised up to 24.83 mb/d

The summarized supply/demand balance table for 2002 shows upward revisions to the world oil demand forecast of 0.26 mb/d to 76.46 mb/d and to total non-OPEC supply of 0.11 mb/d to 51.63 mb/d, since the last *MOMR*. This has resulted in an expected annual difference of around 24.83 mb/d, up by 0.15 mb/d, with a quarterly distribution of 25.36 mb/d, 23.07 mb/d, 24.93 mb/d and 25.93 mb/d, respectively. The balances for the first and second quarters have been revised down by 0.14 mb/d to –0.24 mb/d and by 0.08 mb/d to 1.49 mb/d, respectively. The balance for the third quarter has been introduced for the first time, and it is estimated at 0.55 mb/d. The 2001 balance has been revised down by 0.21 mb/d to 0.93 mb/d.

Table 21
Summarized supply/demand balance for 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	**2002**
(a) World oil demand	76.32	76.67	74.68	76.41	78.06	76.46
(b) Non-OPEC supply(1)	50.06	51.31	51.60	51.47	52.13	51.63
Difference (a – b)	**26.26**	**25.36**	**23.07**	**24.93**	**25.93**	**24.83**
OPEC crude oil production(2)	27.19	25.12	24.57	25.48		
Balance	**0.93**	**–0.24**	**1.49**	**0.55**		

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

2003 supply/demand difference forecast at 24.74 mb/d

The summarized supply/demand balance table for 2003 shows an upward revision to the world oil demand forecast of 0.21 mb/d to 77.22 mb/d and to total non-OPEC supply of 0.01 mb/d to 52.48 mb/d, since the last *MOMR*. This has resulted in an expected difference of around 24.74 mb/d, with a quarterly distribution of 25.61 mb/d, 22.77 mb/d, 24.50 mb/d and 26.08 mb/d respectively.

Table 22
Summarized supply/demand balance for 2003
mb/d

	2002	1Q03	2Q03	3Q03	4Q03	**2003**
(a) World oil demand	76.46	77.76	75.22	76.82	79.07	77.22
(b) Non-OPEC supply(1)	51.63	52.14	52.45	52.33	53.00	52.48
Difference (a – b)	**24.83**	**25.61**	**22.77**	**24.50**	**26.08**	**24.74**

(1) Including OPEC NGLs+non-conventional oils.
Totals may not add, due to independent rounding.

Table 23
World oil demand/supply balance
mb/d

	1999	2000	2001	1Q02	2Q02	3Q02	4Q02	2002	1Q03	2Q03	3Q03	4Q03	2003
World demand													
OECD	47.7	47.7	47.7	47.9	46.1	47.5	48.7	47.6	48.4	46.1	47.5	49.3	47.8
North America	23.8	24.0	23.9	23.7	23.8	24.2	24.0	23.9	23.9	23.8	24.2	24.3	24.1
Western Europe	15.2	15.1	15.3	15.2	14.7	15.3	15.8	15.2	15.3	14.7	15.3	15.9	15.3
Pacific	8.7	8.6	8.6	9.1	7.7	8.0	8.9	8.4	9.2	7.6	8.0	9.1	8.5
DCs	18.7	19.0	19.3	19.3	19.2	19.5	19.7	19.4	19.6	19.5	19.7	19.9	19.7
FSU	4.0	3.8	3.9	3.9	3.5	3.8	4.2	3.9	4.0	3.7	3.9	4.2	3.9
Other Europe	0.8	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.8	0.7
China	4.2	4.7	4.7	4.7	5.1	4.9	4.8	4.9	4.9	5.2	5.1	4.9	5.0
(a) Total world demand	75.4	76.0	76.3	76.7	74.7	76.4	78.1	76.5	77.8	75.2	76.8	79.1	77.2
Non-OPEC supply													
OECD	21.3	21.8	21.8	22.1	22.2	21.7	22.1	22.0	22.3	22.4	21.9	22.4	22.3
North America	14.1	14.2	14.4	14.6	14.6	14.5	14.5	14.6	14.8	14.8	14.7	14.6	14.7
Western Europe	6.6	6.7	6.7	6.8	6.8	6.4	7.0	6.7	6.8	6.8	6.5	7.0	6.8
Pacific	0.7	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.8	0.8	0.8	0.7	0.7
DCs	10.8	11.0	11.0	11.4	11.4	11.3	11.5	11.4	11.5	11.5	11.5	11.7	11.6
FSU	7.5	7.9	8.5	8.9	9.2	9.5	9.5	9.3	9.3	9.5	9.9	9.9	9.7
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	3.3	3.3	3.4	3.4	3.4	3.4	3.3	3.4	3.4	3.4	3.4
Processing gains	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8
Total non-OPEC supply	44.6	45.7	46.5	47.7	48.0	47.8	48.4	48.0	48.5	48.8	48.6	49.2	48.8
OPEC NGLs + non-conventionals	3.2	3.3	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.7	3.7	3.8	3.7
(b) Total non-OPEC supply and OPEC NGLs	47.7	49.1	50.1	51.3	51.6	51.5	52.1	51.6	52.1	52.4	52.3	53.0	52.5
OPEC crude oil production (secondary sources)	26.5	28.0	27.2	25.1	24.6	25.5							
Total supply	74.2	77.0	77.3	76.4	76.2	77.0							
Balance (stock change and miscellaneous)	-1.1	1.1	0.9	-0.2	1.5	0.5							
Closing stock level (outside FCPEs) mb													
OECD onland commercial	2446	2530	2622	2598	2646								
OECD SPR	1228	1210	1222	1237	1247								
OECD total	3674	3740	3844	3836	3893								
Other onland	983	1000	1028	1026	1041								
Oil-on-water	808	876	843	835	833								
Total stock	5465	5617	5714	5696	5768								
Days of forward consumption in OECD													
Commercial onland stocks	51	53	55	56	56								
SPR	26	25	26	27	26								
Total	77	78	81	83	82								
Memo items													
FSU net exports	3.4	4.1	4.6	5.0	5.7	5.6	5.2	5.4	5.3	5.9	6.0	5.7	5.7
(a) - (b)	27.7	26.9	26.3	25.4	23.1	24.9	25.9	24.8	25.6	22.8	24.5	26.1	24.7

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

Table 24
World oil demand/supply balance: changes from last month's table †
mb/d

	1999	**2000**	**2001**	1Q02	2Q02	3Q02	4Q02	**2002**	1Q03	2Q03	3Q03	4Q03	**2003**
World demand													
OECD	-	-	-	-	-	-	-	-	-	-0.1	-	-	-
North America	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
DCs	0.1	0.1	0.3	0.3	0.3	0.3	0.2	0.3	0.2	0.3	0.3	0.2	0.2
FSU	-	-	-	-	-0.1	-	-	-	-	-0.1	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) Total world demand	0.1	0.1	0.3	0.3	0.2	0.4	0.2	0.3	0.2	0.1	0.3	0.2	0.2
Non-OPEC supply													
OECD	-	-	-	-	-	-0.1	-	-	-	-0.1	-0.2	-	-0.1
North America	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1	-0.1
Western Europe	-	-	-	-	-	-0.1	-	-	-	-	-0.1	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
DCs	-	-	-	-	-	-0.1	-	-	-	-	-0.1	-	-
FSU	-	-	-	-	-	0.1	-	-	-	-	0.1	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-OPEC supply	-	-	-	-	-	-0.1	-	-	-0.1	-0.1	-0.2	-0.1	-0.1
OPEC NGLs + non-conventionals	-	-	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.2	0.1
(b) Total non-OPEC supply and OPEC NGLs	-	-	0.1	0.1	0.1	-	0.2	0.1	-	-	-0.1	0.1	-
OPEC crude oil production (secondary sources)	-	-	-	-	-								
Total supply	-	-	0.1	0.1	0.1								
Balance (stock change and miscellaneous)	-0.1	-0.1	-0.2	-0.1	-0.1								
Closing stock level (outside FCPEs) *mb*													
OECD onland commercial	-	-	-1	-	8								
OECD SPR	-	-	-	-	-								
OECD total	-	-	-1	-	8								
Other onland	-	-	-	-	2								
Oil on water	-	-	-	-	-								
Total stock	-	-	-1	-	-								
Days of forward consumption in OECD													
Commercial onland stocks	-	-	-	-	-								
SPR	-	-	-	-	-								
Total	-	-	-	-	-								
Memo items													
FSU net exports	-	-	-	-	0.1	0.1	-	-	-	-	0.1	-	-
(a) - (b)	0.1	0.1	0.2	0.1	0.1	0.4	-	0.1	0.2	0.1	0.4	0.1	0.2

† *This compares Table 23 in this issue of the MOMR with Table 21 in the September 2002 issue.*
This table shows only where changes have occurred.

Table 25
World oil stocks (excluding former CPEs) at end of period

	1996	1997	1998	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	1Q01	2Q01	3Q01	4Q01	1Q02	2Q02
Closing stock level *mb*																
OECD onland commercial	2,514	2,615	2,697	2,446	2,530	2,622	2,419	2,510	2,542	2,530	2,525	2,597	2,661	2,622	2,598	2,646
North America	1,138	1,211	1,283	1,127	1,146	1,263	1,108	1,165	1,180	1,146	1,159	1,231	1,269	1,263	1,234	1,258
Western Europe	899	912	962	881	930	915	902	900	910	930	918	909	918	915	929	941
OECD Pacific	476	492	453	437	454	444	409	445	452	454	447	457	473	444	435	447
OECD SPR	1,199	1,207	1,249	1,228	1,210	1,222	1,234	1,232	1,237	1,210	1,210	1,207	1,205	1,222	1,237	1,247
North America	566	563	571	567	543	552	569	569	572	543	544	545	547	552	563	578
Western Europe	330	329	362	346	354	353	349	349	353	354	351	347	345	353	353	348
OECD Pacific	303	315	315	315	313	316	315	315	312	313	314	314	313	316	321	321
OECD total	**3,713**	**3,822**	**3,946**	**3,674**	**3,740**	**3,844**	**3,653**	**3,742**	**3,778**	**3,740**	**3,734**	**3,804**	**3,866**	**3,844**	**3,836**	**3,893**
Other onland	993	1,022	1,055	983	1,000	1,028	977	1,001	1,010	1,000	999	1,017	1,034	1,028	1,026	1,041
Oil-on-water	798	812	859	808	876	843	840	866	849	876	913	835	873	843	835	833
Total stock	**5,503**	**5,656**	**5,860**	**5,465**	**5,617**	**5,714**	**5,470**	**5,609**	**5,638**	**5,617**	**5,646**	**5,656**	**5,773**	**5,714**	**5,696**	**5,768**
Days of forward consumption in OECD																
OECD onland commercial	54	56	57	51	53	55	52	52	52	52	54	55	55	55	56	56
North America	50	52	54	47	48	53	47	48	48	47	49	51	54	53	52	52
Western Europe	60	60	63	58	61	60	62	59	59	61	62	59	59	60	63	61
OECD Pacific	53	58	52	51	53	53	51	53	51	48	56	57	54	49	57	56
OECD SPR	26	26	26	26	25	26	27	26	25	25	26	25	25	25	27	26
North America	25	24	24	24	23	23	24	23	23	22	23	23	23	23	24	24
Western Europe	22	21	24	23	23	23	24	23	23	23	24	22	22	23	24	23
OECD Pacific	34	37	36	37	37	38	39	38	36	33	39	39	36	35	42	40
OECD total	**80**	**82**	**83**	**77**	**78**	**81**	**79**	**78**	**78**	**77**	**80**	**80**	**81**	**80**	**83**	**82**
Days of global forward consumption	**85**	**87**	**88**	**82**	**84**	**85**	**84**	**84**	**83**	**83**	**86**	**85**	**86**	**85**	**87**	**86**

Table 26
Non-OPEC supply and OPEC natural gas liquids
mb/d

	1999	2000	2001	Change 01/00	1Q02	2Q02	3Q02	4Q02	2002	Change 02/01	1Q03	2Q03	3Q03	4Q03	2003	Change 03/02
USA	8.11	8.11	8.05	-0.06	8.17	8.24	8.08	7.97	8.12	0.06	8.15	8.22	8.06	7.95	8.10	-0.02
Canada	2.60	2.69	2.74	0.05	2.84	2.83	2.86	2.88	2.85	0.11	2.94	2.93	2.97	2.98	2.95	0.10
Mexico	3.35	3.45	3.57	0.11	3.61	3.57	3.58	3.61	3.59	0.03	3.71	3.67	3.68	3.71	3.69	0.10
North America	**14.05**	**14.25**	**14.36**	**0.11**	**14.61**	**14.64**	**14.52**	**14.46**	**14.56**	**0.20**	**14.79**	**14.82**	**14.70**	**14.65**	**14.74**	**0.18**
Norway	3.06	3.32	3.42	0.09	3.35	3.38	3.25	3.42	3.35	-0.07	3.37	3.40	3.27	3.44	3.37	0.02
UK	2.84	2.64	2.53	-0.11	2.60	2.56	2.40	2.73	2.57	0.04	2.62	2.58	2.42	2.75	2.59	0.02
Denmark	0.30	0.36	0.35	-0.02	0.38	0.37	0.35	0.40	0.38	0.03	0.38	0.37	0.35	0.40	0.38	0.00
Other Western Europe	0.43	0.41	0.40	-0.01	0.42	0.44	0.42	0.43	0.43	0.03	0.42	0.44	0.42	0.43	0.43	0.00
Western Europe	**6.63**	**6.74**	**6.70**	**-0.04**	**6.76**	**6.75**	**6.43**	**6.97**	**6.73**	**0.03**	**6.80**	**6.79**	**6.46**	**7.02**	**6.77**	**0.04**
Australia	0.59	0.77	0.71	-0.06	0.71	0.71	0.72	0.65	0.70	-0.01	0.71	0.71	0.72	0.65	0.70	0.00
Other Pacific	0.07	0.06	0.06	0.00	0.05	0.06	0.05	0.04	0.05	-0.01	0.05	0.06	0.05	0.04	0.05	0.00
OECD Pacific	**0.66**	**0.83**	**0.77**	**-0.07**	**0.76**	**0.77**	**0.78**	**0.70**	**0.75**	**-0.02**	**0.76**	**0.77**	**0.78**	**0.70**	**0.75**	**0.00**
Total OECD*	**21.34**	**21.82**	**21.82**	**0.00**	**22.13**	**22.16**	**21.73**	**22.13**	**22.04**	**0.22**	**22.35**	**22.38**	**21.95**	**22.36**	**22.26**	**0.22**
Brunei	0.18	0.19	0.20	0.00	0.21	0.20	0.20	0.22	0.21	0.01	0.21	0.20	0.20	0.22	0.21	0.00
India	0.75	0.74	0.73	-0.01	0.74	0.74	0.75	0.75	0.75	0.01	0.76	0.76	0.77	0.77	0.77	0.02
Malaysia	0.70	0.68	0.69	0.00	0.73	0.75	0.75	0.75	0.75	0.06	0.74	0.76	0.76	0.76	0.76	0.01
Papua New Guinea	0.09	0.07	0.06	-0.01	0.05	0.05	0.05	0.05	0.05	-0.01	0.06	0.06	0.06	0.06	0.06	0.01
Vietnam	0.26	0.31	0.35	0.04	0.34	0.33	0.33	0.36	0.34	-0.01	0.34	0.33	0.33	0.36	0.34	0.00
Asia others	0.20	0.24	0.26	0.02	0.27	0.28	0.29	0.30	0.28	0.03	0.27	0.28	0.29	0.30	0.28	0.00
Other Asia	**2.18**	**2.23**	**2.28**	**0.05**	**2.35**	**2.36**	**2.37**	**2.43**	**2.38**	**0.10**	**2.39**	**2.40**	**2.41**	**2.47**	**2.42**	**0.04**
Argentina	0.84	0.79	0.80	0.01	0.80	0.79	0.79	0.80	0.79	-0.01	0.79	0.78	0.78	0.79	0.78	-0.01
Brazil	1.36	1.49	1.57	0.08	1.75	1.80	1.80	1.81	1.79	0.22	1.78	1.83	1.83	1.84	1.82	0.03
Colombia	0.82	0.70	0.61	-0.08	0.61	0.59	0.56	0.57	0.58	-0.03	0.61	0.59	0.56	0.57	0.58	0.00
Ecuador	0.38	0.40	0.41	0.01	0.40	0.39	0.39	0.38	0.39	-0.02	0.41	0.40	0.40	0.39	0.40	0.01
Peru	0.11	0.10	0.10	-0.01	0.10	0.10	0.10	0.10	0.10	0.00	0.11	0.11	0.11	0.11	0.11	0.01
Trinidad & Tobago	0.14	0.14	0.13	-0.01	0.14	0.14	0.14	0.15	0.14	0.01	0.15	0.15	0.15	0.17	0.15	0.01
L. America others	0.11	0.12	0.13	0.01	0.13	0.12	0.12	0.13	0.12	-0.01	0.13	0.12	0.12	0.13	0.12	0.00
Latin America	**3.76**	**3.74**	**3.75**	**0.01**	**3.92**	**3.93**	**3.90**	**3.95**	**3.92**	**0.17**	**3.97**	**3.98**	**3.95**	**4.00**	**3.97**	**0.05**
Bahrain	0.19	0.19	0.19	0.00	0.19	0.19	0.19	0.19	0.19	0.00	0.19	0.19	0.19	0.19	0.19	0.00
Oman	0.91	0.95	0.95	0.00	0.94	0.92	0.89	0.92	0.92	-0.03	0.94	0.92	0.89	0.92	0.92	0.00
Syria	0.55	0.54	0.53	-0.01	0.51	0.50	0.50	0.49	0.50	-0.03	0.51	0.50	0.50	0.49	0.50	0.00
Yemen	0.42	0.45	0.47	0.01	0.45	0.45	0.45	0.44	0.45	-0.02	0.45	0.45	0.45	0.44	0.45	0.00
Middle East	**2.06**	**2.13**	**2.13**	**0.00**	**2.09**	**2.06**	**2.03**	**2.05**	**2.05**	**-0.08**	**2.09**	**2.06**	**2.03**	**2.05**	**2.05**	**0.00**
Angola	0.76	0.75	0.74	-0.01	0.90	0.90	0.90	0.95	0.91	0.17	0.92	0.92	0.92	0.97	0.93	0.02
Cameroon	0.10	0.10	0.08	-0.02	0.08	0.08	0.08	0.08	0.08	0.00	0.09	0.09	0.08	0.09	0.09	0.01
Congo	0.27	0.27	0.27	0.00	0.27	0.26	0.25	0.27	0.26	0.00	0.27	0.26	0.25	0.27	0.26	0.00
Egypt	0.83	0.80	0.76	-0.04	0.75	0.76	0.74	0.74	0.75	-0.01	0.76	0.77	0.75	0.75	0.76	0.01
Gabon	0.36	0.34	0.31	-0.03	0.31	0.31	0.30	0.31	0.31	0.00	0.32	0.32	0.31	0.32	0.32	0.01
South Africa	0.17	0.19	0.19	0.00	0.19	0.19	0.19	0.18	0.19	0.00	0.19	0.19	0.19	0.18	0.19	0.00
Africa other	0.28	0.41	0.46	0.05	0.52	0.54	0.54	0.56	0.54	0.08	0.55	0.57	0.57	0.60	0.57	0.03
Africa	**2.78**	**2.85**	**2.80**	**-0.05**	**3.02**	**3.03**	**2.99**	**3.09**	**3.03**	**0.23**	**3.09**	**3.11**	**3.07**	**3.17**	**3.11**	**0.08**
Total DCs	**10.78**	**10.95**	**10.96**	**0.01**	**11.38**	**11.38**	**11.29**	**11.51**	**11.39**	**0.43**	**11.54**	**11.55**	**11.46**	**11.69**	**11.56**	**0.17**
FSU	**7.47**	**7.91**	**8.53**	**0.62**	**8.92**	**9.15**	**9.46**	**9.49**	**9.26**	**0.73**	**9.31**	**9.55**	**9.87**	**9.90**	**9.66**	**0.40**
Other Europe	**0.18**	**0.18**	**0.18**	**0.00**	**0.18**	**0.18**	**0.17**	**0.17**	**0.18**	**0.00**	**0.18**	**0.18**	**0.17**	**0.17**	**0.18**	**0.00**
China	**3.21**	**3.23**	**3.30**	**0.07**	**3.35**	**3.37**	**3.43**	**3.36**	**3.38**	**0.08**	**3.35**	**3.37**	**3.43**	**3.36**	**3.38**	**0.00**
Non-OPEC production	**42.99**	**44.09**	**44.79**	**0.69**	**45.95**	**46.24**	**46.08**	**46.67**	**46.24**	**1.45**	**46.73**	**47.03**	**46.88**	**47.48**	**47.03**	**0.79**
Processing gains	1.58	1.65	1.69	0.04	1.72	1.72	1.72	1.72	1.72	0.03	1.75	1.75	1.75	1.75	1.75	0.03
Non-OPEC supply	**44.56**	**45.74**	**46.48**	**0.73**	**47.67**	**47.96**	**47.80**	**48.39**	**47.96**	**1.48**	**48.48**	**48.78**	**48.63**	**49.23**	**48.78**	**0.82**
OPEC NGLs + non-conventionals	**3.16**	**3.34**	**3.58**	**0.24**	**3.64**	**3.64**	**3.67**	**3.74**	**3.67**	**0.09**	**3.67**	**3.67**	**3.70**	**3.77**	**3.70**	**0.03**

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

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

Table 27
Non-OPEC Rig Count

	1999	2000	1Q01	2Q01	3Q01	4Q01	2001	Change 01/00	1Q02	2Q02	Aug02	Sep02	3Q02	Change Sep - Aug
USA	608	916	1,141	1,239	1,231	1,004	1,156	240	818	806	848	860	853	12
Canada	246	344	515	252	320	278	342	-2	383	147	235	250	250	15
Mexico	43	44	50	48	56	62	54	10	63	61	65	65	62	0
North America	**897**	**1,305**	**1,706**	**1,539**	**1,607**	**1,344**	**1,552**	**247**	**1,264**	**1,014**	**1,148**	**1,175**	**1,165**	**27**
Norway	17	22	24	22	22	22	23	1	20	20	17	19	17	2
UK	18	18	18	25	28	26	24	6	28	30	24	25	24	1
Denmark	2	3	4	5	4	5	4	1	5	4	2	3	3	1
Other Western Europe	77	82	43	44	42	47	44	-38	39	38	33	31	33	-2
Western Europe	**114**	**125**	**89**	**95**	**96**	**100**	**95**	**-30**	**92**	**91**	**76**	**78**	**76**	**2**
Australia	10	10	11	11	10	10	10	0	9	9	9	8	9	-1
Other Pacific	6	7	10	9	8	10	9	2	8	7	8	6	7	-2
OECD Pacific	**16**	**17**	**20**	**20**	**18**	**20**	**20**	**3**	**17**	**16**	**17**	**14**	**16**	**-3**
Total OECD*	**1,027**	**1,447**	**1,815**	**1,655**	**1,721**	**1,464**	**1,667**	**220**	**1,373**	**1,121**	**1,241**	**1,267**	**1,257**	**26**
Brunei	3	2	3	3	2	2	3	1	2	3	3	3	3	0
India	46	49	51	48	50	50	50	1	52	54	56	54	55	-2
Malaysia	6	7	10	11	13	12	11	4	12	13	14	16	15	2
Papua New Guinea	1	0	0	1	2	1	1	1	1	1	0	1	1	1
Vietnam	9	8	9	8	8	8	8	0	8	8	9	11	9	2
Asia others	16	16	22	23	24	18	22	5	26	29	34	31	33	-3
Other Asia	**81**	**83**	**96**	**95**	**98**	**90**	**95**	**12**	**100**	**109**	**116**	**116**	**116**	**0**
Argentina	35	57	69	74	77	64	71	14	49	45	48	51	49	3
Brazil	19	23	28	30	29	26	28	5	27	27	27	27	27	0
Colombia	12	14	15	16	14	16	15	1	13	13	10	9	10	-1
Ecuador	3	7	9	10	10	11	10	3	10	9	8	7	8	-1
Peru	2	4	4	4	3	3	4	0	2	2	2	2	2	0
Trinidad & Tobago	3	4	6	5	4	5	5	1	5	4	3	5	4	2
L. America others	13	12	9	8	6	6	7	-4	4	4	5	4	4	-1
Latin America	**86**	**120**	**141**	**147**	**144**	**130**	**141**	**20**	**110**	**103**	**103**	**105**	**104**	**2**
Bahrain			0	0	0	0	0	0	0	0	0	0	0	0
Oman	19	24	24	24	25	26	25	1	27	29	30	30	30	0
Syria	13	14	19	19	20	19	19	5	20	21	23	24	23	1
Yemen	4	6	6	6	5	6	6	0	8	9	9	9	9	0
Middle East	**36**	**45**	**49**	**49**	**49**	**51**	**50**	**5**	**57**	**60**	**63**	**65**	**64**	**2**
Angola	5	6	6	5	4	6	5	0	5	6	6	6	6	0
Cameroon			0	0	0	0	0	0	0	0	0	0	0	0
Congo	3	3	1	2	1	1	1	-1	1	1	1	1	1	0
Egypt	17	18	21	22	22	23	22	4	22	23	22	22	22	0
Gabon	2	2	2	4	1	1	2	0	1	2	2	2	2	0
South Africa	1	1	2	1	0	1	1	0	1	1	1	1	1	0
Africa other	4	5	4	5	5	3	4	0	11	12	12	14	12	2
Africa	**30**	**34**	**36**	**40**	**34**	**35**	**36**	**2**	**41**	**45**	**44**	**46**	**44**	**2**
Total DCs	**232**	**282**	**322**	**330**	**325**	**307**	**321**	**40**	**307**	**317**	**326**	**332**	**328**	**6**
FSU														**0**
Other Europe	**4**	**3**	**3**	**3**	**3**	**4**	**3**	**0**	**2**	**2**	**2**	**2**	**2**	**0**
China														**0**
Non-OPEC Rig count	**1,263**	**1,732**	**2,140**	**1,988**	**2,049**	**1,774**	**1,991**	**260**	**1,682**	**1,440**	**1,569**	**1,601**	**1,587**	**32**

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

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MONTHLY OIL MARKET REPORT

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