OPEC

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Monthly Oil Market Report

September 2001

Editor's note

The tragic events of last week in the USA are likely to have significant implications for the world economy and hence may affect this month's analysis of the world oil market

OPEC committed to ensuring adequate oil supplies
(Press release — page i)

OPEC Basket average price

US $ per barrel

Up 0.73 in August

August	**24.46**
July	23.73
Year-to-date	24.75

August OPEC production

million barrels per day, according to secondary sources

Algeria	0.84	Kuwait	2.03	Saudi Arabia	7.92
Indonesia	1.21	SP Libyan AJ	1.39	UAE	2.14
IR Iran	3.74	Nigeria	2.08	Venezuela	2.83
Iraq	2.81	Qatar	0.70		

Supply and demand

million barrels per day

2001	
World demand	76.3
Non-OPEC supply	49.3
Difference	**27.0**
2002	
World demand	77.4
Non-OPEC supply	50.3
Difference	**27.1**

Stocks

Moderate contra-seasonal stock-draw in USA in August

World economy

World GDP growth estimate unchanged at 2.7% for 2001

Inside

Data covers period up to end-August 2001
Issued 20 September 2001

O P E C press release
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OPEC committed to ensuring adequate oil supplies — Rodríguez

OPEC Secretary General, Dr Alí Rodríguez Araque, this afternoon stated that the Organization was monitoring developments, following the series of tragic events that occurred in the United States earlier today.

“All Member Countries remain committed to continuing their policy of strengthening market stability and ensuring that sufficient supplies are available to satisfy market needs,” he said.

“Furthermore, OPEC’s Members are prepared to use their spare capacity, if deemed necessary, to achieve these goals," he emphasized.

Rodríguez Araque categorically refuted suggestions that some of the Organization’s Members could use oil as a weapon, stressing OPEC’s continued commitment to securing a stable market.

The OPEC Secretary General concluded by extending “the Organization’s heartfelt sympathy to all those affected by this tragedy”.

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HIGHLIGHTS OF THE WORLD ECONOMY

Economic growth rates 2001
%

World	G-7	USA	Japan	Eurozone
2.7	**1.1**	**1.1**	**–0.4**	**2.1**

Industrialised countries

Sharp rise in US unemployment, Europe slows further and continued misery for Japan

A sharp rise in unemployment in the USA in August, from 4.5% to 4.9%, points to a prolonged slowdown. In Japan, GDP in the second quarter fell by 0.8% (or 3.2% annually) and expectations are not better for the third quarter. The euro-zone also shows signs of a slowdown, but, relatively speaking, remains the major growth area in the global slowdown**.**

United States of America

US slowdown shows signs of being prolonged, as employment and spending achieve critical levels

The US unemployment rate jumped to its highest level in four years in August, as employers cut far more jobs than expected, pointing to more weakness in the economy. The unemployment rate rose to 4.9% in August from 4.5% in July, while employers cut 113,000 jobs outside the farm sector, compared with a revised gain of 13,000 jobs in July. Companies made fewer job cuts last month than in July, but the total brought the number of announced cuts above one million so far this year. The number of cuts announced in August fell by 32% to 140,019 from July, but they were more than double those of a year earlier; including the August figures, total job cuts announced this year climbed to 1.12 million, which was 83% higher than the total for all of last year. The economy grew at its slowest pace in eight years, barely expanding at a 0.2% rate in the second quarter, compared with the 0.7% originally reported. Unit labour costs, a gauge of inflationary pressure, rose by 2.7% in the second quarter. Though higher than the 2.1% rate estimated previously, this was still the smallest increase in a year and a significant drop from the first quarter's 5.0%. Prices, meanwhile, fell for the second month in a row, as inflationary pressure in the economy ebbed, pulling down the NAPM non-manufacturing prices index to 48.0 from 49.0. US wholesale inventories fell by a hefty 0.7% in July to $299.62 billion, compared with a revised 0.4% drop in June, while sales rose by 0.6% to $227.63 bn. The drop in inventories was the sharpest since a 0.9% decline seen in September 1996. The stock-to-sales ratio, which measures how long it will take to deplete current inventories, fell to 1.32 months in July from 1.33 months in June.

Japan

Japan's economic gloom deepens; GDP drops by 0.8% (or 3.2% annually) in second quarter

Economic conditions continue to deteriorate in Japan. GDP contracted by 0.8% in the second quarter, or by a steep 3.2% annual rate, as the global slowdown hit Japanese exports and deflation worsened, adding to the heavy debt burden. While the country has so far avoided a technical recession, since the first quarter was revised up to 0.1% growth, it is widely expected that the third quarter will also be negative. Consumer spending rose by a surprising 0.5% in the second quarter, adding 0.3 of a percentage point to GDP, while business spending dropped by 2.8%. The shrinking trade surplus meant that net exports subtracted 0.1% from growth last quarter. Public investment, mainly government spending on public works projects, fell by 4.1%, taking 0.3% off growth. The extent of deflation can be seen from the figures for nominal GDP, which fell by a record 2.7% from the first quarter, or an annualized 10.3%. Moody's Investors Service warned it may cut Japan's sovereign debt-rating for the third time in as many years, quoting the worsening deflation as the main reason. Consumer prices extended their three-year slide in July, with prices, excluding food, falling by 1.2% from a year ago. Spending by wage-earners dropped by 0.4% in July year-on-year (y-o-y), while overall household spending fell in real terms y-o-y for the fourth month in a row, by 1.6%. The rate of unemployment rose to a record 5% and the Nikkei 225 index tumbled to 17-year lows. Consequently, the Bank of Japan, bowing to increasing pressure, raised the target for the amount of cash financial institutions leave with the Bank to 6 trillion yen from ¥5 tr and increased its monthly outright bond purchases to ¥600 bn from ¥400 bn. The moves were aimed at arresting deflation by increasing money supply.

Euro-zone

Euro-zone slows, but still considered major growth area in global slowdown

France's economic growth continued to lose steam in the second quarter, as the global economic slowdown took its toll on the euro-zone's second-largest economy. The French statistics office INSEE reported that second-quarter GDP growth eased to just 0.3%, compared with the first quarter, which had previously been revised down from 0.5% to 0.4%. This figure confirms that there was a slowdown, but that France was doing better than its main partners in the euro-zone. This was mainly because of sturdy household spending, which has shielded it from a slowdown in foreign demand for export goods. Nonetheless, growth in household consumption slowed to 0.3% in the second quarter, compared with a 1.2% rise in the first. Consumer confidence in the second quarter was sapped by high food and energy prices and the first rise in the headline jobless rate in three years. Growth in overall investment, the other component considered as crucial to compensate for a drop in demand for French goods, ground to a halt in the second quarter, at 0%, after a revised 0.6% in the first. However, business investment growth edged higher to 0.4% from 0.3%. Industry chiefs have scaled back expectations amid signs of a sharper-than-expected weakening in growth in Germany, France's biggest single trade partner and the euro-zone's largest economy. Germany's GDP was unchanged in the second quarter. Italy, meanwhile, posted a 0.1% drop in GDP in the second quarter. It is expected that euro-zone growth figures, scheduled for release in mid-September, will show the area's economy expanding by just 0.1% in the second quarter. The European Central Bank (ECB) lowered interest rates by a quarter point to 4.25%, its second cut this year, to shore up economic growth. The Bank paved the way for the rate cut after it dismissed a sharp rise in M3 money supply figures, an indicator of inflationary pressure, to 6.4%, saying the figure was inflated by special factors.

Former Soviet Union

Preliminary data for July points to continued brisk expansion of Russian economy, following 5.4% official GDP growth estimate for first half of 2001

The outlook for the Russian economy remains largely positive. The Ministry of the Economy published a preliminary estimate of growth in the first half of 2001 of 5.4%, implying an acceleration in the pace of expansion in the second quarter. In July, output of goods and services in five basic sectors (industry, construction, agriculture, transport and retail sales) published by the state statistical committee, Gaskomstat, grew by 6.1% y-o-y, indicating a strong start to the third quarter. In July, agricultural output accelerated by 14.4% from the previous year, retail sales grew by 10.2%, while growth in industry moderated to 4.5%. Average growth in the industrial sector in the first seven months of 2001 was 5.4% y-o-y. Within industry, the fuel sector expanded at an above-average 7.4% in July and at 6% on average in the first seven months. Separately, the draft budget for 2002 was submitted to the Duma in August. The budget was drawn up with an expected overall surplus of 1.19% of GDP, assuming an oil price of $22 per barrel (Urals), and GDP growth of 4.3%. According to the Deutsche Bank, the budget would still be balanced if the oil price fell to $20/b next year. Apart from the uncertainties about GDP growth and the oil price, the budgetary implications of the recent fiscal policy decisions on tax changes are still unclear. The reduction in corporate taxes and the new law on taxation of natural resources take effect in January 2002. If the expected improvement in compliance compensates for the fall in revenue due to the lower tax rates, the effect on the budget in 2002 would be neutral. The new volume-based mineral production tax will be levied as a fixed sum per ton of oil, thus discouraging companies from using artificially low transfer prices within vertically integrated groups. The new single tax will replace the royalty tax, the tax on the use of mineral resources and the mineral replacement tax.

Eastern Europe

Outlook remains positive in East European economies

Hungary's current account showed a 175m euro surplus in July. This was the latest in a series of surprises in the current account and compares favourably with both a €341m deficit in June and a €9m surplus in July 2000. The improvement was due to a better-than-expected trade balance, which showed a deficit of €114m (€210m in June) and a large €363m surplus in the services balance. In Poland, rates were cut by 100bps on 22 August, while authorities suggested that there were no near-term inflationary risks. Consumer price index inflation, in fact, dropped to just 5.2% y-o-y in July, well below the lower bound of the National Bank of Poland's 6–8% target range. The cut was expected to be 150bps, but the authorities argued that uncertainty about the 2002 fiscal plans prevented this. The government also announced it had set the 2002 inflation target at 5% y-o-y (December/December), with an acceptable margin of error of ±1%, and reaffirmed the medium-term target of 4% or less by 2003. In the Czech Republic, the resilient strength of the krona has surprised everybody and has basically maintained the positive outlook for the government to reach the target it set itself earlier in the year.

Developing countries

Coordination in South-East Asia to boost investment, China's accession to WTO soon, Argentina's crisis alleviated by IMF package, and increased African-American cooperation

The troubled economies of Thailand and the Philippines are attempting to coordinate with Singapore, in order to boost their image and enhance investment. Due to political and economic factors, the currencies and stock markets in these two countries have fallen sharply. The process of China's entry to the World Trade Organization (WTO) is proceeding smoothly, and it is now down to procedural issues only, according to a statement by Mike Moore, WTO Director General. It is widely expected China's accession will bring major changes to the global trading scene, when WTO ministers gather in Qatar on 9–13 November. This will enable China to become a member in the first quarter of 2002, more than a decade after it applied. As a positive reaction to the decision of the International Monetary Fund (IMF) to lend Argentina a further $8 bn, most Argentinean depositors started returning money to local financial institutions. Moreover, the fact that the country had achieved a "zero deficit" in July and August, the first two months of the plan, was a good sign for consumers and investors alike. The main opportunities available under the African Growth and Opportunities Act, American trade legislation finally passed after five years of discussion, were expected to apply to the textile and clothing industries. At present, six countries have qualified: Ethiopia, Kenya, Lesotho, Madagascar, Mauritius and South Africa. However, the benefits of the American act of trade preferences to Africa are fairly restricted, in both sectoral and geographic terms.

OPEC Member Countries

Recent economic developments in six OPEC Member Countries

Algeria and Iraq have signed 12 contracts worth $100m under the UN-backed "oil-for-food" programme. Also, Algerian national oil company Sonatrach has bought a 40% stake in an oil concession in Yemen owned by Agip. Algeria has, moreover, passed laws to simplify investment procedures and speed up privatization. The Socialist People's Libyan Arab Jamahiriya has signed an investment accord with Egypt, in order to build a pipeline to transport Libyan crude for refining in Cairo and Alexandria, while Egyptian natural gas will go to Libyan cities. The initial investment will be around $20m. Nigeria has called on multinational companies to do more to develop local content and eliminate capital flight in expenditure relating to oil investment. Indonesia, which has signed a letter of intent on economic reforms with the IMF, officially announced that GDP in the second quarter grew by 3.5%, a figure that underlines the country's economic slow-down. In Venezuela, companies with new projects to finance are facing much reduced real interest rates, due to lower inflation. Small businesses also benefit from government efforts to encourage the banking sector to reduce borrowing rates.

Oil price, US dollar and inflation

Real oil price falls slightly with inflation, despite rise in nominal terms, due to depreciation of dollar against currency basket

The US dollar fell against all the currencies in the Geneva I + US basket* in August. The Japanese currency rose by 2.48% to average ¥121.50/$ from ¥124.59/$ in July, while the German mark appreciated by 4.39% to average DM2.173/$ from DM2.273/$ in July.

In the first week of August, the dollar was supported by data on rising US labour productivity, but came progressively under pressure after the Federal Reserve Board's (Fed's) "Beige Book" painted a pessimistic view of the US economy, and following further complaints by US industry about the strong dollar policy. Contrary to previous cuts, the Fed's seventh easing on 21 August of another 25 basis points, which lowered the federal funds rate to 3.5% from 6.5% at the start of the year, was not interpreted as being dollar-positive. The euro was supported by news that July's euro-zone consumer price index had slipped to 2.8% from 3% and that growth in Germany during the second quarter was flat, both feeding speculation that the ECB would cut interest rates. On 30 August, as expected, the ECB cut the refinancing rate by 25 basis points to 4.25%, the second easing this year, in an attempt to shore up economic growth in the euro-zone. The yen moved up progressively to reach ¥119.65/$ by the end of the month, the highest level since early June. While not justified by fundamentals, the yen's strength may be partly explained by the repatriation of funds by Japanese banks ahead of a 30 September accounting change.

The OPEC spot Reference Basket rose by $0.73/b, or 3.05%, in August to average $24.46/b, from $23.73/b in July. In real terms (base July 1990 = 100), after accounting for inflation and currency fluctuations, the Basket price fell by 0.41% to reach $22.25/b, from $22.35/b, as the dollar depreciation almost matched the rise in the nominal oil price. The dollar fell by 3.05%, as measured by the import-weighted Geneva I + US dollar basket, while inflation was estimated at 0.32% in August.

* *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.*

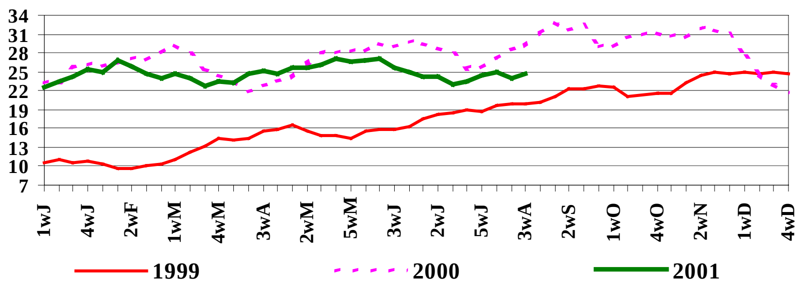
CRUDE OIL PRICE MOVEMENTS

OPEC Basket gained $0.73/b to average $24.46/b in August

After its losses in July, the monthly price of OPEC's spot Reference Basket gained $0.73/b to average $24.46/b in August. Leading the gains was Dubai, which surged by $1.25/b, pulling Arabian Light with it, as it moved $0.89/b higher. Isthmus and Tia Juana Light followed, increasing by $1.19/b and $0.99/b respectively. The Brent-related Saharan Blend and Bonny Light also made considerable gains, of $1.14/b and $0.60/b respectively. The only component of the Basket which decreased was Minas, which moved down by $0.50/b.

The average price of the Basket gained $0.87/b in the first week of August as prices continued their uptrend, assisted by concern about the tropical storm Berry in the Gulf of Mexico, which accounts for around a quarter of US production. Further support came from a pre-API report rally, after which prices trended lower, when both events were over. The Basket continued its rise in the second week, gaining $0.22/b, basically influenced by an increase in Dubai in reaction to news that Saudi Arabia would implement a further 4–7% cutback in its September allocations to Asian customers. However, Atlantic Basin prices moved sideways, despite a considerable draw on gasoline and distillate stocks in the USA. During the third week, the Basket fell by $0.86/b, following losses in all markets, as bearish sentiment regarding the world economy prevailed. Neither larger-than-expected draws on US crude and gasoline stocks nor a buying spree of Brent cargoes by a European major was able to halt the decline in prices, although they curbed its momentum. Prices changed direction in the fourth week, and the Basket registered a rise of $0.76/b, supported by refinery glitches in the USA that caused huge draws on gasoline stocks and by the continued buying of Brent cargoes by the European major. The only factor that softened the rally was renewed concern about the slow-down of the US economy and its effect on product demand.

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



US and European markets

Demand low in USA, while in Europe prices boosted by Shell's buying spree in August

Demand for crude oil was subdued in the USA, influenced by weak refiners' margins and a backwardated market which encouraged destocking rather than stocking. The US sour crude market was especially weak, in the expectation of big arrivals of Basrah Light to the US Gulf Coast and the decision by a heavy-oil refiner to carry out thorough maintenance. Emergency shut-downs at Citgo's Illinois refinery also dampened heavy sour Canadian crudes, as well as Basrah Light.

In Europe, despite lacklustre demand in the USA for North Sea crudes, most North Sea August cargoes were cleared by European refiners. However, buying interest in mid-month eased, waiting for the September loading programme. A tighter-than-expected September programme and a buying spree by Shell caused prices of Brent wet barrels to jump, compared with the forward and paper values. Shell amassed more than 7 mb in the third week of August, thereby pushing prices higher and putting pressure on refiners' margins.

In the Mediterranean, Urals prices received continuous support from a scarcity of Iraqi Kirkuk and limited supply of the alternative North Sea Flotta. Uncertainty about the pricing of Kirkuk furthered this trend.

Far Eastern markets

Economic slow-down in Asia in August

The main topics in the Asian market were the economic slow-down, weaker demand and a cut in refinery throughput. China, which is a basic supporter of the market, started destocking, rather than stocking ahead of the winter months. Even distillate-rich Abu Dhabi grades faced restricted demand. West African grades encountered similarly low demand, despite the very low Brent/Dubai spread, as refineries covered only their basic needs, with regard to sweet crudes. Indonesia's heavy sweet Minas also met weak demand from Japanese utilities. The only factor that supported prices in the region was OPEC's expected cut in production, which was due to become effective on 1 September.

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

			Year-to-date average	
	Jul.01	**Aug.01**	2000	**2001**
Reference Basket	23.73	**24.46**	**26.73**	**24.75**
Arabian Light	24.03	**24.92**	26.03	24.46
Dubai	23.45	**24.70**	25.20	24.27
Bonny Light	24.81	**25.41**	27.55	26.18
Saharan Blend	24.82	**25.96**	27.73	26.47
Minas	25.32	**24.82**	27.89	26.12
Tia Juana Light	20.55	**21.54**	25.61	21.90
Isthmus	22.67	**23.86**	27.10	23.81
Other crudes				
Brent	24.66	**25.78**	27.48	26.18
WTI	26.53	**27.41**	29.31	27.99
Differentials				
WTI/Brent	1.87	1.63	1.83	1.81
Brent/Dubai	1.21	1.08	2.28	1.91

PRODUCT MARKETS AND REFINERY OPERATIONS

Most product markets improved considerably in August, led by gasoline in the US and Singapore markets. Gasoil world markets nevertheless still exhibited unusual premiums over gasoline, except in the US Gulf. Refiners' margins recovered moderately in the US Gulf, but remained well in negative territory in other markets.

US Gulf market

Gasoline led rise in product complex in USA in August; refiners' margins improved and refinery utilization rate fell to 94%

After the significant losses during the three months up to July, the gasoline price spiked by 16%, or $4.56/b, in August, driven largely by tight supply at a time which usually witnesses strong demand. The squeezed gasoline market was the result of a combination of factors. There were steady, hefty gasoline stock-draws for the second consecutive month; these registered an overall fall of 16 mb below the end-of-July level and hence moved total US gasoline inventories below last year's level for the first time since April. Another factor concerned refiners' efforts to enhance distillate production. Most importantly, there was a string of refinery problems during the second half of the month, including the outage of the 160,000 b/d Citgo refinery for a long period that might extend up to six months in the land-locked Mid-west area; this created concern about supply shortfalls in that isolated market and caused a surge in the gasoline price in the US Gulf refining centre, the main supplier to this particular market through the Explorer pipeline. Nonetheless, the close of the driving season at the end of the month, which coincided with the decision of the Environmental Protection Agency to allow Citgo to start mixing light blend materials with the already stored summer grade gasoline, i.e. to sell winter grade almost two weeks before its usual starting date of 15 September, helped ease the supply crunch. Robust demand to store heating oil amid a sustained contango market led to a surge of $1.60/b in the gasoil price. The US fuel oil market remained generally bearish, linked to the continuing decline in the price of its competitor, natural gas. The high-sulphur fuel oil price, however, saw a moderate rise of $0.27/b, assisted by tight supply and cargoes exported to the Far East.

Refiners' margins recovered in the US Gulf, shifting moderately into positive territory in August from the negative values of the previous two months, as the soaring gasoline price offset the effects of the improving crude markets.

US refinery throughput declined by 190,000 b/d to around 15.55 mb/d, as a result of refinery run cuts and unplanned outages. The corresponding utilization rate fell accordingly to 94.0%, the lowest level since April.

Rotterdam market

Gasoline price rose on transatlantic demand in Rotterdam in August; refiners' margins weakened further, while refinery utilization rate grew to 88% to build heating oil stocks

Product prices reversed the downward trend, that had prevailed during June and July, and moved higher in August. The gasoline price increased by $0.38/b, reflecting largely a higher level of activity in transatlantic arbitrage trading, that was spurred by the resurgence in the US gasoline markets. The rising Brent price contributed to gains in the middle and heavy ends of the barrel. Consequently, gasoil rose by $0.85/b, despite well-supplied heating oil stocks in Germany, and, consequently, its purchase at the current specification of 350 ppm, since it will switch to the ultra-low sulphur of 50 ppm beginning on 1 November, came to a halt. Fuel oil surged by $1.21/b on healthy bunker demand, in tandem with intensive gasoline cargoes to the USA and prevailing fuel oil exports to the Far East market.

Refiners' margins worsened further, moving deeper into negative territory, owing to the considerable increases of crude prices that outpaced improved light product markets.

Refinery throughput in Eur-16 (Eu + Norway) maintained its uptrend, rising by 224,000 b/d to nearly 12 mb/d. The equivalent utilization rate was almost 88%. Refiners' efforts to load transatlantic gasoline cargoes and build heating oil stocks, which had declined heavily during June and July, were the main reason for boosting European refinery output.

Gasoline rose considerably in Singapore in August, followed by fuel oil prices, largely in tandem with Chinese shares in each market; refiners' margins remained negative

Singapore market

The gasoline and fuel oil markets in Singapore rebounded in August, mostly in accordance with the magnitude of Chinese gasoline exports to and fuel oil imports from Singapore; gasoil also rose. Lean gasoline supplies from the largest regional exporter, China, linked to its heavily reduced refinery runs, hefty demand from the Middle East, especially from Saudi Arabia following Ras Tanura's refinery problems, healthy regional demand, when Indonesia purchased a volume larger than its usual monthly quantity, and arbitrage flows to the US West Coast were cited as the main reasons for the surge of \$2.32/b. Despite refinery run cuts in Asia, gasoil remained bearish, in an over-supplied market facing a slow-down in demand. Nonetheless, gasoil's price increased slightly by \$0.17/b, strengthened by improving crude markets and active buying by a major during the last part of the month. Persistent Chinese fuel oil demand continued to support the price, which surged by \$1.75/b, as the refineries of China's main supplier, South Korea, still operated at reduced throughput.

Refiners' margins in Singapore retreated further in the already negative territory, undermined by sharp increases in Dubai during August, relative to other benchmark crudes.

In Japan, refinery throughput rose considerably, by 440,000 b/d, to 3.94 mb/d during July, marking a spate of refinery restarts following completion of yearly turnarounds. The utilization was set at 79.3%, which was still 2.2 percentage points below last year's level.

Table 2
Refined product prices
US \$/b

		Jun.01	Jul.01	**Aug.01**	**Change Aug./Jul.**
US Gulf					
Regular gasoline	*(unleaded)*	30.48	28.21	**32.77**	+4.56
Gasoil	*(0.2%S)*	31.23	28.59	**30.19**	+1.60
Fuel oil	*(3.0%S)*	17.59	17.40	**17.67**	+0.27
Rotterdam					
Premium gasoline	*(unleaded)*	31.73	27.86	**28.24**	+0.38
Gasoil	*(0.2%S)*	31.06	29.33	**30.18**	+0.85
Fuel oil	*(3.5%S)*	17.97	17.19	**18.40**	+1.21
Singapore					
Premium gasoline	*(unleaded)*	26.89	24.36	**26.68**	+2.32
Gasoil	*(0.5%S)*	30.00	28.54	**28.71**	+0.17
Fuel oil	*(380 cst)*	20.16	19.19	**20.94**	+1.75

Table 3
Refinery operations in selected OECD countries

	Refinery throughput *mb/d*			**Refinery utilization*** *%*		
	Jun.01	Jul.01	**Aug.01**	Jun.01	Jul.01	**Aug.01**
USA	15.89	15.74	**15.55**	96.1	95.2	**94.0**
France	1.70	1.72	**1.77**	89.9	90.7	**93.2**
Germany	2.03	2.18	**2.17**	90.0	96.4	**95.9**
Italy	1.61 R	1.74	**1.81**	68.1 R	73.9	**76.9**
UK	1.31 R	1.45 R	**1.53**	74.2 R	81.8 R	**86.4**
Eur-16**	11.35 R	11.77 R	**11.99**	83.2 R	86.3 R	**87.9**
Japan	3.50	3.94	**n.a.**	70.5	79.3 R	**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

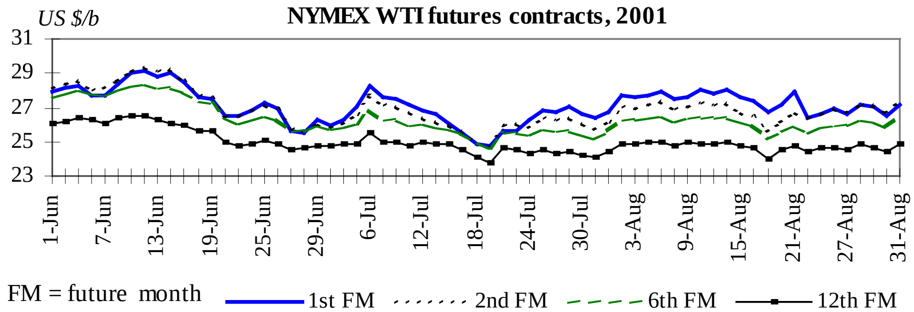
Fundamentals had little effect on NYMEX WTI movements in August

On the second day of August, NYMEX West Texas Intermediate (WTI) jumped by $0.94/b in a massive wave of short-covering, following a similar movement in the IPE Brent market that took Brent $1.0/b higher. The short-covering was a delayed reaction to OPEC's decision to cut production by 1 mb/d and to a draw on US crude oil inventories for two consecutive weeks. WTI reached $27.72/b. A further draw reported by the American Petroleum Institute (API) gave the rally more support and raised WTI to $27.94/b. However, as the market turned to fundamentals and absorbed the higher levels of crude and distillate stocks, compared with last year's level, WTI retracted by $0.3/b. During the week, backwardation persisted, and of special interest was the high December 2001/2002 spread, which reached $3.0/b.

The second week also started with an increase, as the International Energy Agency raised its demand forecast for 2001 for the first time in months, and as refinery glitches led to higher gasoline prices, pulling crude up with them. However, banks selling the September/October spread brought prices down the next day, and, despite the draw on crude oil stocks reported by the API weekly statistics and later confirmed by the Department of Energy (DOE) (with a higher value), WTI prices kept moving lower for the next days of the week, as NYMEX WTI reached $27.40/b. However, the backwardation level reached a high of $0.91/b.

Graph 2

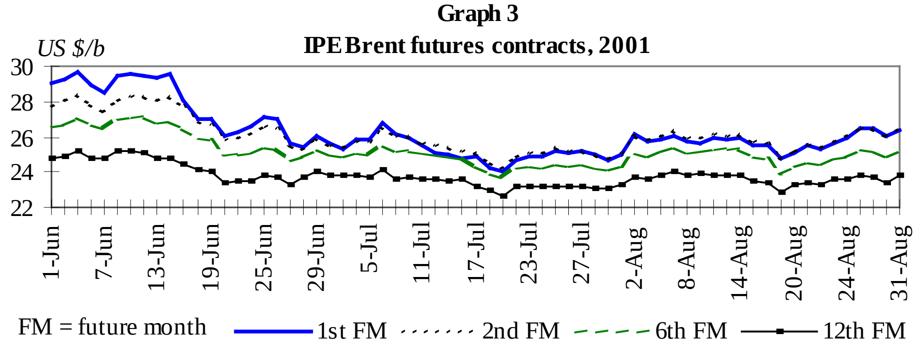
NYMEX WTI futures contracts, 2001



In the third week, fundamentals did not move the market. Technical factors were dominant, as a sell-off at the beginning of the week brought prices down by $0.72/b, against a background of a weakening front for the gasoline price curve, while it moved up by $0.50/b the next day in a corrective move. A big draw on US crude stocks, as reported by the API, did not cause a sustainable rally, as it has become a trend in the energy market to push prices ahead of the API report and then take profits after the DOE report is published the next day, irrespective of the content of the reports. NYMEX October WTI ended the week at $26.63/b.

Graph 3

IPE Brent futures contracts, 2001



Contango was the main feature of the crude oil market on NYMEX WTI in the fourth week, as heavy refining maintenance curtailed demand by refiners for prompt barrels. Crude was volatile, with no direction from news about fundamentals; but it was supported by the good and strong gasoline market early in the week. However, towards the end of the month, gasoline lost steam, as an abundance of reformulated gasoline at the end of the driving season weighed heavily on prices.

THE TANKER MARKET

OPEC area spot-chartering reduced by 4.03 mb/b in August

OPEC area spot-chartering decreased by 4.03 mb/d to a monthly average of 10.01 mb/d in August, thinned by fewer westbound fixtures. Compared with the previous year's level, the current volume of OPEC fixtures was even lower — by 4.18 mb/d. Therefore, global spot-chartering dropped by a significant 6.45 mb/d to a monthly average of 16.98 mb/d; this volume was also 5.42 mb/d below the year-ago figure. The OPEC area's share of global spot-chartering decreased by a marginal 0.95 percentage points to 58.95%; however, the present level was 4.40 percentage points lower than the previous year's share. Spot fixtures from the Middle East on eastbound and westbound long-haul routes declined by 0.22 mb/d to 3.33 mb/d and by 1.41 mb/d to 1.40 mb/d respectively. However, the shares of the eastbound and westbound routes of OPEC total fixtures reversed the previous month's distribution, rising on the eastbound route by 7.98 percentage points to 33.31% and falling westbound by 6.03 percentage points to 13.99%; together, they accounted for 47.30% of total chartering in the OPEC area, as well as being 1.95 percentage points higher than the level observed in July. Preliminary estimates of sailings from the OPEC area declined slightly by 0.27 mb/d to a monthly average of 22.87 mb/d, which was only 1.17 percentage points below the previous month's level. However, sailings from the Middle East rose by 0.33 mb/d to a monthly average of 16.55 mb/d, which was about 72.34% of total OPEC sailings. Arrivals in the US Gulf Coast, the East Coast and the Caribbean declined in August by 1.59 mb/d to a monthly average 6.97 mb/d, while arrivals in North-West Europe and Euromed decreased by 0.33 mb/d and 0.58 mb/d to 6.88 mb/d and 4.63 mb/d respectively. The estimated oil-at-sea on 26 August was 464 mb, which was 9.80 mb below the level observed at the end of last month.

VLCC freight rates decreased in August

The VLCC market in the Middle East weakened in August, after the improvement witnessed during the previous month, undermined by strong volatility in the volume of fixtures and leaving tanker-owners uncertain about the direction of the market. Thus, freight rates on the Middle East eastbound and westbound long-haul routes fluctuated widely during the month; they started to decline at the beginning of the month, reached the lowest level in the middle, picked up strongly for one week and then declined again. The monthly average decreased by four points to WS47 and by six points to WS48 respectively, compared with the previous month's level. The Suezmax market displayed mixed trends. It weakened on the route from West Africa to the US Gulf Coast, as freight rates declined by six points to a monthly average of WS94, on North Sea crude competition as Brent prices weakened. However, the monthly average freight rates from North-West Europe to the US East Coast improved by two points to WS104, due to the open arbitrage window to the US market, with Brent being traded at a discount of more than $2/b to WTI in the first half of the month. The Aframax market's trading on short-haul routes enjoyed a positive trend. Freight rates on the route from the Caribbean to the US East Coast regained some of the loss of the previous month, increasing by 25 points to WS158, helped by higher demand in the US market. In the Mediterranean, freight rates improved slightly on the routes across the Mediterranean and to North-West Europe, rising by two points to WS155 and six points to WS145 respectively. Freight rates for 70–100,00 dwt tankers on the route from Indonesia to the US West Coast reversed the previous month's trend and showed a downward movement, decreasing by seven points to WS137.

Clean tanker freight rates generally showed weaker trend in August

The clean tanker markets displayed, in general, a weaker trend in August, with the exception of the route from North-West Europe to the US East Coast, where the monthly average freight rates edged three points higher to WS223 on open transatlantic arbitrage. Freight rates from the Middle East to the Far East came under pressure from the low volume of fixtures, and they declined steadily during the month to end with a monthly average of WS200, which was 18 points lower than the previous month's figure. On the routes across the Mediterranean and from the Mediterranean to North-West Europe, freight rates declined for the third consecutive month, falling by three points to WS190 and 26 points to WS231 respectively, due to less chartering activity. The biggest drops in freight rates this month occurred on the routes from the Caribbean to the US Gulf Coast and from Singapore to the Far East, where they plunged by 39 points to WS194 and 41 points to WS218 respectively, caused by reduced refinery runs due to poor refiners' margins.

WORLD OIL DEMAND

World demand estimate for 2000 raised marginally to 75.71 mb/d

Historical data

There has been a minor downward revision to the 1999 world demand average, which is now assumed to be 75.12 mb/d, instead of the 75.14 mb/d reported in the last *MOMR*. According to the latest available figures, world oil consumption during 2000 grew by 0.59 mb/d, or 0.8%, to 75.71 mb/d. This latest estimate translates into an upward revision of 0.01 mb/d, compared with the figure presented in the previous *MOMR*. However, due to a slight downward revision of the 1999 total, the volume of change in the 2000 average shows a larger increase. Specifically for 2000, the latest available data shows that demand in developing countries grew by only 0.18 mb/d to average 18.66 mb/d, instead of the 0.15 mb/d growth presented in the last *MOMR*. Within this group, the whole upward revision has been applied to Latin America. Further details are shown in Table 4.

Table 4
World oil demand in 2000
mb/d

							Change 2000/99	
	1999	1Q00	2Q00	3Q00	4Q00	**2000**	Volume	%
North America	23.77	23.65	23.84	24.45	24.43	24.10	0.33	1.4
Western Europe	15.21	15.17	14.62	15.16	15.40	15.09	–0.13	–0.8
OECD Pacific	8.69	9.35	8.09	8.35	8.81	8.65	–0.04	–0.4
Total OECD	**47.68**	**48.17**	**46.56**	**47.96**	**48.64**	**47.84**	**0.16**	**0.3**
Other Asia	7.10	7.05	7.31	7.46	7.39	7.30	0.21	2.9
Latin America	4.68	4.58	4.74	4.79	4.72	4.71	0.02	0.5
Middle East	4.39	4.35	4.37	4.46	4.21	4.35	–0.04	–0.9
Africa	2.31	2.32	2.26	2.30	2.31	2.30	–0.01	–0.4
Total DCs	**18.48**	**18.30**	**18.69**	**19.01**	**18.63**	**18.66**	**0.18**	**1.0**
FSU	4.03	3.69	3.64	3.53	4.20	3.77	–0.27	–6.6
Other Europe	0.76	0.81	0.75	0.75	0.79	0.78	0.01	1.6
China	4.17	4.71	4.37	4.89	4.74	4.68	0.51	12.1
Total "Other regions"	**8.96**	**9.21**	**8.76**	**9.17**	**9.73**	**9.22**	**0.25**	**2.8**
Total world	**75.12**	**75.68**	**74.01**	**76.14**	**77.00**	**75.71**	**0.59**	**0.8**
Previous estimate	75.14	75.64	74.02	76.14	76.98	75.70	0.56	0.7
Revision	–0.02	0.04	–0.01	0.00	0.02	0.01	0.03	0.1

Projections for 2001

World

World demand forecast for 2001 revised down slightly to 76.35 mb/d

For the present year, the projection for world oil demand has once again been revised down, due to a further downward adjustment to the world economic growth rate. Consumption is now estimated to rise by 0.64 mb/d, or 0.8%, to average 76.35 mb/d. On a regional basis, demand is projected to increase by 0.02 mb/d in the OECD and by 0.35 mb/d in developing countries, with the remaining 0.27 mb/d originating in the “other regions” (former CPEs). On a quarterly basis, compared with the year-earlier figure, world demand grew by 0.78%, or 0.59 mb/d, to average 76.27 mb/d in the first quarter. For the rest of the year, demand is projected to register further increases of 1.47% in the second, 0.16% in the third and 0.99% in the fourth quarters. Please see Table 5 for details.

Table 5
World oil demand in 2001
mb/d

	2000	1Q01	2Q01	3Q01	4Q01	**2001**	**Change 2001/00** Volume	%
North America	24.10	24.16	23.75	24.36	24.46	24.18	0.09	0.4
Western Europe	15.09	15.18	14.77	14.96	15.26	15.04	–0.05	–0.3
OECD Pacific	8.65	9.44	8.00	8.32	8.79	8.63	–0.02	–0.2
Total OECD	**47.84**	**48.78**	**46.52**	**47.63**	**48.52**	**47.86**	**0.02**	**0.0**
Other Asia	7.30	7.14	7.48	7.47	7.60	7.42	0.12	1.6
Latin America	4.71	4.56	4.74	4.87	4.84	4.75	0.05	1.0
Middle East	4.35	4.31	4.49	4.63	4.49	4.48	0.13	3.0
Africa	2.30	2.35	2.38	2.29	2.41	2.36	0.06	2.4
Total DCs	**18.66**	**18.36**	**19.09**	**19.25**	**19.33**	**19.01**	**0.35**	**1.9**
FSU	3.77	3.97	3.89	3.44	4.11	3.85	0.08	2.2
Other Europe	0.78	0.82	0.75	0.79	0.82	0.79	0.02	2.5
China	4.68	4.35	4.85	5.16	4.99	4.84	0.16	3.5
Total "Other regions"	**9.22**	**9.13**	**9.49**	**9.38**	**9.92**	**9.48**	**0.27**	**2.9**
Total world	**75.71**	**76.27**	**75.10**	**76.26**	**77.76**	**76.35**	**0.64**	**0.8**
Previous estimate	75.70	76.25	75.20	76.37	77.92	76.44	0.74	1.0
Revision	0.01	0.02	–0.10	–0.11	–0.16	–0.09	–0.10	–0.2

OECD

Having grown by as little as 0.3% last year, OECD product deliveries are projected to post a negligible growth rate in 2001, rising by only 0.02 mb/d, to average 47.86 mb/d. This would be the net effect of 0.09 mb/d growth in North America, partly offset by declines in Western Europe and the OECD Pacific. Deliveries of petroleum products will continue to fall marginally in Western Europe, at a rate of 0.3%, which translates into a 0.05 mb/d volumetric decline. Our present estimate sees a marginal decline in demand from the OECD Pacific countries. This projection is based on the present situation in the Japanese and South Korean economies, which continue to show signs of weakening. The GDP growth rate estimate for South Korea in 2001 has been revised down to 3.2%, compared with 8.8% in 2000. Likewise, the estimated 2001 economic growth rate in Japan has been revised down systematically and now stands at –0.4.

Compared with the year-earlier figures, the inland delivery of petroleum products in North America in the second quarter, according to the latest data, dropped by a 0.4%, or 0.09 mb/d, to average 23.75 mb/d. US product deliveries rose by 0.5%, or 0.09 mb/d, to average 19.86 mb/d, while demand in Canada and Mexico declined significantly by 5.0%, or 0.10 mb/d, and 3.9%, or 0.08 mb/d, respectively. Demand in Western Europe inched up, posting a rise of 1.0%, or 0.15 mb/d, during the second quarter. However, the OECD Pacific countries displayed a 1.2% decline, or 0.10 mb/d, in the same period. According to the latest figures, demand for petroleum products dropped by 0.9%, or 0.05 mb/d, in Japan. It is important to point out that consumption also contracted by 3.1% in South Korea, the second most important regional consumer, during the second quarter.

DCs

Oil demand in developing countries has again been revised down marginally for 2001. It is now expected to rise by 0.35 mb/d, or 1.9%, to average 19.01 mb/d for the year. The estimated growth rate in consumption has been lowered for the Asian group of countries from the previous 2.0% to 1.6%. The fundamental factor behind the lower demand outlook is that Asian regional GDP is projected to grow at a lower-than-anticipated rate. These economies are highly export-dependent and are extremely reliant upon the health of their trading partners. The demand growth rate for Latin America has not changed, while those for Africa and the Middle East have been revised marginally in opposite directions.

Other regions

Apparent demand in the former CPEs is projected to grow by 0.27 mb/d, or 2.9%, to average 9.48 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 6.9%, or 0.25 mb/d, in the second quarter. For the remaining two quarters, we anticipate a moderate decline in apparent consumption, 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. 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 show 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. Therefore, we are still optimistic about the demand outlook for the rest of the year; nonetheless, due to the size and the importance of China in the overall demand picture, we shall continue to monitor closely further developments.

Preliminary forecasts for 2002

Preliminary world demand forecast for 2002 revised down slightly to 77.36 mb/d

Except for a downward revision to the world economic growth rate, no changes have been applied to our assumptions presented in the last *MOMR*. The preliminary 2002 world demand forecast has, therefore, been revised down slightly to 77.36 mb/d, compared with the previous forecast of 77.47 mb/d. However, due to a similar downward revision to the 2001 estimate, the volume and percentage of the difference have remained basically the same, indicating a 1.01 mb/d (equivalent to 1.3%) rise in 2002 demand over that of 2001.

The projected 2002 growth level is higher than those experienced in 2000 and expected in 2001. However, this is only a preliminary assessment. It will be subject to further adjustment, as more information becomes available on major factors, such as the economic growth outlook, prices and the weather. The regional and quarterly breakdown of demand forecasts are given in Table 6.

Table 6
World oil demand forecast for 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	**2002**	Change 2002/01 Volume	%
North America	24.18	24.51	24.02	24.47	24.82	24.46	0.27	1.1
Western Europe	15.04	15.34	14.61	14.81	15.47	15.06	0.01	0.1
OECD Pacific	8.63	9.56	7.91	8.25	9.02	8.68	0.05	0.6
Total OECD	**47.86**	**49.41**	**46.54**	**47.53**	**49.31**	**48.19**	**0.34**	**0.7**
Other Asia	7.42	7.41	7.60	7.55	7.85	7.60	0.18	2.4
Latin America	4.75	4.61	4.79	4.92	4.89	4.80	0.05	1.0
Middle East	4.48	4.47	4.62	4.76	4.63	4.62	0.14	3.2
Africa	2.36	2.42	2.43	2.35	2.45	2.41	0.06	2.4
Total DCs	**19.01**	**18.91**	**19.45**	**19.58**	**19.81**	**19.44**	**0.43**	**2.3**
FSU	3.85	3.92	3.71	3.82	4.22	3.92	0.07	1.8
Other Europe	0.79	0.84	0.78	0.79	0.82	0.81	0.01	1.6
China	4.84	4.67	5.06	5.22	5.08	5.01	0.17	3.5
Total "Other regions"	**9.48**	**9.43**	**9.55**	**9.82**	**10.12**	**9.73**	**0.25**	**2.6**
Total world	**76.35**	**77.75**	**75.53**	**76.93**	**79.24**	**77.36**	**1.01**	**1.3**
Previous estimate	76.44	77.75	75.65	77.05	79.41	77.47	1.03	1.3
Revision	–0.09	0.00	–0.12	–0.12	–0.18	–0.10	–0.02	–0.02

WORLD OIL SUPPLY

Non-OPEC

2001 non-OPEC supply figure revised up to 46.30 mb/d

Figures for 2001

The 2001 non-OPEC supply figure has been revised up by 0.01 mb/d to 46.30 mb/d. The quarterly distribution figures for the first and second quarters have also been revised up, by 0.04 mb/d and 0.06 mb/d to 46.28 mb/d and 45.97 mb/d respectively, while those for the third and the fourth quarters have been revised down, by 0.03 mb/d and 0.02 mb/d to 46.31 mb/d and 46.63 mb/d respectively, compared with the last *MOMR's* figures. The yearly average increase in non-OPEC supply is estimated at 0.52 mb/d, compared with the 2000 figure.

Table 7
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	14.35	14.40	14.33	0.04
Western Europe	6.74	6.78	6.50	6.52	6.68	6.62	–0.12
OECD Pacific	0.83	0.80	0.76	0.80	0.81	0.79	–0.04
Total OECD	**21.86**	**21.80**	**21.61**	**21.67**	**21.89**	**21.74**	**–0.12**
Other Asia	2.23	2.30	2.24	2.29	2.30	2.28	0.05
Latin America	3.74	3.78	3.66	3.75	3.77	3.74	0.00
Middle East	2.14	2.16	2.18	2.20	2.23	2.19	0.05
Africa	2.85	2.82	2.78	2.84	2.87	2.83	–0.02
Total DCs	**10.96**	**11.06**	**10.85**	**11.07**	**11.17**	**11.04**	**0.08**
FSU	7.91	8.25	8.39	8.41	8.40	8.36	0.45
Other Europe	0.18	0.18	0.18	0.19	0.19	0.18	0.00
China	3.23	3.29	3.25	3.28	3.29	3.28	0.05
Total "Other regions"	**11.32**	**11.73**	**11.82**	**11.88**	**11.88**	**11.83**	**0.51**
Total non-OPEC production	44.13	44.59	44.28	44.62	44.94	44.61	0.48
Processing gains	1.65	1.69	1.69	1.69	1.69	1.69	0.04
Total non-OPEC supply	**45.78**	**46.28**	**45.97**	**46.31**	**46.63**	**46.30**	**0.52**
Previous estimate	45.78	46.24	45.90	46.34	46.64	46.28	0.50
Revision	0.00	0.04	0.06	–0.03	–0.02	0.01	0.01

Totals may not add, due to independent rounding.

Expectations for 2002

2002 non-OPEC supply forecast revised up by 0.05 mb/d to 47.23 mb/d

Our preliminary forecast for 2002 non-OPEC supply has been revised up by 0.05 mb/d to 47.23 mb/d, which constitutes an increase of 0.93 mb/d, compared with the figure estimated for 2001. The expected 2002 quarterly distribution is 47.20 mb/d, 46.89 mb/d, 47.25 mb/d and 47.56 mb/d respectively.

Table 8
Non-OPEC oil supply in 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	2002	Change 02/01
North America	14.33	14.44	14.56	14.57	14.62	14.55	0.22
Western Europe	6.62	6.80	6.53	6.55	6.71	6.65	0.03
OECD Pacific	0.79	0.78	0.74	0.78	0.79	0.77	–0.02
Total OECD	**21.74**	**22.03**	**21.84**	**21.90**	**22.12**	**21.97**	**0.23**
Other Asia	2.28	2.29	2.23	2.28	2.29	2.27	–0.01
Latin America	3.74	3.85	3.72	3.82	3.84	3.81	0.07
Middle East	2.19	2.16	2.18	2.20	2.23	2.19	0.00
Africa	2.83	2.95	2.91	2.97	3.00	2.96	0.13
Total DCs	**11.04**	**11.25**	**11.04**	**11.26**	**11.36**	**11.23**	**0.19**
FSU	8.36	8.70	8.84	8.87	8.85	8.82	0.45
Other Europe	0.18	0.18	0.18	0.19	0.19	0.18	0.00
China	3.28	3.32	3.28	3.31	3.32	3.31	0.03
Total "Other regions"	**11.83**	**12.20**	**12.30**	**12.37**	**12.36**	**12.31**	**0.48**
Total non-OPEC production	**44.61**	**45.48**	**45.17**	**45.53**	**45.84**	**45.51**	**0.90**
Processing gains	1.69	1.72	1.72	1.72	1.72	1.72	0.03
Total non-OPEC supply	**46.30**	**47.20**	**46.89**	**47.25**	**47.56**	**47.23**	**0.93**
Previous estimate	46.28	47.13	46.79	47.23	47.54	47.18	0.89
Revision	0.01	0.07	0.10	0.01	0.02	0.05	0.04

Totals may not add, due to independent rounding.

2001 and 2001 forecasts for FSU net oil exports revised down

The FSU’s net oil export forecast for 2001 has been revised down by 0.04 mb/d to 4.51 mb/d, while the 2000 figure remains unchanged at 4.14 mb/d, compared with the last *MOMR*. The forecast for 2002 has also been revised down, by around 0.06 mb/d to 4.90 mb/d.

Table 9
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 (forecast)	4.28	4.50	4.97	4.29	**4.51**
2002 (forecast)	4.78	5.13	5.05	4.63	**4.90**

OPEC natural gas liquids

No revisions made to OPEC NGL data

OPEC NGL figures for the years 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*. Also, the forecast for 2002 remains 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

OPEC crude oil production

Available secondary sources put OPEC's August production at 27.7 mb/d

Available secondary sources indicate that, in August, OPEC's output was 27.67 mb/d, which was 0.82 mb/d higher than the revised July level of 26.86 mb/d. Table 9 shows OPEC production, as reported by selected secondary sources.

Table 10
OPEC crude oil production, based on secondary sources
1,000 b/d

	1999	2000	1Q01	2Q01	Jul.01*	**Aug.01***	Aug.01– Jul.01
Algeria	766	808	825	820	836	**841**	5
Indonesia	1,310	1,280	1,253	1,216	1,211	**1,213**	2
IR Iran	3,509	3,671	3,798	3,676	3,726	**3,737**	11
Iraq	2,507	2,551	2,207	2,282	2,075	**2,809**	734
Kuwait	1,907	2,101	2,142	2,018	2,016	**2,028**	12
SP Libyan AJ	1,337	1,405	1,407	1,365	1,382	**1,388**	6
Nigeria	1,983	2,031	2,131	2,051	2,015	**2,080**	65
Qatar	641	698	716	685	689	**698**	9
Saudi Arabia	7,655	8,248	8,299	7,918	7,927	**7,920**	–7
UAE	2,077	2,252	2,312	2,174	2,142	**2,135**	–7
Venezuela	2,808	2,897	2,979	2,846	2,838	**2,827**	–12
Total OPEC	**26,499**	**27,943**	**28,070**	**27,049**	**26,856**	**27,675**	**819**

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

STOCK MOVEMENTS

USA

Contra-seasonal draw of 0.60 mb/d in USA in August

US commercial onland oil stocks registered a contra-seasonal draw of 16.7 mb, or 0.60 mb/d, to 1,001.1 mb during the period 3–31 August. Gasoline stocks led this draw, falling by 13.1 mb to 194.7 mb, a level not seen since March. Higher gasoline demand, as well as lower output, due to planned maintenance and unexpected refinery glitches, were the main contributors to this draw. Other major products also showed decreases, particularly fuel oil, which moved down by 5.0 mb to 35.6 mb, on the back of improving utility demand, due to the heat-wave on the US East Coast and the opened arbitrage to Asia for US Gulf Coast high-sulphur fuel oil cargoes. Middle distillates and jet kerosene decreased marginally, by 1.3 mb to 120.4 mb and by 0.3 mb to 42.9 mb respectively. Increasing refinery runs, due to improving refiners' margins, contributed to the draw of 6.1 mb to 302.5 mb on crude oil stocks. The impact of these decreases was diminished by an increase of 9.0 mb to 215.6 mb in "other oils" stocks. Hence, the overall stock level was 40.4 mb, or about 4%, higher than the year before.

Table 11
US onland commercial petroleum stocks*
mb

	30 Mar.01	29 Jun.01	3 Aug.01	31 Aug.01	Change Aug/Jul.	31 Aug.00
Crude oil (excl. SPR)	303.2	310.7	308.6	**302.5**	**–6.1**	287.1
Gasoline	193.0	221.6	207.8	194.7	–13.1	194.9
Distillate fuel	104.0	112.8	121.7	120.4	–1.3	110.7
Residual fuel oil	39.8	42.5	40.6	35.6	–5.0	37.1
Jet fuel	40.1	43.0	43.2	42.9	–0.3	42.7
Unfinished oils	101.3	90.4	90.0	89.4	–0.6	88.5
Other oils	142.1	191.4	206.6	215.6	9.0	199.7
Total	923.5	1012.4	1,017.8	**1,001.1**	**–16.7**	960.7
SPR	542.3	543.3	543.7	543.7	0.0	571.3

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

During the same period, the US Strategic Petroleum Reserve (SPR) remained unchanged at the 543.7 mb level.

Western Europe

Seasonal draw of 0.45 mb/d in Eur-16 in August

Commercial onland oil stocks in Eur-16 in August reversed the last four months' behaviour of persistent contra-seasonal draws, to show a seasonal build of 13.8 mb, or 0.45 mb/d, to stand at 1,056.5 mb. Middle distillates contributed mainly to this build, regaining most of July's draw, with an increase of 10.0 mb, or about 3%, above last month's figure, to stand at 331.1 mb, on the back of stagnant demand. Other major products also contributed to the build, except gasoline, which remained unchanged at the previous month's level of 144.9 mb. Crude oil rose by a marginal 1.5 mb to 433.0 mb, despite an increase in refinery runs. This slight build in crude stocks was attributed to the sharp surge in imports, especially from Iraq. Total stocks were 8.7 mb, or about 1%, below last year's level.

Table 12
Western Europe commercial oil stocks*
mb

	Mar.01	Jun.01	Jul.01	Aug.01	Change Aug./Jul..	Aug.00
Crude oil	451.7	438.5	431.5	**433.0**	**1.5**	426.4
Mogas	158.3	155.6	144.9	144.9	0.0	149.4
Naphtha	22.0	25.1	25.5	26.0	0.4	25.8
Middle distillates	330.8	331.4	321.1	331.1	10.0	338.4
Fuel oils	123.6	122.2	119.7	121.5	1.8	125.2
Total products	634.7	634.3	611.2	**623.4**	**12.2**	638.8
Overall total	1,086.3	1,072.8	1,042.7	**1,056.5**	**13.8**	**1,065.2**

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

Japan

Moderate draw of 0.36 mb/d in Japan in July

In July, commercial onland oil stocks in Japan reversed June's build, when they fell by a moderate 11.1 mb, or 0.36 mb/d, to 184.0 mb. A decrease of 11.0 mb to 116.3 mb in crude oil stocks was the main driver behind this draw, on the back of increasing refinery throughput in July after the end of seasonal refinery shut-downs. Total major products remained unchanged, with a build of 2.9 mb to 36.5 mb in middle distillates being balanced by draws of 1.9 mb to 17.9 mb on residual fuel oil and 1.0 mb to 13.3 mb on gasoline. The overall stock level was 3.3 mb, or about 2%, lower than the year-earlier figure.

Table 13
Japan's commercial oil stocks*
mb

	Dec.00	Mar.01	Jun.01	Jul.01	Change Jul./Jun.	Jul.00
Crude oil	105.1	118.7	127.3	**116.3**	**–11.0**	115.9
Gasoline	12.7	14.6	14.3	13.3	–1.0	13.6
Middle distillates	40.3	31.4	33.6	36.5	2.9	38.6
Residual fuel oil	20.4	20.2	19.8	17.9	–1.9	19.2
Total products	73.4	66.3	67.7	**67.7**	**0.0**	71.4
Overall total **	178.5	185.0	195.1	**184.0**	**–11.1**	**187.3**

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

BALANCE OF SUPPLY AND DEMAND

2001 supply/demand difference estimated at 27.0 mb/d

World oil demand has been revised down by 0.1 mb/d, while non-OPEC oil supply remains unchanged, compared with the last *MOMR*, and they are estimated at 76.4 mb/d and 49.3 mb/d respectively. The yearly average difference has been revised down by 0.1 mb/d to 27.0 mb/d, with quarterly distributions of 27.0 mb/d, 26.1 mb/d, 26.9 mb/d and 28.1 mb/d respectively. The balance for the first quarter remains unchanged at 1.1 mb/d, while the second quarter has been revised up by 0.2 mb/d to 0.9 mb/d. The 2000 balance remains unchanged at 1.0 mb/d.

Table 14
Summarized supply/demand balance for 2001
mb/d

	2000	1Q01	2Q01	3Q01	4Q01	**2001**
(a) World oil demand	75.7	76.3	75.1	76.3	77.8	76.4
(b) Non-OPEC supply(1)	48.8	49.3	49.0	49.3	49.6	49.3
Difference (a – b)	**27.0**	**27.0**	**26.1**	**26.9**	**28.1**	**27.0**
OPEC crude oil production(2)	27.9	28.1	27.0			
Balance	**1.0**	**1.1**	**0.9**			

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

2002 supply/demand difference published for the first time, at 27.1 mb/d

The summarized supply/demand balance table for 2002 is being published in this issue for the first time. It shows a world oil demand forecast of 77.4 mb/d and total non-OPEC supply of 50.3 mb/d, resulting in an expected annual difference of around 27.1 mb/d, with a quarterly distribution of 27.5 mb/d, 25.6 mb/d, 26.6 mb/d and 28.6 mb/d respectively.

Table 15
Summarized supply/demand balance for 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	**2002**
(a) World oil demand	76.4	77.8	75.5	76.9	79.2	77.4
(b) Non-OPEC supply(1)	49.3	50.2	49.9	50.3	50.6	50.3
Difference (a – b)	**27.0**	**27.5**	**25.6**	**26.6**	**28.6**	**27.1**

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

Table 16
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	48.5	47.9	49.4	46.5	47.5	49.3	48.2
North America	23.1	23.8	24.1	24.2	23.7	24.4	24.5	24.2	24.5	24.0	24.5	24.8	24.5
Western Europe	15.3	15.2	15.1	15.2	14.8	15.0	15.3	15.0	15.3	14.6	14.8	15.5	15.1
Pacific	8.4	8.7	8.7	9.4	8.0	8.3	8.8	8.6	9.6	7.9	8.3	9.0	8.7
DCs	18.2	18.5	18.7	18.4	19.1	19.3	19.3	19.0	18.9	19.4	19.6	19.8	19.4
FSU	4.3	4.0	3.8	4.0	3.9	3.4	4.1	3.8	3.9	3.7	3.8	4.2	3.9
Other Europe	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
China	3.8	4.2	4.7	4.4	4.9	5.2	5.0	4.8	4.7	5.1	5.2	5.1	5.0
(a) Total world demand	73.8	75.1	75.7	76.3	75.1	76.3	77.8	76.4	77.8	75.5	76.9	79.2	77.4
Non-OPEC supply													
OECD	21.8	21.3	21.9	21.8	21.6	21.7	21.9	21.7	22.0	21.8	21.9	22.1	22.0
North America	14.5	14.1	14.3	14.2	14.3	14.3	14.4	14.3	14.4	14.6	14.6	14.6	14.5
Western Europe	6.6	6.6	6.7	6.8	6.5	6.5	6.7	6.6	6.8	6.5	6.6	6.7	6.6
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	11.1	11.2	11.0	11.2	11.0	11.3	11.4	11.2
FSU	7.3	7.5	7.9	8.2	8.4	8.4	8.4	8.4	8.7	8.8	8.9	8.9	8.8
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	46.3	46.6	46.3	47.2	46.9	47.2	47.6	47.2
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	49.3	49.6	49.3	50.2	49.9	50.3	50.6	50.3
OPEC crude oil production (secondary sources)	27.8	26.5	27.9	28.1	27.0								
Total supply	75.0	73.9	76.7	77.4	76.0								
Balance (stock change and miscellaneous)	1.2	-1.2	1.0	1.1	0.9								
Closing stock level (outside FCPEs) mb													
OECD onland commercial	2698	2446	2527	2518	2603								
OECD SPR	1249	1228	1210	1210	1207								
OECD total	3947	3675	3737	3728	3810								
Other onland	1056	983	999	997	1019								
Oil-on-water	859	808	864	907	855								
Total stock	5861	5466	5600	5632	5684								
Days of forward consumption in OECD													
Commercial onland stocks	57	51	53	54	55								
SPR	26	26	25	26	25								
Total	83	77	78	80	80								
Memo items													
FSU net exports	3.0	3.4	4.1	4.3	4.5	5.0	4.3	4.5	4.8	5.1	5.1	4.6	4.9
(a) - (b)	26.5	27.7	27.0	27.0	26.1	26.9	28.1	27.0	27.5	25.6	26.6	28.6	27.1

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

Table 17

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	-	-	-	-	-	-0.2	-0.2	-0.1	-	-	-	-	-
North America	-	-	-	-	-	-0.1	-0.1	-0.1	-	-	-	-	-
Western Europe	-	-	-	-	0.1	-	-	-	-	-	-	-	-
Pacific	-	-	-	-	-0.1	-	-	-	-	-	-	-	-
DCs	-	-	-	-	-	-	-0.1	-	-	-	-	-	-
FSU	-	-	-	-	-	0.1	0.1	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) Total world demand	-	-	-	-	-0.1	-0.1	-0.2	-0.1	-	-	-	-	-
Non-OPEC supply													
OECD	-	-	-	-	0.1	-	-	-	-	-	-	-	-
North America	-	-	-	-	0.1	0.1	-	-	-	-	-	-	-
Western Europe	-	-	-	-	-	-0.1	-	-	-	-	-	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
DCs	-	-	-	-	-	-	-	-	-	-	-	-	-
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-OPEC supply	-	-	-	-	0.1	-	-	-	-	-	-	-	-
OPEC NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Total non-OPEC supply and OPEC NGLs	-	-	-	-	0.1	-	-	-	-	-	-	-	-
OPEC crude oil production (secondary sources)	-	-	-	-	-								
Total supply	-	-	-	-	0.1								
Balance (stock change and miscellaneous)	-	-	-	-	0.2								
Closing stock level (outside FCPEs) *mb*													
OECD onland commercial	-	-	-	3	10.3								
OECD SPR	-	-	-	-	-3.2								
OECD total	-	-	-	3	7.1								
Other onland	-	-	-	1	1.9								
Oil on water	-	-	-	-0.7	-11.0								
Total stock	-	-	-	3.3	-2.0								
Days of forward consumption in OECD													
Commercial onland stocks	-	-	-	-	-								
SPR	-	-	-	-	-								
Total	-	-	-	-	-								
Memo items													
FSU net exports	-	-	-	-	-	-0.1	-0.1	-	-	-	-	-	-
(a) - (b)	-	-	-	-	-0.2	-0.1	-0.1	-0.1	-	-	-	-	-

† *This compares Table 16 in this issue of the MOMR with Table 17 in the August 2001 issue.*
This table shows only where changes have occurred.

Table 18
World oil stocks (excluding former CPEs) at end of period

	1995	1996	1997	1998	1999	1Q00	2Q00	3Q00	4Q00	1Q01	2Q01
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	2,518	2,603
North America	1,168	1,138	1,211	1,283	1,127	1,108	1,165	1,180	1,145	1,152	1,221
Western Europe	938	899	912	962	881	898	898	909	926	919	924
OECD Pacific	430	477	493	454	438	410	446	453	455	448	458
OECD SPR	1,198	1,199	1,207	1,249	1,228	1,234	1,232	1,237	1,210	1,210	1,207
North America	592	566	563	571	567	569	569	572	543	544	545
Western Europe	307	330	329	362	346	349	349	353	354	351	348
OECD Pacific	299	303	315	315	315	315	315	312	313	314	314
OECD total	**3,733**	**3,714**	**3,823**	**3,947**	**3,675**	**3,650**	**3,740**	**3,778**	**3,737**	**3,728**	**3,810**
Other onland	998	993	1,022	1,056	983	976	1,000	1,010	999	997	1,019
Oil-on-water	784	798	812	859	808	829	852	835	864	907	855
Total stock	**5,516**	**5,505**	**5,658**	**5,861**	**5,466**	**5,455**	**5,593**	**5,624**	**5,600**	**5,632**	**5,684**
Days of forward consumption in OECD											
OECD onland commercial	55	54	60	57	51	52	52	52	52	54	55
North America	53	50	58	54	47	46	48	48	47	49	50
Western Europe	63	60	64	63	58	61	59	59	61	62	62
OECD Pacific	49	53	56	52	51	51	53	51	48	56	55
OECD SPR	26	26	27	26	26	27	26	25	25	26	25
North America	27	25	27	24	24	24	23	23	22	23	22
Western Europe	21	22	23	24	23	24	23	23	23	24	23
OECD Pacific	34	34	36	36	36	39	38	35	33	39	38
OECD total	**81**	**80**	**87**	**83**	**77**	**78**	**78**	**78**	**77**	**80**	**80**
Days of global forward consumption	**88**	**85**	**97**	**89**	**82**	**84**	**84**	**84**	**83**	**86**	**85**

Table 19
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	7.97	8.00	7.98	-0.13	7.91	8.15	8.02	8.05	8.03	0.05
Canada	2.61	2.60	2.72	2.79	2.75	2.79	2.84	2.79	0.07	2.86	2.82	2.86	2.91	2.86	0.07
Mexico	3.51	3.35	3.45	3.56	3.49	3.59	3.57	3.55	0.10	3.67	3.59	3.69	3.67	3.65	0.10
North America	**14.51**	**14.05**	**14.29**	**14.22**	**14.34**	**14.35**	**14.40**	**14.33**	**0.04**	**14.44**	**14.56**	**14.57**	**14.62**	**14.55**	**0.22**
Norway	3.08	3.06	3.32	3.47	3.32	3.32	3.44	3.39	0.06	3.47	3.32	3.32	3.44	3.39	0.00
UK	2.77	2.84	2.64	2.53	2.46	2.47	2.49	2.49	-0.15	2.58	2.51	2.52	2.54	2.54	0.05
Denmark	0.24	0.30	0.36	0.37	0.31	0.32	0.34	0.33	-0.03	0.34	0.29	0.30	0.32	0.31	-0.02
Other Western Europe	0.48	0.43	0.41	0.41	0.41	0.41	0.41	0.41	0.00	0.41	0.41	0.41	0.41	0.41	0.00
Western Europe	**6.56**	**6.63**	**6.74**	**6.78**	**6.50**	**6.52**	**6.68**	**6.62**	**-0.12**	**6.80**	**6.53**	**6.55**	**6.71**	**6.65**	**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**	**21.61**	**21.67**	**21.89**	**21.74**	**-0.12**	**22.03**	**21.84**	**21.90**	**22.12**	**21.97**	**0.23**
Brunei	0.16	0.18	0.19	0.20	0.19	0.17	0.19	0.19	-0.01	0.20	0.19	0.17	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	0.73	0.70	0.72	0.73	0.72	-0.01
Malaysia	0.72	0.70	0.68	0.70	0.71	0.71	0.70	0.70	0.02	0.70	0.71	0.71	0.70	0.70	0.00
Papua New Guinea	0.08	0.09	0.07	0.06	0.06	0.07	0.07	0.06	-0.01	0.06	0.06	0.07	0.07	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	0.24	0.25	0.24	0.24	0.01	0.25	0.24	0.25	0.24	0.24	0.00
Other Asia	**2.14**	**2.18**	**2.23**	**2.30**	**2.24**	**2.29**	**2.30**	**2.28**	**0.05**	**2.29**	**2.23**	**2.28**	**2.29**	**2.27**	**-0.01**
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	1.56	1.59	1.56	0.06	1.60	1.53	1.59	1.62	1.59	0.03
Colombia	0.75	0.82	0.70	0.64	0.57	0.61	0.61	0.61	-0.09	0.66	0.59	0.63	0.63	0.63	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	0.12	0.13	-0.01	0.13	0.13	0.13	0.12	0.13	0.00
L. America others	0.11	0.11	0.12	0.13	0.13	0.13	0.14	0.13	0.02	0.13	0.13	0.13	0.14	0.13	0.00
Latin America	**3.62**	**3.76**	**3.74**	**3.78**	**3.66**	**3.75**	**3.77**	**3.74**	**0.00**	**3.85**	**3.72**	**3.82**	**3.84**	**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	1.00	1.00	0.99	0.04	0.96	0.99	1.00	1.00	0.99	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	0.49	0.48	0.02	0.47	0.47	0.47	0.49	0.48	0.00
Middle East	**2.05**	**2.06**	**2.14**	**2.16**	**2.18**	**2.20**	**2.23**	**2.19**	**0.05**	**2.16**	**2.18**	**2.20**	**2.23**	**2.19**	**0.00**
Angola	0.73	0.76	0.74	0.72	0.69	0.72	0.72	0.71	-0.03	0.79	0.75	0.78	0.79	0.78	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	0.30	0.30	0.30	0.30	0.30	0.03
Egypt	0.86	0.83	0.80	0.78	0.74	0.75	0.75	0.76	-0.04	0.78	0.74	0.75	0.75	0.76	0.00
Gabon	0.38	0.36	0.34	0.31	0.31	0.32	0.33	0.32	-0.02	0.31	0.31	0.32	0.33	0.32	0.00
South Africa	0.16	0.17	0.19	0.20	0.19	0.20	0.20	0.20	0.01	0.20	0.19	0.20	0.20	0.20	0.00
Africa other	0.22	0.28	0.41	0.48	0.50	0.50	0.52	0.50	0.09	0.51	0.53	0.53	0.55	0.53	0.03
Africa	**2.72**	**2.78**	**2.85**	**2.82**	**2.78**	**2.84**	**2.87**	**2.83**	**-0.02**	**2.95**	**2.91**	**2.97**	**3.00**	**2.96**	**0.13**
Total DCs	**10.54**	**10.78**	**10.96**	**11.06**	**10.85**	**11.07**	**11.17**	**11.04**	**0.08**	**11.25**	**11.04**	**11.26**	**11.36**	**11.23**	**0.19**
FSU	**7.29**	**7.47**	**7.91**	**8.25**	**8.39**	**8.41**	**8.40**	**8.36**	**0.45**	**8.70**	**8.84**	**8.87**	**8.85**	**8.82**	**0.45**
Other Europe	**0.19**	**0.18**	**0.18**	**0.18**	**0.18**	**0.19**	**0.19**	**0.18**	**0.00**	**0.18**	**0.18**	**0.19**	**0.19**	**0.18**	**0.00**
China	**3.15**	**3.21**	**3.23**	**3.29**	**3.25**	**3.28**	**3.29**	**3.28**	**0.05**	**3.32**	**3.28**	**3.31**	**3.32**	**3.31**	**0.03**
Non-OPEC production	**42.93**	**42.98**	**44.13**	**44.59**	**44.28**	**44.62**	**44.94**	**44.61**	**0.48**	**45.48**	**45.17**	**45.53**	**45.84**	**45.51**	**0.90**
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**	**45.97**	**46.31**	**46.63**	**46.30**	**0.52**	**47.20**	**46.89**	**47.25**	**47.56**	**47.23**	**0.93**
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.*