

19 January 2001

HIGHLIGHTS

- After soaring to ten-year highs on the back of record refinery runs, crude oil prices fell back in December to their lowest level in eight months, despite disruptions in Iraqi exports. Product prices also plummeted, though not so steeply, generating attractive refining margins and supporting crude oil demand. Crude prices rebounded in late December and early January on talk of OPEC production cuts.
- Due mainly to sharply lower output from Iraq, world production fell by 1.3 mb/d in December, averaging 77.7 mb/d. Iraqi supply plunged by 1.6 mb/d, as oil-for-food exports were interrupted for twelve days. Since resuming on 13 December, Iraqi exports have been sporadic and low, averaging 0.5 mb/d in December, compared to the typical 2.2-2.3 mb/d.
- World demand is expected to average 77.4 mb/d in the first quarter and 77.3 mb/d for 2001 as a whole. This represents a downward revision of 280 kb/d since the last Oil Market Report, and reflects the global impact of the US economic slowdown. November and December OECD deliveries were unchanged from a year earlier.
- OECD industry stocks rose counter-seasonally in November, by 23 million barrels, or 0.77 mb/d. Stocks, while building, remain low, in both absolute terms and in days-of-forward-demand cover. This factor - the result of OPEC supply restraint in 1999 and 2000 - contributes to market fragility and price volatility.

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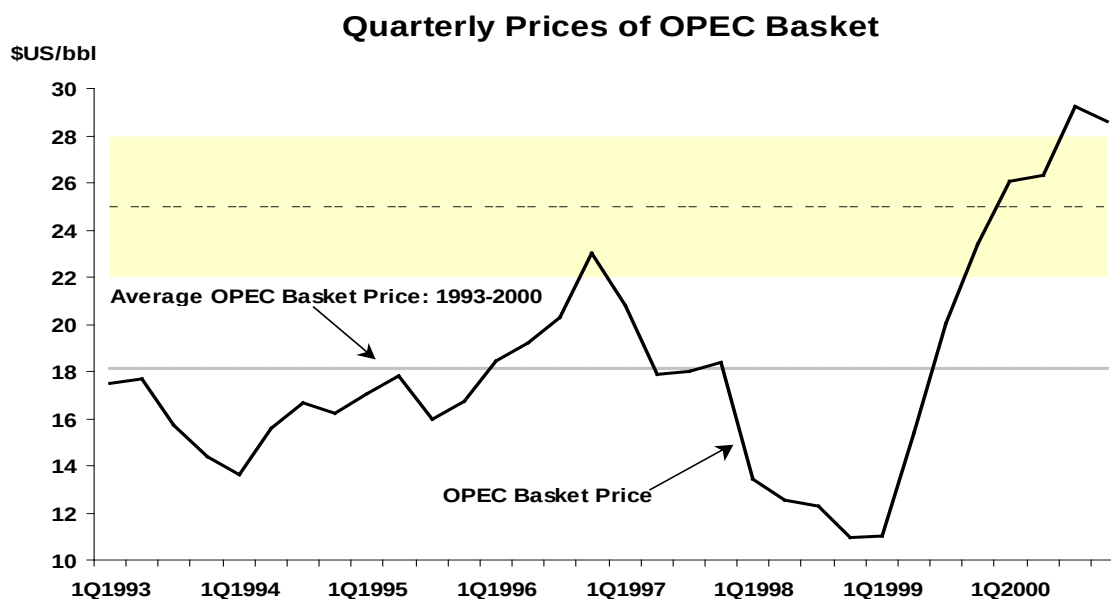
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WHERE DO WE GO FROM HERE?

The Oil Market Report goes to print just as OPEC meets in Vienna to discuss the state of the oil market. Rumours abound that OPEC has already reached a consensus to make sweeping production cuts to stabilise prices. Financial markets responded to those rumours by pushing up prices, while media and industry pundits were busy trying to second guess what OPEC is likely to resolve at its upcoming meeting. The market appears to have discounted potential OPEC actions well in advance of any decision.

Producers are concerned about a seasonal reduction in second quarter 2001 demand, and want to avoid oversupplying the market. Their concerns are understandable, but seasonal patterns are not new phenomena. They occur every year and are the reason why it is essential to build and maintain stocks. This year, moreover, producers are concerned about the effects on demand of a potential slow-down in the global economy. A price-induced reduction in oil consumption would exacerbate this situation, tilting the supply-demand balance beyond normal seasonal patterns.

Of course producers seek to extract maximum economic rent from the sale of their commodity. However, it is one thing to raise prices in a booming economy, it is another to do so in a period of economic slow-down. Today's global economy is fragile, and high prices will have a greater impact on economic growth and energy demand. Unlike many emerging economies, developed nations have so far been able to absorb the impact of sustained high oil prices, thanks to their robust economies. This may no longer be the case. The global economy is in a more precarious position this year than last. So therefore is oil demand.



Considering global stocks and prices, it could well be argued that OPEC should maintain rather than decrease production. Stocks, although building, are still low, and if OPEC is serious about reducing market volatility, stocks need to build to more comfortable levels. With respect to prices, they remain at the high end of the target range, and with the exception of the past year, are much higher than they have been at any time in recent history.

Where does this leave us? What level of target reduction do we assume in updating our analysis and balances? We obviously are not alone in this predicament. Producers have been quick to blame unscrupulous speculators for driving up prices and increasing market volatility. They proclaim that market stability is their goal. Fair play, but oft-repeated statements by unnamed officials generate uncertainty, fuel speculative pressure and thereby feed volatility. Their statements have an immediate effect on the market, while the physical impact of any potential production cut is another two to three months away. With another OPEC meeting scheduled for March, maybe we should all try to lower the rhetoric.

DEMAND

Summary

- World oil demand is now expected to average 77.4 mb/d in the first quarter and 77.3 mb/d for 2001 as a whole. The assessment has been marked down by 280 kb/d, primarily to reflect economic slowdown in the United States and the effect on its trading partners around the world.

Global Demand from 1999 to 2001

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q99	75.8	3.1	2.3	0.1
2Q99	72.9	1.2	0.9	0.1
3Q99	74.1	1.3	0.9	0.1
4Q99	76.5	1.5	1.1	0.1
1Q00	75.4	-0.4	-0.3	0.1
2Q00	73.8	1.2	0.9	0.1
3Q00	75.8	2.4	1.8	0.2
4Q00	77.3	1.1	0.9	-0.4
1Q01	77.4	2.6	1.9	-0.3
2Q01	75.4	2.2	1.6	-0.2
3Q01	76.9	1.4	1.1	-0.1
4Q01	79.3	2.5	2.0	-0.5
1999	74.8	1.7	1.3	0.1
2000	75.6	1.1	0.8	-
2001	77.3	2.2	1.7	-0.2

* year-on-year change

- November inland deliveries of petroleum products in nine large OECD markets were unchanged from a year earlier. Deliveries rose 2.9% in North America, fell an average 3.3% in Japan and Korea, and dropped an average 4.6% in France, Germany, Italy and the UK. Overall, deliveries of "other gasoil", primarily heating oil, reached 3.2 mb/d, a scant 40 kb/d higher than October. In December, OECD oil deliveries totalled an estimated 51 mb/d, about the same as the inflated pre-Y2K figures of a year earlier. US deliveries were relatively weak, growing only 1%, despite cold weather.

Global Oil Demand by Region

(million barrels per day)

	Demand (mb/d)	Annual Change (mb/d)			Annual Change (%)		
	2000	1999	2000	2001	1999	2000	2001
North America	24.06	0.75	0.18	0.41	3.2	0.8	1.7
Europe	15.83	-0.18	-0.03	0.20	-1.1	-0.2	1.3
OECD Pacific	8.62	0.22	-0.01	0.20	2.6	-0.1	2.3
China	4.79	0.29	0.31	0.25	7.0	6.9	5.2
Other Asia	7.23	0.31	0.17	0.30	4.5	2.5	4.1
<i>Subtotal Asia</i>	20.64	0.82	0.48	0.75	4.2	2.4	3.6
FSU	3.49	-0.23	0.00	-0.06	-6.2	-0.1	-1.8
Middle East	4.40	0.13	0.10	0.17	3.1	2.3	3.9
Africa	2.35	-0.02	0.02	0.05	-0.7	0.7	2.1
Latin America	4.83	0.02	0.05	0.14	0.4	0.9	2.9
<i>World</i>	75.59	1.29	0.79	1.66	1.7	1.1	2.2

- Chinese statistics imply product deliveries in October of 4.9 mb/d, 15% higher than a year earlier, and the fourth consecutive month of double-digit growth. In India, deliveries in October and November dropped to an average of 1.95 mb/d, slightly lower than a year earlier.

The Big Picture

The forecast of oil demand growth in 2001 has been cut from that of the last Report, to 1.66 mb/d (2.2%). The reduction reflects the direct effect of the slowing US economy and the indirect effects on its trading partners, primarily in Asia and North America. Japan's economy also continues to remain quite fragile, which impacts the rest of Asia.

Estimated oil demand in the fourth quarter of 2000 and the first quarter of 2001 now stands at 77.34 mb/d after a 350 kb/d markdown. On a global basis, these reductions are independent of weather; winter so far has been cold in the US and warm in Europe, but normal on average.

The current forecast is based on the assumption that oil prices will be more moderate than last year. But economic momentum is slowing, leaving the world considerably more vulnerable to high prices this year than last. If oil prices increase sharply at a time when economies are beginning to falter, economic growth may stall. This case – a global hard landing – is not the current forecast.

OECD

Early Indications of October and November Demand

Based on estimates supplied by IEA countries, OECD deliveries totalled 51 mb/d in December, on par with the inflated pre-Y2K figures of a year earlier. US deliveries were relatively weak, growing only 1%, despite weather in the Northeast that was 4°C colder than normal, or enough to have increased heating oil requirements 200 kb/d. December temperatures across most of Europe averaged 2-3°C warmer than normal, essentially offsetting cold weather in the US.

Preliminary Moving Annual Average Change in OECD Oil Demand

	December 2000 (thousand barrels per day)									kb/d
	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	
Europe	62	9	-27	10	166	1	49	-85	184	0.8%
Pacific*	24	18	-84	37	103	-2	-100	-39	-43	-0.3%
North America	7	15	12	-5	-10	1	-14	-13	-7	-0.1%
Total	93	43	-99	42	259	0	-65	-138	134	0.3%
	2.0%	1.4%	-0.7%	1.0%	3.8%	0.0%	-1.3%	-2.9%	0.3%	

IEA estimates, based for the most part on responses to supplemental questionnaires

Despite a booming North America, European economic strength and Asian recovery, OECD oil demand increased only fractionally last year, and declined in both Europe and the Pacific. Reported growth also dropped when final US figures for October came in 440 kb/d lower than preliminary US EIA estimates.

Higher oil prices significantly depressed demand for the heavier end of the barrel: fuel oil and “other products”, despite end-year support from North American switching from natural gas into fuel oil. Lower-taxed US gasoline also showed a demand response to price, contracting slightly. The decline in US gasoline demand may also reflect the declining popularity of MTBE, a mainstay component of cleaner gasoline. Because MTBE has lower energy per unit volume than does neat gasoline, the volume of gasoline consumption would drop as the proportion of MTBE in gasoline declined.

Diesel demand, which closely tracks industrial output, was extremely strong outside the Pacific, while still falling short of 1999's 330 kb/d growth. Jet/kerosene owes its strength to Europe, where inter-European air travel has been flourishing and its cost falling thanks to new low-cost air carriers. Modest recovery in the petrochemicals sector supported demand for both LPG and IEA-definition naphtha (exclusively for petrochemical use).

Preliminary Inland Deliveries – November 2000¹

	Gasoline		Jet/Kerosene		Diesel		Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.27	0.4	1.74	6.3	2.74	4.8	1.09	9.5	0.77	0.7	5.03	3.8	19.63	2.8
Canada	0.66	0.5	0.11	-6.6	0.43	2.6	0.10	-1.0	0.16	24.4	0.26	10.8	1.72	3.7
Mexico	0.55	4.2	0.06	7.7	0.30	4.2	0.00	-75.0	0.45	2.3	0.37	1.4	1.72	3.0
Japan	0.98	1.1	0.66	1.4	0.74	-4.3	0.50	-2.9	0.52	-12.1	1.67	-11.1	5.07	-5.7
Korea	0.19	15.0	0.05	-2.0	0.36	-1.4	0.19	-20.9	0.38	20.5	0.97	3.1	2.14	2.4
France	0.29	-6.7	0.12	-3.3	0.57	1.1	0.34	-16.0	0.08	-18.3	0.52	-1.1	1.92	-5.4
Germany	0.66	-4.4	0.15	2.7	0.65	-3.8	0.61	-10.3	0.12	-3.4	0.46	-3.9	2.65	-5.2
Italy	0.37	-8.9	0.08	7.4	0.40	-1.2	0.17	-10.2	0.26	-27.3	0.49	0.4	1.76	-7.1
UK	0.54	2.0	0.31	4.5	0.33	-1.9	0.17	4.8	0.04	28.3	0.29	-0.3	1.67	-0.8
Total	12.50	0.1	3.27	4.0	6.51	1.2	3.18	-3.7	2.77	-2.6	10.06	-4.0	38.28	0.0

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, UK PIA, Italy Ministry of Industry, Statistics Canada, Mexico Pemex, Korea PEDCO

Percentage change is calculated from the same month of the previous year

¹ excludes refinery fuel and bunkers (except US)² includes direct use of crude oil³ fifty states only. Diesel's share of total distillate is estimated

According to preliminary statistics, November inland deliveries of petroleum products in nine large OECD markets were unchanged from a year earlier. North American demand increased 650 kb/d or an average 2.9%, with 540 kb/d of the growth in the United States. Diesel and gasoil deliveries increased by 190 kb/d. Pacific deliveries contracted by 255 kb/d primarily due to Japanese declines in heavy fuel oil and “other products”; 145 kb/d was due to lower deliveries to Japanese electric utilities, which stocked up on oil a year earlier as insurance against possible Y2K disruptions. Korean deliveries, while not yet “weak”, seem to be losing strength, prompting fears of an Asian slowdown.

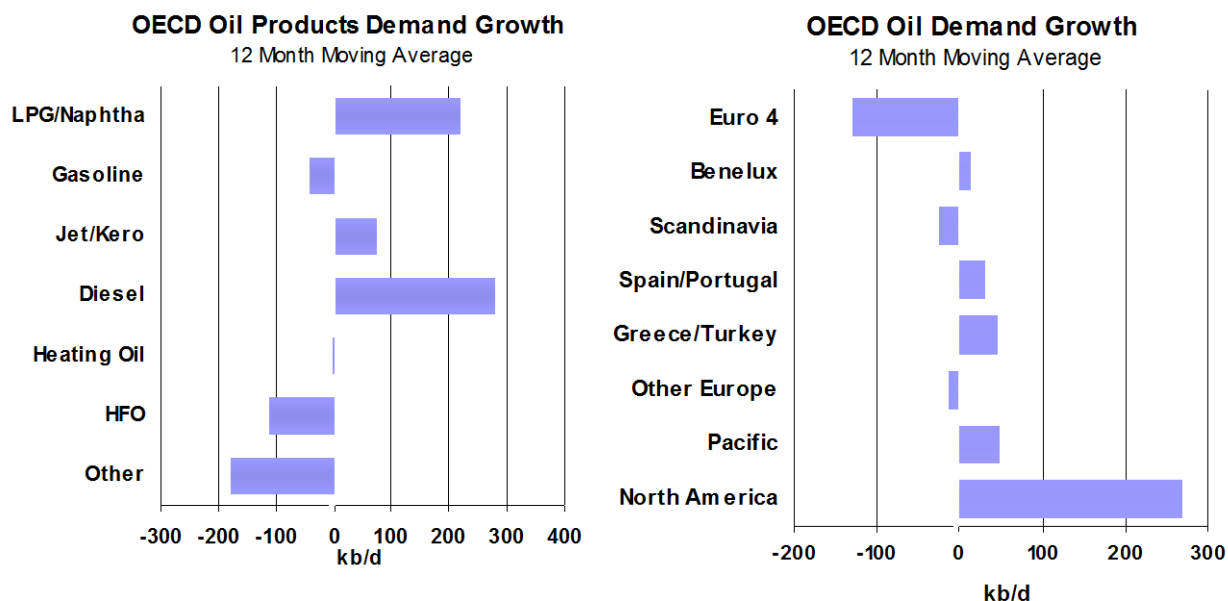
European deliveries were 380 kb/d lower, with 150 kb/d of the shortfall in heating oil and 110 kb/d in heavy fuel oil. Overall, deliveries of “other gasoil”, primarily heating oil, reached 3.2 mb/d, a scant 40 kb/d higher than October. These are weak deliveries for this time of year, probably explained by **consumers’ stocking** up earlier, in the third quarter. The European rush on distillate was over by November. European fuel-oil losses are primarily in Italy, related to the country’s evolving electricity supply; compared to a year earlier, Italy’s hydropower increased by 1.0 TWh in November, its electricity imports by 0.6 TWh, and its fossil-fired power (primarily oil) declined by 0.9 TWh.

Moving Annual Average Change in Oil Demand – November 2000

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	2.6%	8.2%	0.1%	1.2%	6.2%	-0.4%	-0.4%	-4.9%	0.7%	129
Canada	18.0%	-4.3%	0.1%	3.4%	1.7%	6.1%	0.0%	-0.7%	3.8%	79
Mexico	3.5%	-65.9%	4.1%	1.0%	3.8%	3.8%	4.9%	0.3%	3.1%	62
Japan	-2.5%	0.0%	2.2%	2.3%	-2.5%	2.7%	-3.6%	-4.3%	-0.5%	-27
Korea	12.8%	3.1%	-2.4%	-5.0%	7.0%	-5.5%	5.7%	-33.9%	3.2%	67
France	1.0%	-0.3%	-3.1%	2.1%	2.0%	-1.4%	-10.1%	5.1%	-0.6%	-11
Germany	2.0%	2.7%	-3.7%	4.9%	6.3%	-8.4%	12.4%	-24.3%	-2.2%	-62
Italy	7.2%	21.8%	-6.3%	3.1%	4.4%	-1.2%	-8.4%	-6.2%	-1.7%	-31
UK*	-7.1%	-14.0%	-1.3%	8.1%	2.1%	2.1%	-20.5%	-4.9%	-1.4%	-25
Total	3.4%	1.7%	-0.2%	1.8%	4.1%	-1.3%	-1.0%	-4.8%	0.4%	168
kb/d	141	42	-24	63	219	-48	-37	-189	168	

* near-month data are estimated

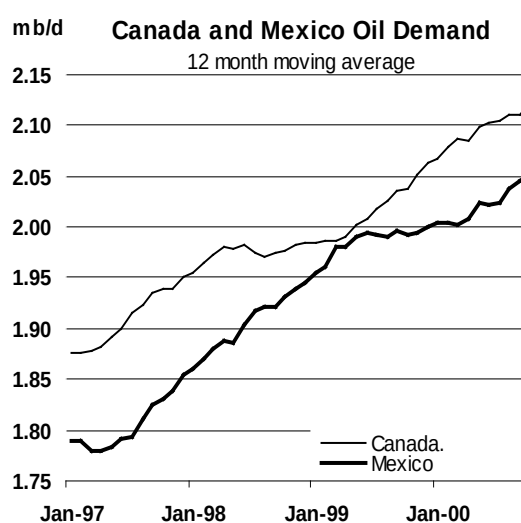
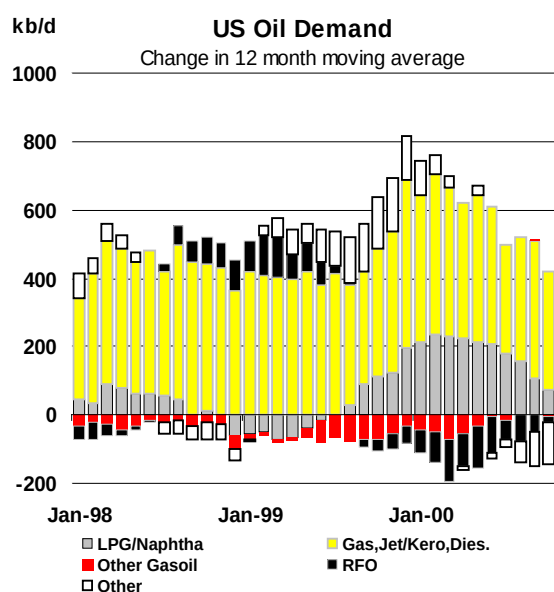
The twelve-month averages through November show aggregate deliveries in the nine largest OECD markets still growing but only fractionally, with gains in light products offset by losses in the heavy end of the barrel. But it is encouraging that deliveries of diesel and jet/kerosene, good indicators of economic health, are strong outside Japan and Korea. Jet fuel seems particularly strong in Europe, undoubtedly reflecting the success of newer low-cost air carriers such as Ryanair and easyJet.



North America

North American oil demand is forecast to average 24.5 mb/d this year, 410 kb/d or just 1.7% more than in 2000. The growth forecast has been reduced by 90 kb/d to reflect the estimated effect of a slowing US economy, with the markdown most pronounced in the first quarter. North American oil will lose demand for economic reasons, while continuing to benefit from its substitution for natural gas – at electric utilities, for example. Current prices on the New York Mercantile Exchange for natural gas futures are over \$8 per thousand cubic feet for February and March contracts, subsidizing to a still-high post-winter \$6 for May through December. Gas costing \$6 to \$8 at the Henry Hub, in Louisiana, is equivalent to \$40 to \$55 per barrel low-sulphur residual fuel oil in New York Harbour.

The signs of economic slowdown suggested by weak North American oil-demand growth last year are confirmed by the US Federal Reserve Board's recent interest rate cut. Fears of recession are widespread in the financial community and evident in lower stock prices. The previously-booming stock market supported strong consumer spending because of the "wealth effect". Cooling stock prices are likely to slow spending, further braking the economy. The Federal Reserve Board is expected to continue to cut interest rates as necessary, to enable the US to achieve a soft landing, but bearish market sentiment may make that difficult.



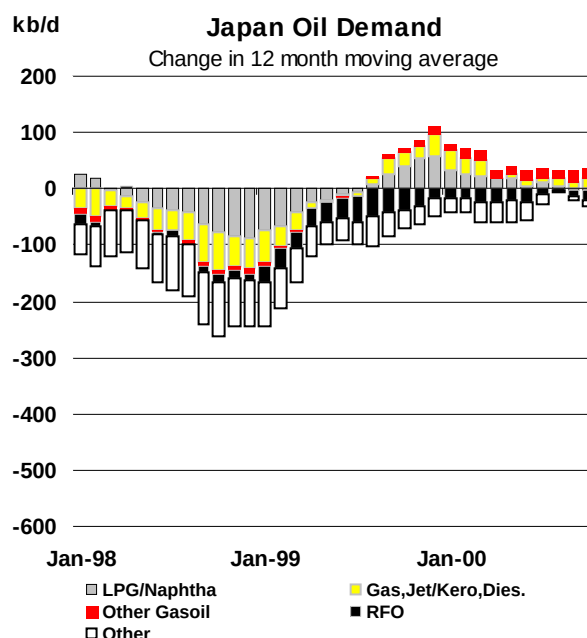
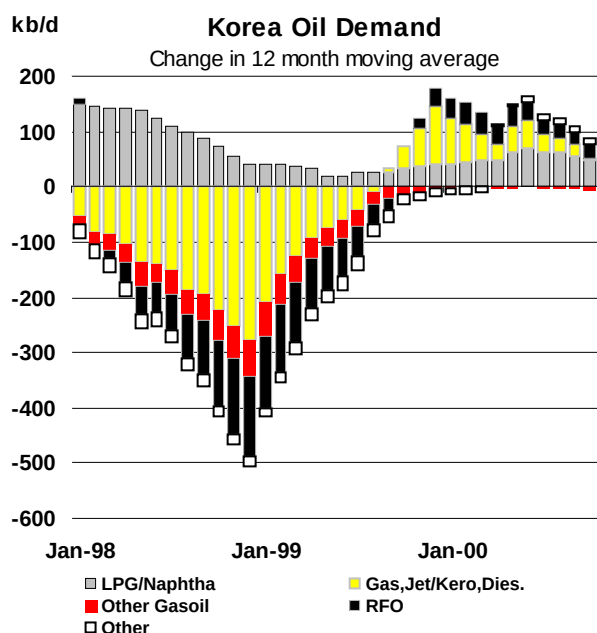
The economic situation is exacerbated by already-high energy prices. In the case of natural gas and California electricity, rapidly increasing demand met relatively inelastic supply, and market clearing prices to unprotected buyers spiked. Much higher prices are forcing energy intensive but low-margin commodity industrial companies such as aluminium and copper producers to reduce output and employment, or even to shut down entirely. Major California electric utilities, the distributors of electricity and sometimes gas, are likely to require state rescue, and the utilities' weak financial condition limits supply by making sellers reluctant. Rolling power blackouts have been averted in California only by Federally-mandated supply of electricity from nearby states, by voluntary agreements with large customers and by utilities' cutting off customers who contracted for lower-priced interruptible supply. The total final cost to the economy (as reflected indirectly in oil demand) will be high.

A US slowdown will brake the neighbouring economies of Canada and Mexico as well. Mexico's new President has already signalled signs of economic difficulties and proposed remedies: federal job cuts to make up for steepening budget deficits. Anticipated oil-demand growth in 2001 has been reduced to 20 kb/d for Canada and 30 kb/d for Mexico from their 2000 bases of 2.1 mb/d each.

As the US downturn slows the US appetite for imported goods, the effect is transmitted to other trading partners. This Report's markdown of oil demand growth across Asia in 2001, and, to a lesser extent, Europe, reflects that effect.

OECD Pacific

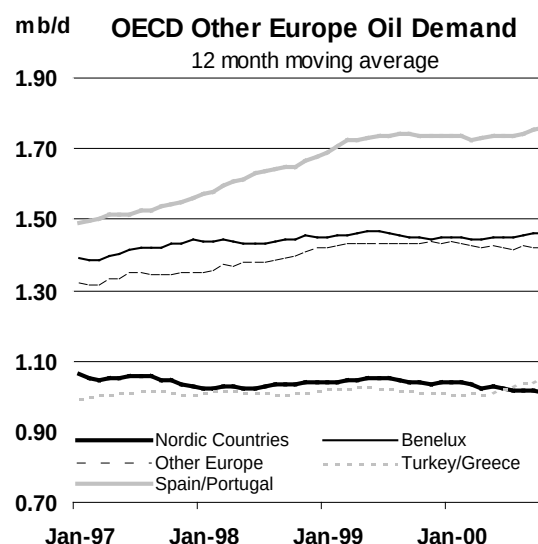
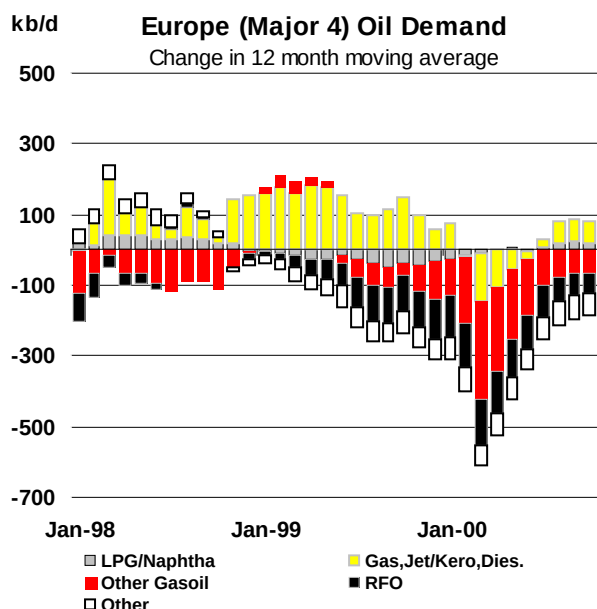
Projected demand in **Japan, Korea, Australia and New Zealand** has been trimmed again, to an average 8.6 mb/d in 2000 and to growth of 200 kb/d (2.3%) this year. These continuing markdowns reflect the still-fragile economic situation in Japan, where the yen is weakening, and the trade impact of a weakening US. Financial markets seem nervous about the effect on the Japanese banking sector of new "mark-to-market" accounting rules which are scheduled to take effect in March, the end of the Japanese fiscal year, when assets such as equity positions must be valued at the lower of book or market value. Japanese banks typically hold significant equity positions in their capital bases and stock market prices are weak.



Korea may be partially sheltered from the US economic slowdown. Its successful showing in lower-priced consumer electronics, appliances and cars may moderate declines in Korean exports if US consumers respond to the slowdown by trading down in their purchases. Exports to China, as that economy cools, are also a concern. Korean oil demand is expected to average 2.2 mb/d this year, 110 kb/d or 5% more than in 2000.

OECD Europe

Demand last year appears to have fallen 40 kb/d short of year-earlier levels despite demand growth averaging 1.6% in the second and third quarters. Third-quarter growth of 2.2% was supported by consumers buying heating oil before winter set in, depressing fourth quarter requirements, while fourth quarter growth was limited by unseasonably warm weather. Fourth quarter temperatures averaged 2°C warmer than normal in Germany and France, Europe's largest heating oil markets.



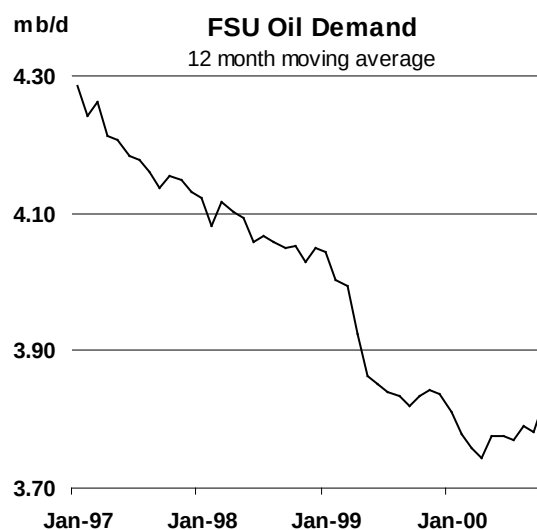
Oil demand is expected to increase 190 kb/d or 1.3% this year, for an average 8.4 mb/d, assuming more moderate oil prices and winters that are normally cold. Spain is expected to account for 50 kb/d growth and France, Germany, Italy and the UK combined (the European Four) for only another 60 kb/d. Jet and kerosene demand is forecast to contribute 40 kb/d growth, diesel 90 kb/d, and gasoil 50 kb/d. Anticipated growth has been reduced slightly to reflect the US slowdown, but European economies continue to be generally quite strong, though slowing modestly.

Non-OECD

Former Soviet Union

Estimated FSU deliveries declined 1% in December. For the year 2000 as a whole, deliveries averaged 3.5 mb/d, the same as a year earlier. Economic conditions have improved and non-payment is less of an issue. Even so, the pressure is on to maximise hard-currency oil and gas exports by rationalising energy-intensive industries and by increasing use of domestic coal – for electricity production, for example.

While the Russian government generally had export quotas to protect domestic users, in practice the quotas were often waived, with the net effect of “shorting” the domestic market. The gradual shift towards freer market pricing and policies has been painful, accompanied by sporadic shortages of oil, gas and electricity. Nevertheless, the gradual reduction in the domestic use of oil is projected to continue next year, with deliveries dropping an estimated 60 kb/d. Increasing gasoline demand is



unlikely to offset continued reductions in the industrial use of heavy fuel oil, just as demand growth in Russia, reported to be 5% for 2000, is unlikely to offset rationalisation of oil use in less well-off republics.

China

Chinese petroleum-product demand is estimated in this Report as the sum of reported refinery output and net product imports plus an adjustment factor (currently about 670 kb/d). It is necessary to adjust these figures upwards to make an allowance for refinery fuel and losses, understated runs (at tea-kettle refineries, for example) and unreported product imports. October statistics imply Chinese product deliveries of 4.9 mb/d, 15% higher than a year earlier. October marks the fourth consecutive month of double-digit growth in China, after which a slowdown to 4.7 mb/d by December is assumed. Chinese deliveries in absolute terms have fallen from their recent August peak of 5.1 mb/d.

Chinese product deliveries have been alternately speeding up and slowing down, cycling around the underlying trend. This happens in all markets to some extent, as buyers adjust their purchases based on price expectations. The effect seems to be particularly strong in China, where official prices each month are based on international prices in the previous month.

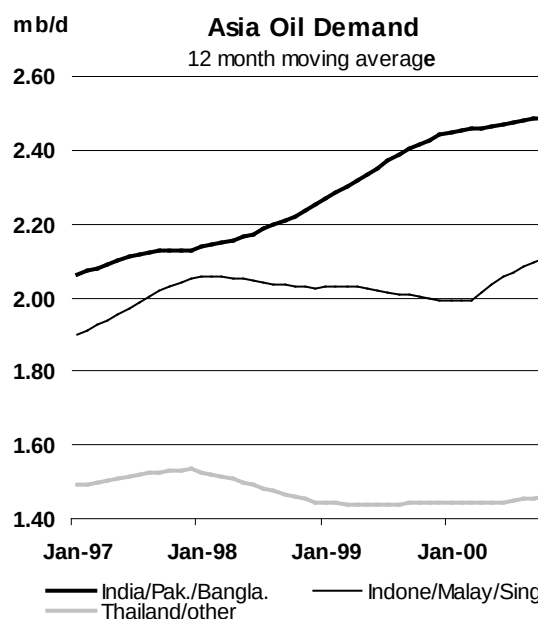
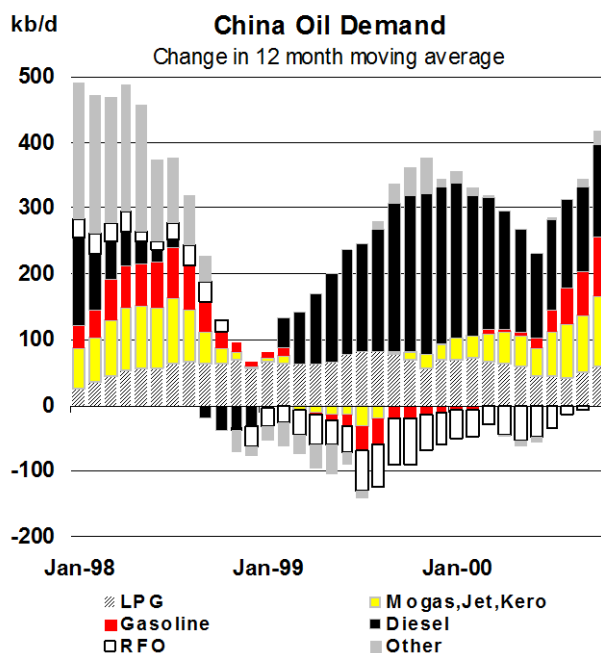
The current assessment is that Chinese product deliveries last year averaged 4.8 mb/d, 310 kb/d more than in 1999: this works out to 7%, or one point less than official GDP growth. The economy was supported by massive government spending on infrastructure projects such as highways, ports and pipelines; strong export markets and programs to stimulate consumer spending, such as the tax on savings.

With the Chinese economy slowing and export prospects cooling, estimated demand growth has been trimmed from that in the last Report to an average 250 kb/d (5%) this year, two points less than China's GDP target. Overall oil demand this year will continue to be supported by electricity demand, which has been picking up; by environmental pressures to limit or reduce coal use; and by consumer spending on goods such as automobiles. Chinese carmakers have been pre-positioning themselves for Chinese entry into the World Trade Organisation, and focussing on domestic sales in the meantime.

China - Crude Oil and Product Trade

(thousand barrels per day)

	kb/d			Latest Month vs	
	Oct 00	Sept 00	Oct 99	Sept 00	Oct 99
Crude Imports	1397	1653	492	-255	905
Crude Exports	171	208	102	-37	69
Net Crude Imports	1227	1445	390	-218	836
Total Net Imports	1471	1748	637	-277	834
Net Product Imports					
LPG	135	157	134	-21	1
Naphtha	-16	-16	-5	0	-11
Gasoline	-72	-108	-118	36	46
Kerosene	6	9	28	-3	-23
Diesel	-10	-4	-2	-6	-9
RFO	132	160	145	-28	-13
Other Products	70	106	65	-36	5
Total Products	245	304	247	-59	-2



Record-setting refinery runs earlier in the year left product stocks relatively high, forcing reductions in runs totalling 150 kb/d between September and October, a counter-seasonal cut. Even so, October runs averaged 3.9 mb/d, 450 kb/d more than in 1999. Net crude imports dropped with runs: Saudi Arabia, Iran and Oman lost a combined 260 kb/d, while North Sea imports gained 107 kb/d. Chinese crude exports to Japan fell to just 90 kb/d. China's October crude imports even included a cargo of Alaskan North Slope crude, offset by China's normal 30 kb/d crude export to the US West Coast. Looking at petroleum products, gasoline demand increases are eating into gasoline surpluses, reducing gasoline exports.

India

Indian deliveries slowed in October and November, dropping to an average 1.95 mb/d, slightly lower than a year earlier. Growth averaged only 2.4% (50 kb/d) for the twelve months through November, with half the growth in the 200 kb/d LPG market. Growth of LPG should be sustainable, with prospective consumers no longer facing a lengthy wait. Annual naphtha demand growth also appears stable at 15 kb/d.

The product that has been extremely weak is high-speed diesel for transportation, which has plateaued at an annual average 800 kb/d. The drought which reduced agricultural demand is one reason, but slowing output is another: Industrial Production fell in August and September of last year from 1999's 7% rate to just 5%. Recent industrial growth has been slowed by constraints in the infrastructure (ports, etc.). The bottlenecks are a temporary problem, and a normal one. Total infrastructure capacity increases in a stepwise fashion rather than smoothly, and capacity additions are typically quite large.

India - Crude Oil and Product Trade
(thousand barrels per day)

	kb/d			Latest Month vs	
	Nov 00	Oct 00	Nov 99	Oct 00	Nov 99
Crude Imports	1029	703	1088	326	-59
Crude Exports	0	0	0	0	0
Net Crude Imports	1029	703	1088	326	-59
Product Imports	170	195	275	-25	-104
Product Exports	7	0	0	7	7
Net Product Imports	163	195	275	-32	-112
Total Net Imports	1192	898	1363	294	-171
Net Product Imports					
Gasoil	0	0	1	0	-1
Gasoline	0	0	0	0	0
Fuel Oil	18	20	37	-2	-19
LPG	22	16	68	6	-47
Naphtha	67	72	74	-5	-7
Kerosene	47	79	89	-32	-42
Other	9	8	5	1	4
Total	163	195	275	-32	-112

Source: Indian Ministry of Commerce and Indian Port Authorities

The current assessment anticipates an increase in 2001 to an average 2.1 mb/d, with anticipated growth cut to 100 kb/d, reflecting the slowing global economy. This is growth equal to that of 1996-1998, when Asia was having economic difficulties. Refiners seem to be expecting growth, with Indian Oil Company announcing a 4.3 million tonne/year expansion at Gujarat and Cochin announcing a six million tonne expansion.

India continues to attempt to reduce oil price subsidies. Decontrol of jet prices is planned for March, but this is only 50 kb/d of total demand. Prices to industry have been successfully decontrolled, consumer prices less so. Part of the recent increase in the controlled prices of kerosene and LPG was rolled back late last year, after political pressure.

Indian refining runs hit 2.2 mb/d in October, reflecting utilisation rates of 97%, but with domestic demand cooling, runs were cut to 2.1 mb/d in November. Crude imports averaged 0.7 mb/d in October and 1 mb/d in November. Nigerian crude regained its lost market share, with 250 kb/d imports in October and 375 kb/d by November. Over the two months, crude imports from Kuwait averaged 180 kb/d, from Saudi Arabia 130 kb/d, from Iran 110 kb/d, from the UAE 80 kb/d, and from Iraq 30 kb/d.

With Indian refining runs so high and demand so restrained, net product imports now supply only about 8% of total demand. But naphtha imports remain critical, with imports required to make up a third of final consumption. Higher refinery output of naphtha goes into the gasoline pool, while end-use demand for naphtha remains supported by petrochemicals and electricity production.

Other Non-OECD

The baseline estimates of non-OECD demand for 1999, 2000 and 2001 have been increased slightly to allow for rising refinery fuel and international marine bunkers. This, together with Israeli demand

figures through end-1999, increased Middle East demand by an average 50 kb/d in 2000, to a total 4.4 mb/d, for 170 kb/d or 2.5% growth. The growth may seem overly modest, given the economic boost to Mideast producers from higher oil prices. In fact, it is the direct result of producing-country initiatives to increase oil export capacity in the most cost-effective way possible: by increasing their domestic use of the natural gas associated with oil production. Egypt has pursued this policy most widely. Based on figures for the first eleven months of last year, Egyptian oil consumption dropped by nearly 10% and its natural gas use increased by over 20%.

Demand in non-OECD Asia, excluding India and mainland China, is estimated at 5.2 mb/d for 2000, with forecast growth this year cut to 200 kb/d, slowing with export markets. The latest estimate of Latin American oil demand has been trimmed to 4.8 mb/d for 2000, reflecting new Peruvian figures through the third quarter and provisional Brazilian figures through November. Both were weak. Latin American demand growth this year has been cycling around 1%, double the rate of the previous two years, but has yet to truly recover.

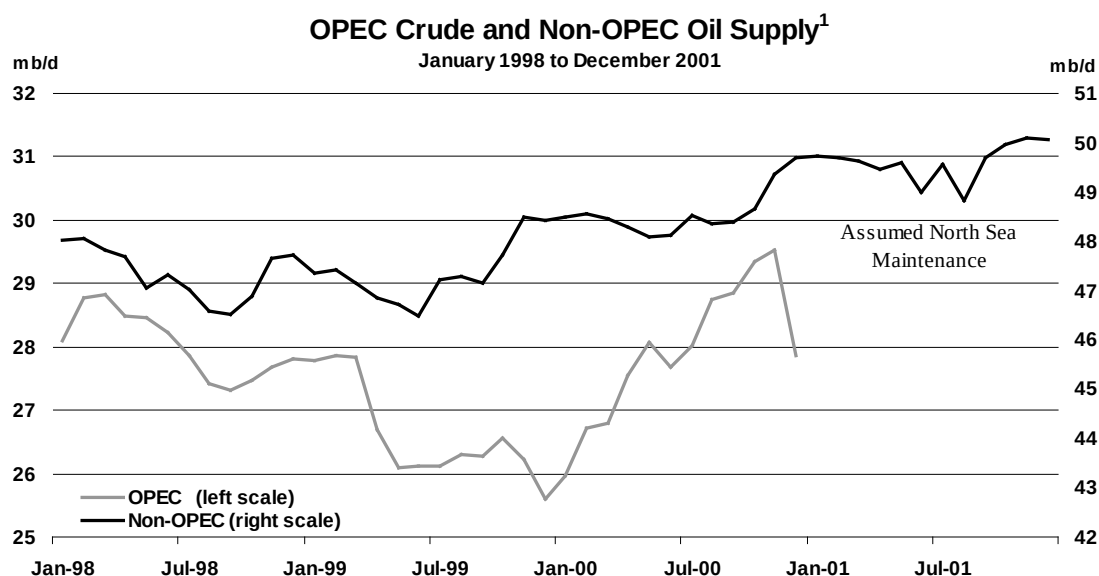
Summary of Global Oil Demand

	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
Demand (mb/d)																
North America	23.13	23.58	23.51	24.15	24.27	23.88	23.59	23.73	24.31	24.61	24.06	24.08	24.07	24.68	25.04	24.47
Europe	15.28	15.77	14.36	14.68	15.65	15.12	15.07	14.51	15.01	15.69	15.07	15.36	14.66	15.13	15.91	15.26
Pacific	8.41	9.40	7.86	8.16	9.10	8.63	9.28	8.03	8.29	8.88	8.62	9.60	8.11	8.40	9.18	8.82
Total OECD	46.82	48.75	45.73	47.00	49.01	47.62	47.95	46.27	47.61	49.18	47.76	49.04	46.84	48.21	50.13	48.56
FSU	3.73	3.62	3.28	3.43	3.65	3.50	3.52	3.37	3.43	3.65	3.49	3.60	3.36	3.29	3.47	3.43
Europe	0.76	0.80	0.74	0.69	0.74	0.74	0.81	0.75	0.70	0.76	0.75	0.82	0.76	0.71	0.77	0.76
China	4.19	4.38	4.61	4.33	4.61	4.48	4.73	4.55	5.05	4.84	4.79	4.89	4.97	5.01	5.29	5.04
Other Asia	6.75	6.98	7.08	7.05	7.10	7.05	7.09	7.26	7.27	7.30	7.23	7.37	7.55	7.55	7.63	7.53
Latin America	4.76	4.64	4.79	4.87	4.83	4.78	4.68	4.85	4.89	4.90	4.83	4.81	4.99	5.03	5.04	4.97
Middle East	4.17	4.27	4.36	4.37	4.18	4.30	4.27	4.42	4.54	4.35	4.40	4.44	4.60	4.72	4.52	4.57
Africa	2.35	2.32	2.31	2.32	2.36	2.33	2.37	2.32	2.32	2.38	2.35	2.40	2.35	2.38	2.45	2.39
Total Non-OECD	26.70	27.01	27.18	27.06	27.48	27.18	27.47	27.53	28.20	28.16	27.84	28.33	28.59	28.69	29.17	28.69
World	73.52	75.76	72.91	74.06	76.49	74.80	75.42	73.79	75.81	77.35	75.59	77.37	75.43	76.90	79.30	77.25
of which:																
US	18.92	19.21	19.22	19.80	19.83	19.52	19.11	19.29	19.82	20.01	19.56	19.54	19.59	20.12	20.39	19.91
Euro 4	8.67	8.96	7.89	8.21	8.76	8.45	8.37	7.99	8.35	8.69	8.35	8.52	8.00	8.35	8.77	8.41
Japan	5.52	6.17	5.02	5.24	5.86	5.57	5.98	4.98	5.38	5.65	5.50	6.12	5.03	5.35	5.76	5.57
Korea	1.92	2.26	1.85	1.94	2.20	2.06	2.31	2.04	1.93	2.22	2.13	2.46	2.06	2.07	2.37	2.24
Mexico	1.95	2.05	1.98	1.96	2.01	2.00	2.06	2.06	2.05	2.08	2.06	2.09	2.08	2.08	2.12	2.09
Canada	1.98	2.00	2.03	2.10	2.12	2.06	2.10	2.09	2.13	2.20	2.13	2.12	2.10	2.17	2.20	2.15
Brazil	2.08	2.02	2.09	2.14	2.14	2.10	2.02	2.12	2.18	2.21	2.13	2.18	2.24	2.28	2.20	2.20
India	1.84	2.04	2.00	1.94	2.01	2.00	2.09	2.04	1.99	2.07	2.05	2.16	2.10	2.18	2.16	2.14
Annual Change (% per annum)																
North America	1.9	4.1	2.3	3.0	3.7	3.2	0.1	0.9	0.6	1.4	0.8	2.0	1.5	1.5	1.8	1.7
Europe	1.8	2.5	-2.2	-3.3	-1.4	-1.1	-4.4	1.0	2.2	0.3	-0.3	1.9	1.0	0.8	1.4	1.3
Pacific	-6.0	2.5	1.6	2.6	3.5	2.6	-1.3	2.1	1.6	-2.4	-0.1	3.4	1.0	1.3	3.3	2.3
Total OECD	0.3	3.3	0.7	0.9	2.0	1.7	-1.6	1.2	1.3	0.3	0.3	2.3	1.2	1.3	1.9	1.7
FSU	-1.6	-7.5	-10.3	-4.1	-3.0	-6.2	-2.8	3.0	0.1	-0.3	-0.1	2.4	-0.4	-4.1	-4.9	-1.8
Europe	-2.8	-2.2	-2.4	-2.5	-2.5	-2.4	1.4	1.7	2.0	2.0	1.8	1.3	1.3	1.3	1.3	1.3
China	-0.4	9.7	10.7	6.7	1.7	7.0	8.1	-1.4	16.6	5.0	6.9	3.4	9.4	-0.8	9.5	5.2
Other Asia	1.1	6.2	5.2	4.9	2.0	4.5	1.6	2.5	3.1	2.8	2.5	4.0	4.0	3.8	4.6	4.1
Latin America	0.6	1.5	-0.5	-0.4	1.1	0.4	0.8	1.3	0.4	1.4	0.9	2.9	2.9	2.9	2.9	2.9
Middle East	4.5	4.8	4.3	1.3	1.9	3.1	0.2	1.5	3.8	4.0	2.3	3.8	3.9	4.0	3.9	3.9
Africa	2.9	-1.4	-0.9	2.2	-2.8	-0.7	2.1	0.1	0.1	0.6	0.7	1.0	1.6	2.9	2.9	2.1
Total Non-OECD	0.9	2.7	2.0	2.0	0.6	1.8	1.7	1.3	4.2	2.5	2.4	3.1	3.9	1.8	3.6	3.1
World	0.5	3.1	1.2	1.3	1.5	1.7	-0.4	1.2	2.4	1.1	1.1	2.6	2.2	1.4	2.5	2.2
Annual Change (mb/d)																
North America	0.42	0.93	0.52	0.70	0.86	0.75	0.02	0.22	0.16	0.34	0.18	0.48	0.34	0.37	0.43	0.41
Europe	0.27	0.39	-0.32	-0.49	-0.22	-0.16	-0.70	0.15	0.32	0.04	-0.04	0.29	0.14	0.12	0.23	0.19
Pacific	-0.54	0.23	0.12	0.21	0.31	0.22	-0.12	0.17	0.13	-0.21	-0.01	0.32	0.08	0.11	0.30	0.20
Total OECD	0.15	1.55	0.32	0.41	0.96	0.81	-0.80	0.54	0.61	0.17	0.13	1.09	0.57	0.60	0.95	0.80
FSU	-0.06	-0.29	-0.38	-0.15	-0.11	-0.23	-0.10	0.10	0.00	-0.01	0.00	0.08	-0.01	-0.14	-0.18	-0.06
Europe	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
China	-0.02	0.39	0.45	0.27	0.08	0.29	0.35	-0.07	0.72	0.23	0.31	0.16	0.43	-0.04	0.46	0.25
Other Asia	0.07	0.41	0.35	0.33	0.14	0.31	0.11	0.18	0.22	0.20	0.17	0.29	0.29	0.28	0.34	0.30
Latin America	0.03	0.07	-0.02	-0.02	0.05	0.02	0.03	0.06	0.02	0.07	0.05	0.13	0.14	0.14	0.14	0.14
Middle East	0.18	0.20	0.18	0.06	0.08	0.13	0.01	0.06	0.17	0.17	0.10	0.16	0.17	0.18	0.17	0.17
Africa	0.07	-0.03	-0.02	0.05	-0.07	-0.02	0.05	0.00	0.00	0.01	0.02	0.02	0.04	0.07	0.07	0.05
Total Non-OECD	0.25	0.72	0.53	0.52	0.15	0.48	0.46	0.35	1.14	0.68	0.65	0.86	1.07	0.49	1.00	0.86
World	0.40	2.26	0.85	0.94	1.11	1.29	-0.34	0.88	1.75	0.85	0.79	1.95	1.64	1.09	1.95	1.66
Changes from Last Month's Report																
North America	-	0.01	0.01	0.01	0.01	0.01	0.01	0.01	-0.01	-0.04	-0.01	-0.12	-0.08	-0.11	-0.09	-0.10
Europe	-	-	-	-	-	-	0.02	-0.02	0.08	-0.07	-	-0.08	-0.04	0.06	-0.07	-0.03
Pacific	-	-	-	-	-	-	-	-	-	-0.14	-0.03	-0.09	-0.08	-0.06	-0.19	-0.11
Total OECD	-	0.01	0.01	0.01	0.01	0.01	0.03	-0.01	0.07	-0.25	-0.04	-0.30	-0.20	-0.11	-0.34	-0.24
FSU	-	-	-	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01	0.01
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-0.04	-0.04	-0.04	-0.04	-0.04
Other Asia	-	0.02	0.02	0.01	0.01	0.01	0.03	0.03	0.07	-0.10	0.01	-0.04	-0.05	-0.01	-0.11	-0.05
Latin America	-	0.01	0.01	0.01	0.01	0.01	0.02	0.01	-0.04	-0.05	-0.02	0.01	-	-0.04	-0.05	-0.02
Middle East	-	0.02	0.03	0.02	0.05	0.03	0.04	0.05	0.07	0.05	0.05	0.05	0.05	0.08	0.05	0.05
Africa	-	0.01	0.01	0.01	0.01	0.01	-0.03	0.05	0.01	-0.03	-	-0.03	0.05	0.02	-0.02	0.00
Total Non-OECD	-	0.06	0.06	0.06	0.08	0.06	0.07	0.14	0.12	-0.12	0.05	-0.04	0.03	0.01	-0.16	-0.04
World	-	0.07	0.07	0.06	0.09	0.07	0.10	0.13	0.19	-0.37	0.01	-0.33	-0.17	-0.09	-0.51	-0.28

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 77.72 mb/d in December, a decrease of 1.34 mb/d from November. OPEC crude supply fell by 1.68 mb/d, while non-OPEC output gained 0.35 mb/d.
- OPEC** crude supply, including Iraq, dropped sharply to 27.86 mb/d in December, compared to an upwardly-revised 29.54 mb/d for November. **Iraqi** exports resumed on 13 December, after a twelve day interruption. Oil-for-food exports for the month were a low 0.5 mb/d, as compared to the typical 2.2-2.3 mb/d. Overall Iraqi output plunged by 1.58 mb/d. **Excluding Iraq**, OPEC production averaged 26.54 mb/d, a decline of 105 kb/d from November. The decrease was driven by Saudi Arabia, which reduced supply in December after a surge during the previous two months. Output from OPEC, excluding Iraq, again fell short of the 26.7 mb/d target, due to capacity constraints in some countries.
- Non-OPEC** oil supply increased to 46.96 mb/d in December. Most of the 345 kb/d gain was from the **OECD**, where output was up 255 kb/d, to 22.39 mb/d. North America accounted for the bulk of the increment. Mexican production is assumed to have rebounded from a poor performance in November, which was caused by capacity-expansion work and technical problems. US supply rose due to new field growth in Alaska and the Gulf of Mexico. Canadian synthetics output gained. **Non-OECD** oil production rose by 90 kb/d to 22.83 mb/d. Most of the increase came from deepwater fields in Brazil and the new offshore Ceiba field in Equatorial Guinea.
- Net exports** from the **Former Soviet Union** fell by a modest 50 kb/d to 4.10 mb/d in December. Although Baltic Sea crude and product exports gained, along with crude shipments on the Druzhba pipeline, crude exports from the Black Sea and from the Russian Far East fell by a larger amount. With warm weather in Europe and favourable trans-Atlantic arbitrage opportunities, a steady stream of Russian gasoil cargoes headed for the US.
- The **"call on OPEC crude plus stock change"** for the first and second quarters of 2001 stands at 27.5 mb/d and 25.9 mb/d. These figures have been revised downwards by 0.4 mb/d and 0.2 mb/d. The "call" for all of 2001 has been lowered by 0.3 mb/d, to 27.5 mb/d. Although the non-OPEC supply forecast was raised modestly, the revisions to the "call" were due mainly to reduced expectations for global demand growth in 2001.



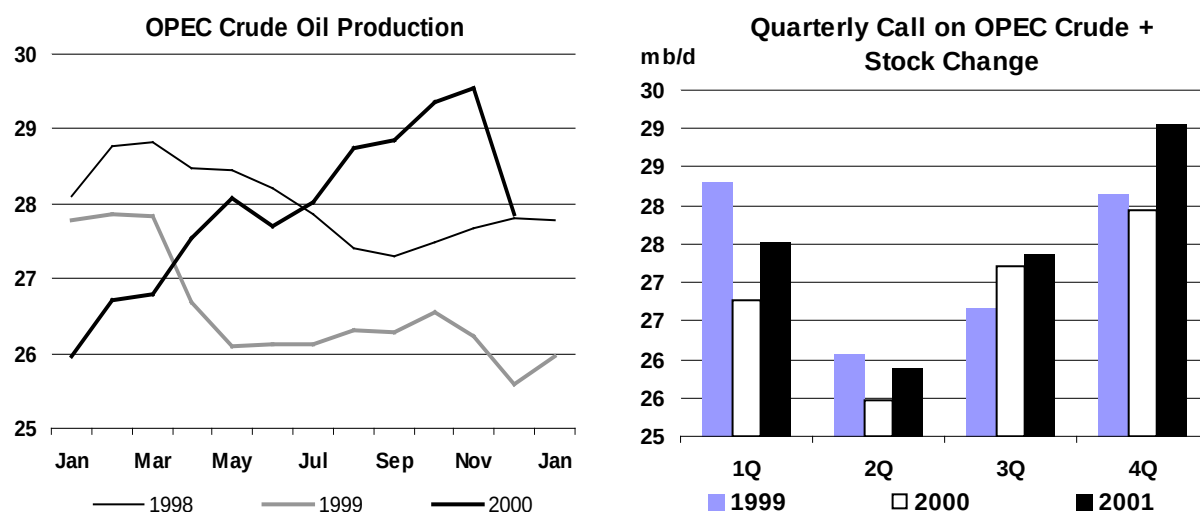
1. Non-OPEC Oil Supply includes OPEC NGLs

All world oil supply figures for December discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary December crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 100 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

Preliminary estimates indicate that December OPEC crude supply, including Iraq, averaged 27.86 mb/d, a decrease of 1.68 mb/d from the upwardly-revised November figure of 29.54 mb/d. Excluding Iraq, output averaged 26.54 mb/d, 160 kb/d below the OPEC target of 26.70 mb/d. Capacity constraints in some countries remain evident. As the current production target has not been achieved, any cutback that OPEC decides upon at the 17 January meeting may be somewhat less in reality than stated on paper.



The sharp drop in overall OPEC crude production was caused mainly by **Iraq**, where output plummeted by 1.58 mb/d, from 2.90 mb/d in November to 1.32 mb/d in December. After a 12-day halt, exports under the UN oil-for-food programme resumed on 13 December. Since then, exports have remained low and intermittent. Despite this, the mood of confrontation and crisis regarding the Iraqi situation has dissipated, and the Iraqi disruption has disappeared from the front pages of the oil trade press, to be replaced by the 17 January OPEC meeting. However, the reduction in Iraqi exports remains quite real, quite large and extremely significant for world oil markets - no less so than the production cuts that are anticipated from the rest of OPEC.

For the month of December as a whole, Iraqi oil-for-food exports averaged 529 kb/d, less than a quarter of the recent typical range of 2.2-2.3 mb/d. Put another way, the shortfall of 1.7 mb/d removed 53 million barrels of crude from the market. Most of the sporadic exports since 13 December have been of Basrah Light crude from Mina al-Bakr; only one cargo of Kirkuk grade has been sold out of Ceyhan, Turkey. Industry sources report that, although exceptions sometimes appear to be made, Iraq is still asking buyers to pay a fee of 40 cents per barrel (down from 50 cents) into an Iraqi-controlled account. As a result, most of the usual customers have not been buying. In addition, some customers have indicated that even if they could buy a cargo without paying the extra fee, they still would not do so, in order to avoid the appearance of wrongdoing.

Factors behind the almost total absence of exports from Ceyhan may include: less attractive price formulas; a more risky and volatile Mediterranean crude market; and a tighter Mediterranean tanker market. In addition, exports from Ceyhan are more transparent than exports from Mina al-Bakr. The initial buyers are usually large, established companies, and the final destination is almost always an OECD country, so there is less incentive and opportunity to pay the extra Iraqi fee "under the table".

With little storage capacity at Mina al-Bakr, and the tanks at Ceyhan full since mid-December, oil fields in Iraq are assumed to be partly or fully shut down, providing an opportunity for workovers,

maintenance and repairs. A relatively low volume of crude has been contracted for under the current phase of the oil-for-food programme. Along with almost \$5 billion in unspent export revenues held in the UN accounts, which provides Iraq with a financial cushion, the low volume of contracts indicates an increased possibility of ongoing problems with Iraqi exports.

In addition to oil-for-food exports, Iraqi output in December included 790 kb/d produced for domestic consumption and border trade with Jordan, Turkey, Iran and Syria. Only 650 kb/d was estimated for domestic consumption and border trade in October. However, Iraqi exports to Syria via the Iraq-Syria pipeline appear to have begun on 20 November, adding 25 kb/d in November and 140 kb/d in December. Published Syrian export programmes for December indicated export volumes significantly higher than normal and significantly higher than Syrian production alone could support. The arrangement is reportedly straightforward: Iraq sells crude to Syria at a discount, but the revenues are under Iraqi control, rather than the UN's. Syria profits because it uses its discounted Iraqi crude to help meet domestic demand, freeing up additional Syrian crude to export at full world prices. The January Syrian export programme has dropped back down to normal, so the late November-December shipments may have been only a trial run.

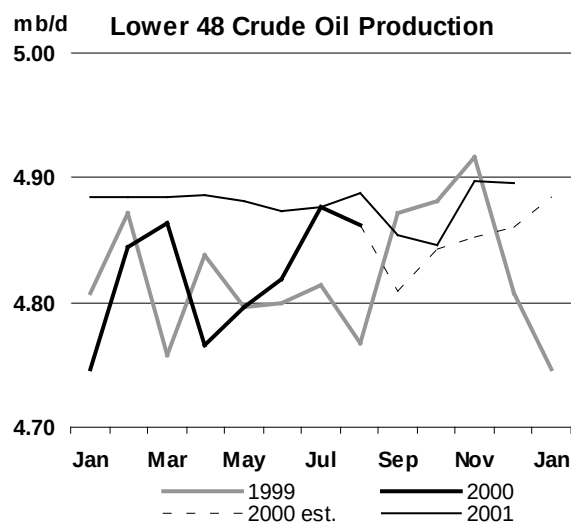
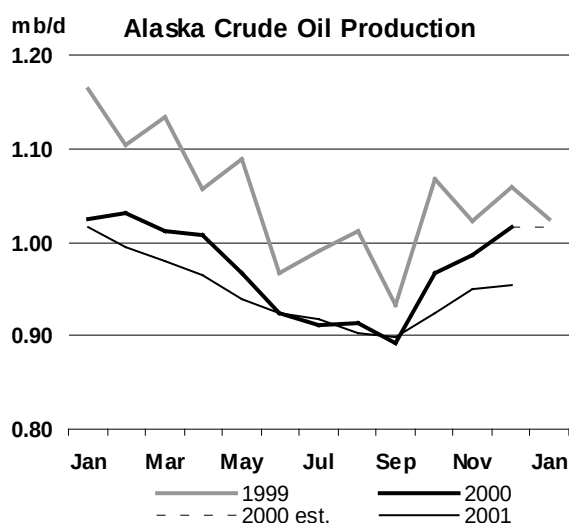
Crude supply from OPEC excluding Iraq, also known as the "OPEC 10", fell by 105 kb/d. The major reduction was from **Saudi Arabia**, where output dropped by 150 kb/d. With falling prices and a seemingly well-supplied market in December, Saudi Arabia appears to have begun already to back off from the increased volumes that it supplied in October and November. This was partly offset by modest increases from **Venezuela** (+30 kb/d) and the **UAE** (+20 kb/d). Other changes were minimal.

November OPEC crude production has been revised upwards by 234 kb/d, from 29.31 mb/d to 29.54 mb/d. Iraqi output was raised by 100 kb/d, based on full-month data and on the Syrian adjustment discussed above. Supply from Saudi Arabia, Iran, and the UAE was increased by 50 kb/d each. Production in Indonesia was revised downwards by 55 kb/d.

OECD

North America

US - December - Alaska actual, other estimate: US crude supply is estimated to have averaged 5.88 mb/d in December, an increase of 37 kb/d from the previous month. Alaskan output led the way, rising by 29 kb/d to 1.02 mb/d. Output at the new Alpine field on Alaska's North Slope, which started up on 15 November, has increased according to plan. Production averaged 55 kb/d in December, up from 18 kb/d in November. By the end of December, Alpine output had reached its target plateau of 75-80 kb/d. Elsewhere in the US in December, Gulf of Mexico production was 26 kb/d higher, more than offsetting modest decreases in California, Texas and the other Lower 48 states.

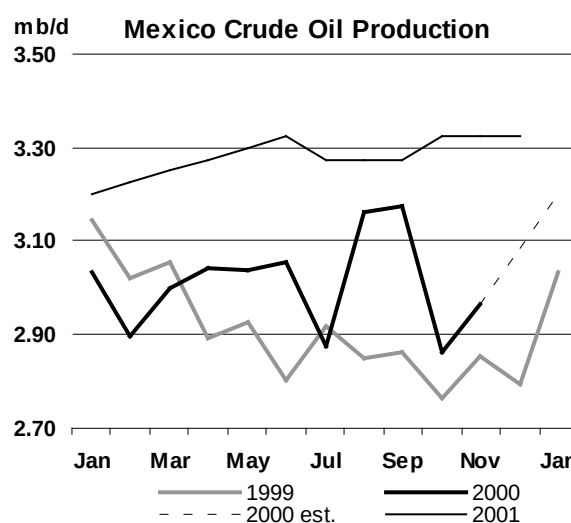
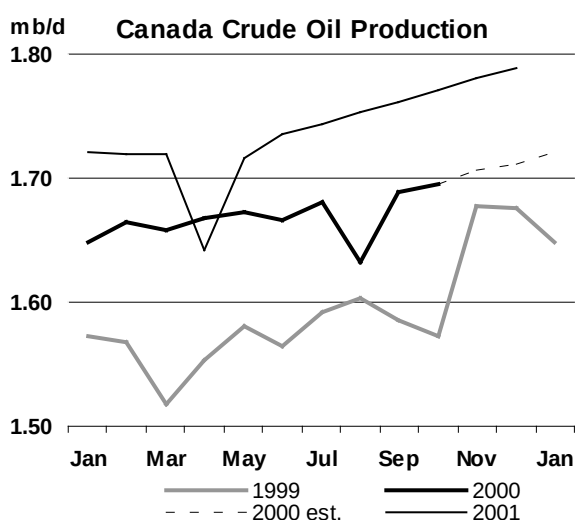


Although no reductions have yet been made to the forecasts in this Report, high natural gas prices in North America could lead to lower crude production in California and to reduced US natural gas liquids (NGLs) output. Most supply of California heavy crude is from fields where steam is injected

to enhance recovery. Gas is burned to heat the steam, and high gas prices may be making steam injection uneconomic. Less steam injection would, in turn, reduce heavy crude production.

Regarding NGLs, gas producers have the choice of leaving the ethane, propane, butane, and other components in the gas stream, selling "wetter" gas, or stripping them out of the gas, making the gas "drier" and producing NGLs as a by-product. With gas prices higher than oil prices, the economics now favour leaving these components in the gas stream and reducing NGLs production. The potential cut could be as high as 100-200 kb/d, or even greater.

Canada - October actual, November and December estimates: Canadian crude production rose by a modest 6 kb/d in October to 1.70 mb/d, due primarily to higher bitumen output in Alberta. An additional slight rise, this time in supply from the Atlantic offshore Hibernia project, is assumed to have taken place in November and December, with Canadian output estimated at 1.71 mb/d in both months. Synthetic crude output fell by 57 kb/d in October to 266 kb/d, due to maintenance at the Syncrude plant. With the work programme ending in November, supply recovered to 323 kb/d, and further increases were estimated for December.



As in the US, production of Western Canadian heavy crude and NGLs may be adversely affected by high natural gas prices. The reasoning is the same, for both heavy crude and NGLs, with one additional factor. The cold weather in Canada makes it necessary for producers to blend large amounts of NGLs into the heavy crude - sometimes up to 30% - so that the viscous material can flow through pipelines. Recent reports have noted that NGLs for this purpose are either insufficient or becoming too expensive. Thus, decreasing NGLs production in Canada would be a second factor - over and above the higher cost of steam injection - that could cause heavy crude production to become uneconomic.

Mexico - November actual, December estimate: In November, Mexican crude production partly recovered from a poor performance in October, gaining 104 kb/d to 2.97 mb/d. However, output at the Cantarell field complex, which produces most of Mexico's heavy Maya crude, continued to be affected by a combination of technical problems and work on the capacity-expansion project there. Crude exports recovered by a bit more, increasing by 148 kb/d to 1.70 mb/d. Most of the incremental export volumes were Maya. December crude output is estimated to have risen by 118 kb/d to 3.08 mb/d, still well below the 3.16-3.17 mb/d seen in August and September. The new head of Pemex, Mexico's state oil company, stated in mid-January that its technical problems had been resolved, and that Mexico was soon likely to increase crude exports by up to 200 kb/d.

North Sea

UK - October actual, November and December estimates: UK offshore crude production in October grew by 31 kb/d to 2.27 mb/d. Output from the Forties and Flotta Systems recovered from planned maintenance in September. However, production from the Brent System was lower, due to technical problems at the Dunlin, Osprey, and Merlin fields. In addition, the offshore-loaded Banff field was shut down, so that modifications could be made to the production vessel. Banff is not expected to come back onstream until the end of January.

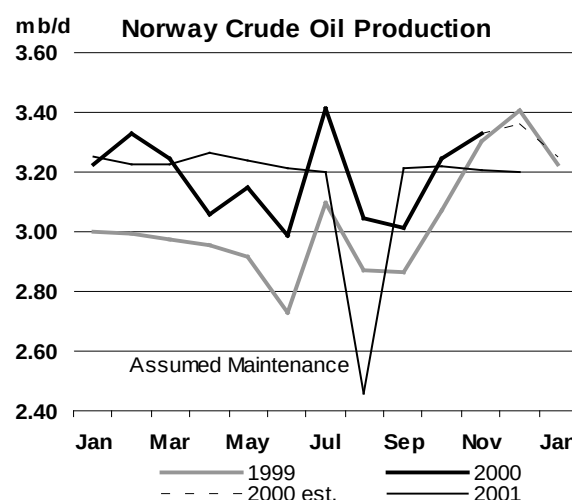
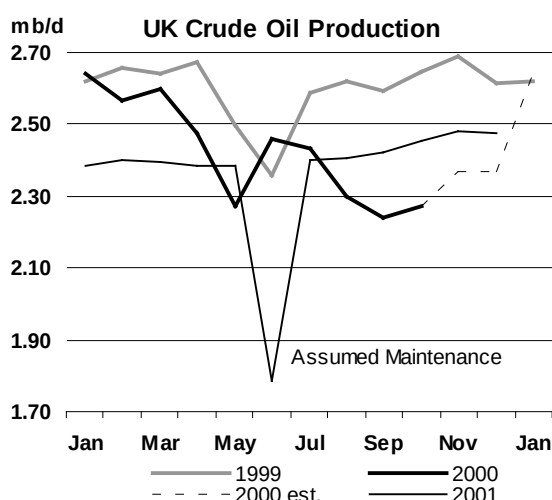
November crude production is estimated to have increased by 100 kb/d to 2.37 mb/d, with December holding steady. In November, Forties System supply was higher. The Andrew/Cyrus development returned from October maintenance and production from the Eastern Trough Area Project (ETAP) returned to normal. In addition, output from offshore-loaded fields was higher. Gains were seen at the Douglas/Lennox fields and supply from the Captain and Pierce fields recovered from sub-par performances in October. Technical problems in the Brent System continued in November and December. Problems also caused the Shearwater field, which has a target plateau of 90 kb/d, to be shut down in early November. No restart date has been scheduled yet. In positive news, the 22 kb/d Erskine field, which had been out of action for 11 months due to a pipeline failure, came back onstream at the end of November. The 20 kb/d Kyle field, which underwent an extended test programme in 2000, will start up on a permanent basis in March.

North Sea Oil Production Outlook

December 2000 - May 2001
(thousand barrels per day)

	Dec 00	Jan 01	Feb 01	Mar 01	Apr 01	May 01
UK	2617	2632	2641	2637	2604	2587
Norway	3528	3422	3397	3400	3444	3425
Denmark	376	377	376	372	371	369
Other*	38	37	37	37	36	36
Total	6559	6469	6451	6446	6456	6418

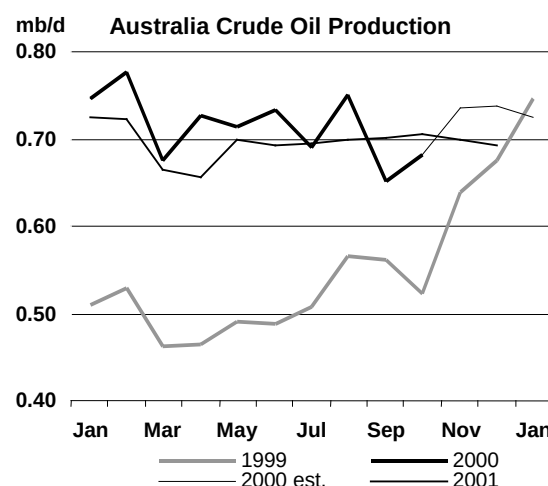
* offshore Netherlands and offshore Germany



Norway - November actual, December estimate: November and December were uneventful months in the Norwegian sector of the North Sea. In November, Norwegian crude production increased by 81 kb/d to 3.33 mb/d. Supply from the Statfjord-Gullfaks Area accounted for the gain, as the Gullfaks, Vigdis, and Tordis fields recovered from October maintenance. Norwegian NGLs output grew from 120 kb/d in October to 168 kb/d in November. The increment was due to non-crude liquids production from the Aasgard B field. The gas/condensate field came onstream in early October. December crude production is estimated to have increased by a modest 33 kb/d, once again mainly from fields in the Statfjord-Gullfaks Area. Output of NGLs was flat in December, but is expected to reach 200 kb/d in 2001, pushed up by growing Aasgard non-crude liquids supply.

Pacific

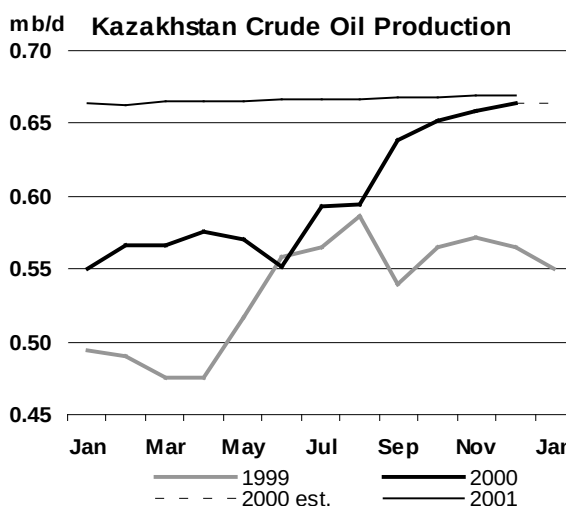
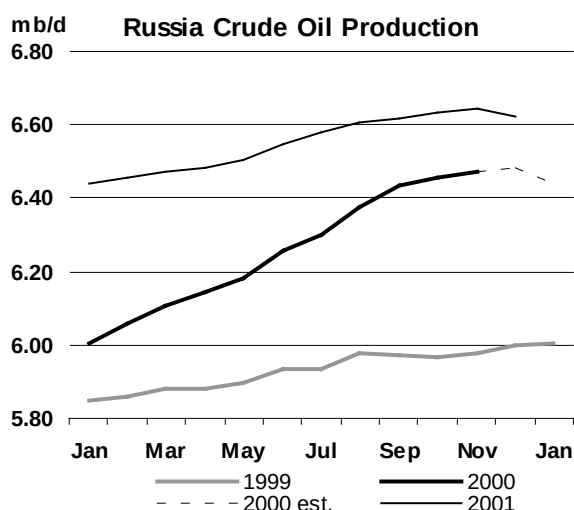
Australia - October actual, November and December estimates: In October, Australian crude production gained 30 kb/d to 681 kb/d. Output at the North West Shelf project, which comprises the Wanaea/Cossack and Goodwyn fields, recovered somewhat from 11 days of planned maintenance work in September. These gains were partly offset by a late-October fire at the Laminaria/Corallina development, which shut down the project for a few days. November supply from Australia is estimated to have increased by 55 kb/d to 736 kb/d, with both the North West Shelf and Laminaria/Corallina projects back to normal. In December, output is thought to have remained roughly steady, at 738 kb/d.



Former Soviet Union (FSU)

Production

Russia - November actual, December estimate: Driven by upstream capital investment, Russian crude production continued to grow in November, rising by 15 kb/d to 6.47 mb/d. The gains were again led by Yukos, the country's second biggest producer at 1.06 mb/d. The head of Yukos said that the company's drilling in 2000 totalled 850,000 meters, almost triple the 1999 figure of 300,000 meters. Russian production is estimated to have increased by a slight 9 kb/d in December. Most gains elsewhere are thought to have been offset by the mid-December shutdown of the 70 kb/d Sakhalin 2 project in the Russian Far East. The offshore field does not operate during the six winter months, because bad weather and icebergs make it too dangerous for shuttle tankers to offload the platform.



Kazakhstan - December actual: December crude production in Kazakhstan gained 5 kb/d to 664 kb/d. The continued strong performance was driven by supply from the Tengiz field. Capacity was expanded at the field over the summer and output has risen from the 180-200 kb/d range to around 260 kb/d in each of the last three months of the year. The production forecast for the field has been increased to take this consistent performance into account. Similarly, supply from the Karachaganak field has grown from the 90-110 kb/d range to roughly 130 kb/d over the last quarter. The outlook has been revised upwards here as well.

Net Exports

2000 Net FSU Exports

(million barrels per day)

	2000	1Q00	2Q00	3Q00	4Q00	Sep 00	Oct 00	Nov 00 ^r	Dec 00 ^p
Black Sea Exports ¹	1.79	1.62	1.82	1.96	1.77	1.85	1.71	1.96	1.65
Baltic Sea Exports	1.26	1.28	1.33	1.34	1.08	1.37	1.06	0.98	1.19
Total Seaborne	3.05	2.90	3.15	3.30	2.85	3.22	2.77	2.95	2.84
Druzhba Pipeline ²	1.03	1.02	1.02	1.02	1.08	1.05	0.99	1.08	1.17
Other	0.11	0.07	0.09	0.15	0.13	0.17	0.16	0.14	0.10
Total Exports	4.19	3.99	4.26	4.47	4.06	4.43	3.92	4.16	4.11
Imports	0.03	0.05	0.05	0.02	0.01	0.01	0.01	0.01	0.01
Net FSU Exports	4.16	3.94	4.20	4.45	4.05	4.42	3.91	4.15	4.10
NB: Crude	3.03	2.91	3.04	3.12	3.06	3.12	2.88	3.21	3.10
Products	1.13	1.03	1.16	1.33	0.99	1.30	1.03	0.94	1.01

¹ Includes a small amount of non-Russian crude oil exports
^r revised

² crude oil only
^p preliminary

Net FSU exports in December declined slightly to 4.10 mb/d, 50 kb/d lower than the previous month. Black Sea crude exports fell, offsetting gains in both Baltic Sea product exports and in throughputs on the Druzhba crude pipeline to Central and Eastern Europe. In addition, "other" exports were lower, driven by the planned winter shutdown of the Sakhalin 2 project. The higher Baltic Sea product

volumes were mainly in gasoil. With relatively warm weather in Europe and the trans-Atlantic arbitrage window wide open, a continuous procession of gasoil cargoes headed west for the US.

Revisions

Compared to last month's Report, estimated non-OPEC supply in 2000 and 2001 has been increased by 20 kb/d and 60 kb/d. As a result, non-OPEC growth this year is 40 kb/d higher, at 930 kb/d.

OECD output has been revised downwards in both years, by 40 kb/d and 50 kb/d, respectively. **Mexican** production in late 2000 was lowered, as was **UK** supply in late 2000 and in 2001.

In the opposite direction, non-OECD supply forecasts were raised by 60 kb/d in 2000 and 110 kb/d in 2001. FSU output forecasts were revised upwards by 10 kb/d and 60 kb/d, mainly in **Kazakhstan**, but also in **Russia**.

In Latin America, increases of 30 kb/d and 70 kb/d come from **Brazil**, where new wells at the deepwater Marlim and Roncador fields boosted fourth quarter 2000 supply significantly beyond expectations. However, planned maintenance for the first few months of 2001 will cause temporarily lower output. In the Middle East, historical production for **Syria** was increased by 40 kb/d, and this was carried through into 2000 and 2001.

In Africa, **Angolan** crude supply in 2000 was lowered by 20 kb/d, based on weaker actual production figures for May-August and on the shutdown of onshore Soyo output, which began in October. Forecast production in 2001 was reduced by 70 kb/d, and Angolan output is now expected to fall slightly year-to-year. Cabinda supply was lowered, Soyo is assumed to be out all year, and the deepwater Girassol project has been officially delayed until year-end 2001, meaning no production from the field is expected at all next year.

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			this month v last month		
	2000	2001	01 vs. 00	2000	2001	01 vs. 00	2000	2001	01 vs. 00
North America	14.31	14.70	0.39	14.29	14.69	0.41	-0.02	0.00	0.02
Europe	6.79	6.78	-0.01	6.78	6.74	-0.04	-0.01	-0.04	-0.03
Pacific	0.86	0.84	-0.02	0.85	0.83	-0.02	0.00	0.00	0.00
Total OECD	21.96	22.31	0.36	21.92	22.26	0.35	-0.04	-0.05	-0.01
Former USSR	7.93	8.27	0.34	7.94	8.33	0.39	0.01	0.06	0.05
Europe	0.18	0.18	0.00	0.18	0.18	0.00	0.00	0.00	0.00
China	3.23	3.21	-0.02	3.23	3.21	-0.02	0.00	0.00	0.00
Other Asia	2.27	2.28	0.01	2.27	2.28	0.01	0.00	0.00	0.00
Latin America	3.74	3.81	0.07	3.77	3.88	0.11	0.03	0.07	0.04
Middle East	1.95	1.96	0.01	1.99	2.00	0.01	0.04	0.04	0.01
Africa	2.87	2.95	0.08	2.85	2.88	0.03	-0.02	-0.07	-0.05
Total Non-OECD	22.18	22.66	0.48	22.23	22.77	0.53	0.06	0.11	0.05
Processing Gains	1.72	1.76	0.05	1.72	1.76	0.05	0.00	0.00	0.00
Total Non-OPEC	45.85	46.74	0.89	45.87	46.80	0.93	0.02	0.06	0.04

OMR = Oil Market Report

OECD TRADE

Oil Trade in 3Q00

Net imports of crude and products into **OECD** countries in the third quarter of 2000 increased by 0.82 mb/d year-on-year and 0.62 mb/d from the previous quarter. Net imports into Europe rose strongly. Net imports into North America also increased, while the Pacific imports decreased. With three production quota increases by OPEC between March and September 2000, OECD countries' imports from OPEC countries rose by 0.86 mb/d from the second quarter, to 19.02 mb/d. North American imports from OPEC countries were up 0.46 mb/d, while European imports increased by 0.41 mb/d. Pacific imports from OPEC countries were almost unchanged. Supplies from the FSU continued to increase. Total crude imports were up 0.55 mb/d from a year earlier, while total product imports increased by 0.27 mb/d.

Net Oil Import Positions in 3Q00*

(million barrels per day)

	North America		Europe		Pacific		OECD Total	
	3Q00 vs 3Q99		3Q00 vs 3Q99		3Q00 vs 3Q99		3Q00 vs 3Q99	
OECD	0.95	-0.02	-1.66	-0.12	-0.05	-0.09	-0.75	-0.22
Non-OECD	7.80	0.18	9.83	0.98	7.47	-0.11	25.10	1.05
Middle-East	3.02	0.33	3.79	0.25	6.57	0.11	13.37	0.68
Africa	2.03	0.28	2.60	0.16	0.21	-0.18	4.84	0.26
Latin America	2.48	-0.29	0.19	0.07	0.07	0.01	2.73	-0.20
FSU	0.14	-0.05	3.24	0.32	0.08	0.05	3.45	0.33
Others	0.14	-0.10	0.01	0.18	0.56	-0.10	0.71	-0.02
Total	8.75	0.16	8.17	0.86	7.43	-0.20	24.35	0.82
Crude	8.12	0.32	7.42	0.45	6.61	-0.21	22.15	0.55
Products	0.63	-0.16	0.75	0.42	0.82	0.01	2.20	0.27

* The table displays the net import positions of the three OECD regions based on import and export data received from the Member countries. The aggregate of intra-OECD trade should normally net to zero. However, there are slight discrepancies in the data, accounting for up to 6% of gross volumes caused by methodological differences between the Member countries, time lags between exports and imports, conversion factors and others.

North American net imports rose by 0.16 mb/d year-on-year and by 0.38 mb/d from the previous quarter. Supplies from the Middle East and Africa increased, while those from Latin America decreased. US net imports averaged just over 11 mb/d for the third quarter, accounting for 55% of consumption. Venezuela continued to hold the largest share, 15%, of the US market, followed by Canada, Saudi Arabia and Mexico. OPEC countries supplied 6.00 mb/d of oil to the US, compared to 5.67 mb/d in the previous quarter. Imports of light, sweet crude from Nigeria and Angola, which were particularly suitable for gasoline and middle distillate production, remained almost unchanged. However, at the same time, light, sweet crude from Europe, primarily the North Sea, increased by 0.09 mb/d to 0.85 mb/d. Meanwhile, US imports of finished motor gasoline from Europe were almost unchanged at 0.11 mb/d. Some 0.14 mb/d from the FSU crossed the Atlantic to North America, 55% of which were products, mainly gasoil.

European net imports increased strongly by 0.86 mb/d year-on-year and by 0.52 mb/d from the previous quarter. Imports of both crude and products increased. With higher imports, throughput levels were rising and stock levels were recovering during the quarter. By source, imports from the Middle East, Africa and the FSU rose. Middle East imports accounted for 46% of total imports. Meanwhile, Europe imported around three quarters of the 4.45 mb/d exported by the FSU in the third quarter of 2000. Europe imported net 0.39 mb/d of gasoil/diesel, compared to 0.25 mb/d in the previous quarter.

Net imports into the **Pacific** decreased year-on-year. The Bulk of the reduction came from Australia. Australian crude production rose with start-up of the Laminaria/Corallina field in the Bonaparte Sea. The country exported a net 0.02 mb/d of oil in the third quarter, compared to net imports of 0.18 mb/d a year earlier. Japanese net imports decreased by 0.05 mb/d to 5.23 mb/d, while Korean net imports rose by 0.05 mb/d to 2.11 mb/d. Japan exported 45 kb/d of diesel/gasoil to Australia and other Asian countries. Korea is a net importer of oil (crude plus products), but it exported a net 0.31 mb/d of products, up 0.10 mb/d from the previous quarter.

Oil Trade in 4Q00

Net imports into OECD countries (calculated as the difference between demand and production, assuming no stock changes) averaged 25.8 mb/d in the fourth quarter of 2000, an increase of 1.5 mb/d from the previous quarter. OECD countries imported more oil to meet peak winter demand and more oil was available for imports because of OPEC production increases. Net imports into North America increased by 0.5 mb/d, while those into Europe rose by 0.4 mb/d. Pacific imports also grew by 0.5 mb/d from the third quarter.

Net Oil Positions in 4Q00 (Estimated)

	4Q00* (million barrels per day)			3Q00	
	Demand	Supply**	Net Import	Net Import	Change
North America	24.61	15.31	9.30	8.75	+0.55
Europe	15.69	7.08	8.61	8.17	+0.44
Pacific	8.88	0.95	7.93	7.43	+0.50
OECD Total	49.18	23.34	25.84	24.35	+1.49

* calculated from demand and production, assuming no stock changes

** including processing gains

The World's Largest Importers and Exporters

The US in the third quarter of 2000 continued to be by far the largest importer. US net imports grew beyond the 11 mb/d level. Japanese and Korean imports fell slightly from the previous quarter, while German imports rose by 310 kb/d. Italian imports exceeded those into France. Recent high imports put China in the seventh place, and its import volumes were nearing those of Italy and France. Spain's import levels remained essentially unchanged. Indian imports were winding down. Dutch imports were slightly larger than those of Chinese Taipei, and the Netherlands made the top ten list.

In the third quarter of 2000, total OPEC exports increased by 0.74 mb/d from the previous quarter, to 25.6 mb/d. Exports out of Saudi Arabia, Iran, Venezuela, Nigeria and Kuwait increased as OPEC raised its production quota. FSU exports also continued to rise, averaging 4.05 mb/d in the fourth quarter, which put the annual average of 2000 at 4.16 mb/d, an increase of nearly 0.5 mb/d from 1999. Meanwhile, Iraqi exports under the UN "oil-for-food" programme in the third quarter were unchanged from the previous quarter. However, Iraqi exports fell to 1.69 mb/d in the fourth quarter. Iraq halted exports over the issue of 50-cent-surcharge in December (see page 17 of the Report dated 11 December 2000).

The World's Ten Largest Net Oil Importers in 3Q00 (million barrels per day)

	Country	Net Import Volume	Versus 2Q00
1	USA	11.07	0.34
2	Japan	5.24	-0.14
3	Germany	2.72	0.31
4	Korea	2.11	-0.08
5	Italy	1.74	0.12
6	France	1.71	-0.06
7	China	1.70	0.48
8	Spain	1.40	-0.01
9	India	1.06	-0.11
10	Netherlands	0.90	-0.01

The World's Ten Largest Net Oil Exporters in 3Q00 (million barrels per day)

	Country	Net Export Volume	Versus 2Q00
1	Saudi Arabia*	7.55	0.30
2	FSU	4.45	0.19
3	Norway	2.94	0.19
4	Iran*	2.77	0.14
5	Venezuela*	2.74	0.10
6	UAE*	2.47	-0.02
7	Iraq	2.14	0.00
8	Nigeria*	1.93	0.08
9	Mexico	1.59	0.03
10	Kuwait*	1.53	0.06

* assuming no stock changes

OECD STOCKS

Industry Stock Changes in November 2000

Estimates at the end of November put OECD industry stocks of total oil at 2576.6 million barrels, up by roughly 23 million barrels, or 0.77 mb/d, from revised October levels. Regionally, the largest increase occurred in OECD Pacific, followed by OECD North America, while preliminary figures for industry stocks in OECD Europe remained essentially the same. The November stock build follows a downward revision in October industry stocks of 7.7 million barrels.

Revisions to September stock data suggest a modest third-quarter build of 0.3 mb/d. Stocks typically build in the third quarter, but this year's increase is lower than average and comes on a much reduced base. The Q3 2000 build falls short of the past four years' average of 0.42 mb/d (excluding 1999).

Preliminary Industry Stock Change in November and the Third Quarter 2000

(million barrels per day)

	October (preliminary)				Third Quarter			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.76	0.11	0.30	1.17	-0.03	-0.02	-0.19	-0.25
Gasoline	0.30	-0.07	-0.03	0.21	-0.13	0.04	0.00	-0.10
Distillates	0.07	0.07	0.08	0.23	0.08	0.06	0.13	0.27
Residual Fuel Oil	0.10	-0.12	-0.05	-0.07	0.01	0.01	0.02	0.05
Other Products	-0.38	0.00	0.06	-0.33	0.16	0.05	0.10	0.31
Total Products	0.09	-0.12	0.06	0.04	0.12	0.16	0.25	0.53
Other Oils ¹	-0.55	0.00	0.11	-0.44	0.02	-0.02	0.02	0.01
Total Oil	0.30	-0.01	0.47	0.77	0.11	0.12	0.07	0.30

¹Includes feedstocks, NGLs and other hydrocarbons

November crude stocks increased over the month across all major OECD regions. The largest increase occurred in North America, a surge of 0.76 mb/d. Despite these gains, industry stocks in all three regions are just now approaching levels comparable to 1999. On a days-of-forward-demand basis, North American crude oil stocks still remain 2.9 days lower than comparable 1999 figures, with Europe down 0.9 days and OECD Pacific up marginally at 0.2 days. Total product stocks changed marginally in November while other oils fell by 0.44 mb/d.

Due to unusually high crude runs and a seasonal drop in demand, gasoline stocks rose in North America. They fell in Europe and the Pacific. Despite gains in North America, global gasoline stocks are still well below comparable 1997-99 levels. The middle distillates situation is similar, although more pronounced. Despite increased imports and high throughputs, US heating oil stocks in the key Northeast region have trended sideways, with increased demand due to cold weather and fuel switching into oil. This is very positive news, because stocks, which were already very low, have not fallen further. Overall, total oil stocks are up in the first two months of the fourth quarter although on a days-of-forward-demand basis, they stayed essentially the same.

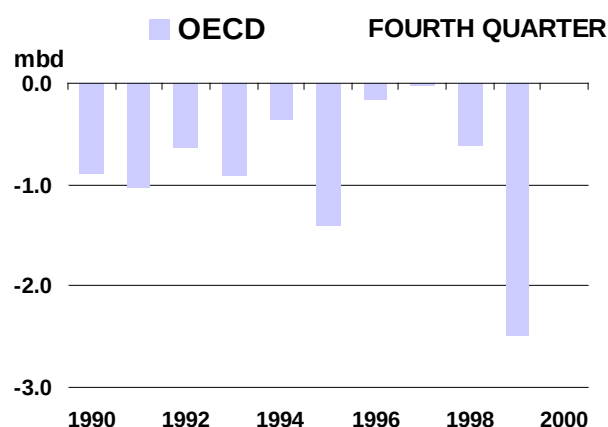
Revisions versus 11 December 2000 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Sep 00	Oct 00	Sep 00	Oct 00	Sep 00	Oct 00	Sep 00	Oct 00
Crude Oil	0.0	-4.8	0.5	-18.3	-0.6	-1.5	-0.1	-24.6
Gasoline	-2.4	-0.4	-0.5	1.5	0.0	-0.2	-2.8	0.8
Distillates	-1.7	-2.2	-1.6	-4.0	0.0	-0.6	-3.3	-6.8
Residual Fuel Oil	0.0	-1.0	0.5	8.6	-0.1	0.8	0.5	8.4
Other Products	1.0	1.2	0.0	0.8	-0.1	1.6	0.9	3.5
Total Products	-3.0	-2.4	-1.6	6.8	-0.2	1.6	-4.8	5.9
Other Oils ¹	3.6	7.6	0.7	3.6	0.0	-0.1	4.3	11.0
Total Oil	0.6	0.3	-0.5	-8.0	-0.8	0.0	-0.6	-7.7

¹Other Oils includes NGLs, Feedstocks and other hydrocarbons

Preliminary estimates for OECD total oil stocks by reporting governments and agencies have been revised downwards for October by 7.7 million barrels and for September by 0.6 million barrels. The 0.23 mb/d revision all but negates the preliminary stock build identified in November's report. A downward adjustment in European crude oil stocks of 18.3 million barrels accounts for the bulk of the revision. It is partly offset by an upward adjustment in European residual fuel oil and North American other oils. In a tight, volatile market, adjustments of this magnitude are disconcerting, especially given the previous month's 16.3 million barrel upward stock revision. The need for these adjustments makes it extremely difficult to assess market developments.



Given current trends, the revised October balances combined with the November estimates suggest a preliminary fourth quarter stock build of 0.38 mb/d. This build is counter-seasonal, as stocks are normally drawn down in the fourth quarter in response to peak global demand. Following on the heels of a lower than expected Q3 build, the preliminary Q4 stock build suggests a more balanced market, in which recent production increases have more than offset current demand growth.

OECD Industry Stock Changes: Effects for October and the Third Quarter
(million barrels per day)

	October				Third Quarter 2000			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	-0.16	-0.61	-0.03	-0.79	-0.01	0.01	-0.01	-0.01
Gasoline	0.06	0.06	-0.01	0.12	-0.03	-0.01	0.00	-0.03
Distillates	-0.02	-0.08	-0.02	-0.11	-0.02	-0.02	0.00	-0.04
Residual Fuel Oil	-0.03	0.26	0.03	0.26	0.00	0.01	0.00	0.00
Other Products	0.01	0.02	0.05	0.09	0.01	0.00	0.00	0.01
Total Products	0.02	0.27	0.06	0.35	-0.03	-0.02	0.00	-0.05
Other Oils ¹	0.13	0.09	0.00	0.22	0.04	0.01	0.00	0.05
Total Oil	-0.01	-0.24	0.02	-0.23	0.00	0.00	-0.01	-0.01

¹includes feedstocks, NGLs and other hydrocarbons

Preliminary Stocks at the End of November

OECD industry stocks of total oil closed out the month of November at 2.58 billion barrels, nearly 42.1 million barrels below the stock level a year earlier and 209.2 million barrels lower than November 1998. Crude oil stocks, at 910 million barrels, have narrowed the deficit with 1999 and 1997, but they remained some 58 million barrels below 1998. Combined government and industry total oil stocks in the OECD stood at 3.8 billion barrels, compared with 3.9 and 4.0 billion barrels in November 1999 and 1998 respectively. North America, Europe and the Pacific posted combined stocks respectively of 1716, 1280, and 797 million barrels.

Year-on-Year Industry Stock Comparisons for November

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	1.2	-6.0	-0.6	-5.4	Total Oil	-2.9	-0.9	0.2	-1.7
Total Products	-32.5	-1.7	7.7	-26.5	<i>Versus 1998</i>	-8.5	-3.3	-0.6	-5.4
Other Oils ¹	-21.1	8.3	2.6	-10.3	<i>Versus 1997</i>	-6.9	-1.8	-3.3	-4.6
Total Oil	-52.4	0.6	9.6	-42.1	Total Products	-1.7	-0.7	0.4	-1.0
<i>Versus 1998</i>	-154.4	-59.1	4.2	-209.2	<i>Versus 1998</i>	-5.1	-2.5	1.2	-3.1
<i>Versus 1997</i>	-83.3	-13.0	-27.0	-123.3	<i>Versus 1997</i>	-3.7	-0.8	-0.2	-2.1

¹includes feedstocks, NGLs and other hydrocarbons

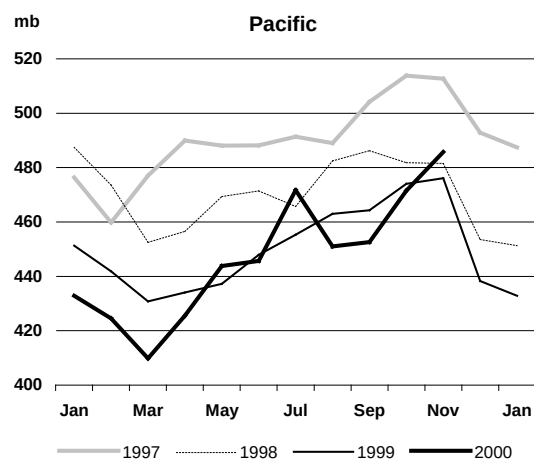
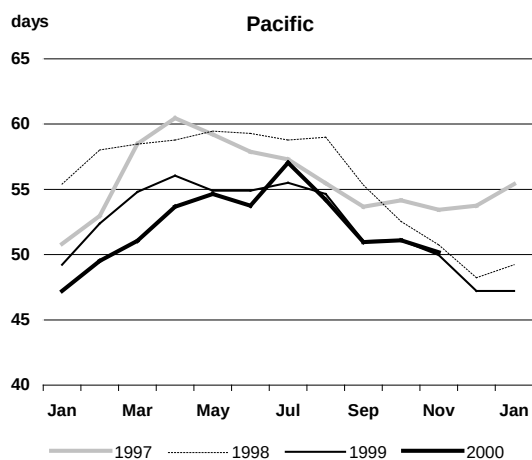
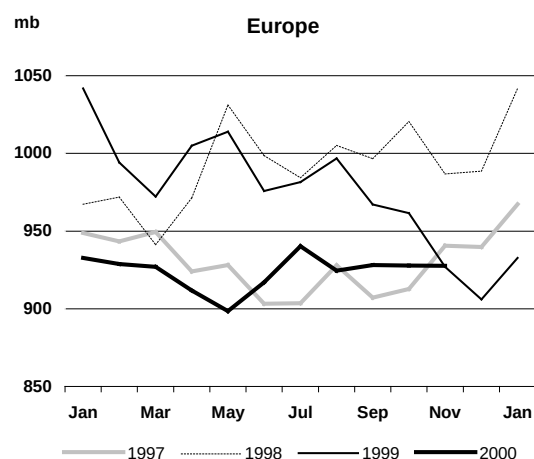
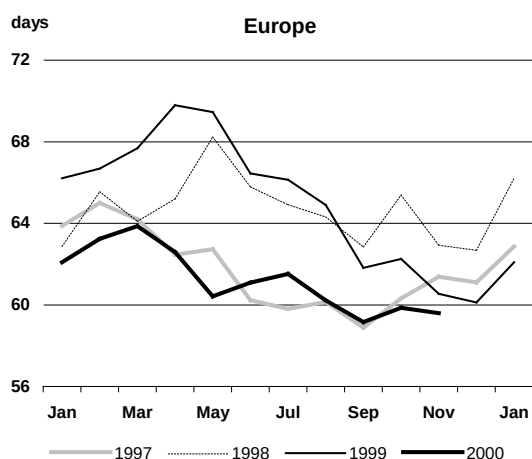
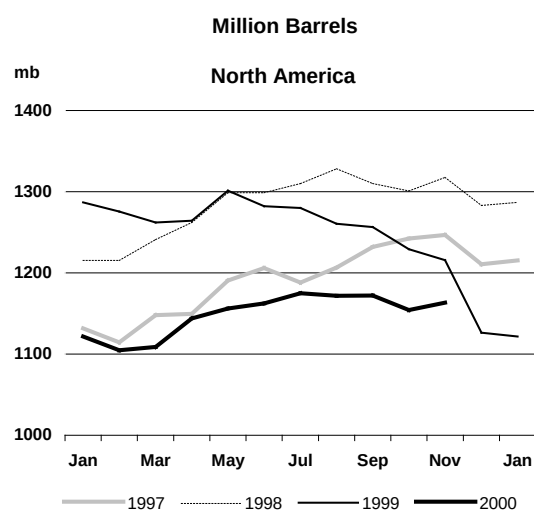
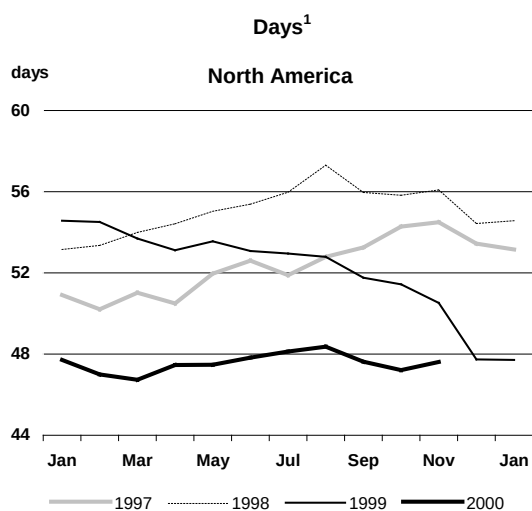
Regional Stock Developments

Total oil stocks in North America rose by 0.3 mb/d in November after trending sideways since June. A surge in crude stocks accounts for the bulk of this increase, partly offset by declines in other oils. Crude stocks in the **United States** are building despite unseasonably high refinery throughputs. Notwithstanding, total product stocks continue to trend downwards in response to surging demand. This leaves North American total industry oil stocks at 1163 million barrels or roughly 52.4 million barrels below the previous year. Preliminary December data suggest that total North American oil stocks will grow at a rate comparable to that of November. Year-end tax policies and the termination of SPR time-swap deliveries could negatively affect December stocks.

European crude oil stocks continued to trend sideways. November closing industry stocks of crude oil, at 327 million barrels, were 6 million barrels shy of last year's level. Total product stocks have fallen, despite an increase in refinery throughputs. Europe has experienced a relatively mild winter, a fact that has eased what was originally seen as a tight heating oil market. Distillate stocks in **Germany**, the **United Kingdom** and the **Netherlands** have been stable or falling slightly, but have been building rapidly in **Italy**. Total oil stocks in Europe are in a more comfortable position relative to their North American counterparts.

OECD Pacific crude oil stocks recovered in November, approaching year-earlier levels. With respect to previous years, crude oil and product stocks in **Japan** and **Korea** are moving in opposite directions. Japanese total crude oil stocks are below those of year-earlier periods, due to sluggish demand and low refinery throughputs. Korean crude oil and product stocks, on the other hand, are surging due to increased refinery activity and a possible lag in exports. Total OECD Pacific oil stocks are building quickly and have risen above comparable 1998-99 levels based on Korean developments.

Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

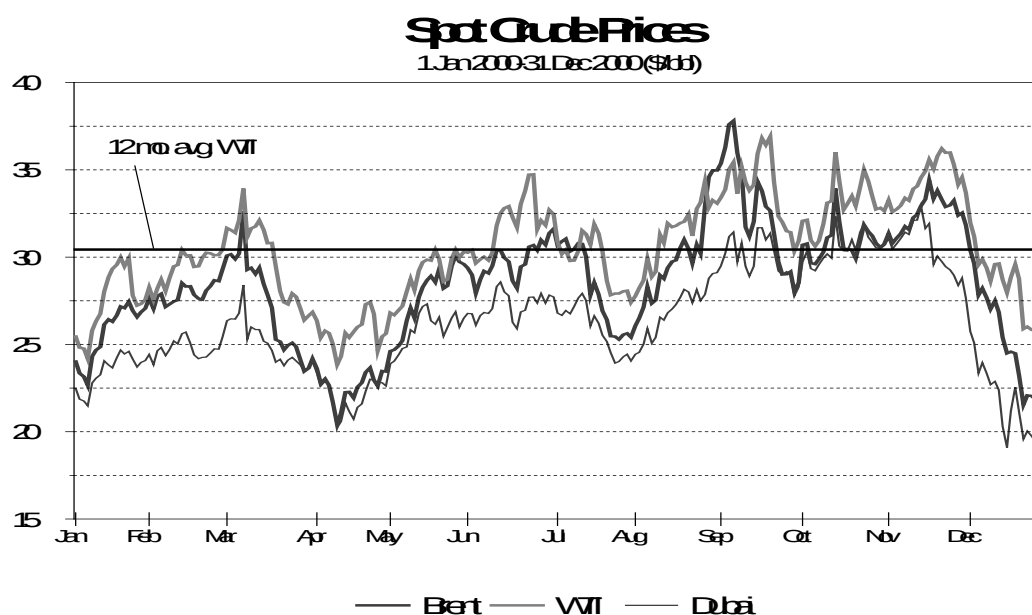


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- After soaring to record highs in November, **crude oil prices** fell back in December to their lowest level in eight months despite continued disruptions in Iraqi exports. Average monthly prices for the front-month Brent futures contract declined by close to 20% from November levels, while West Texas Intermediate futures prices at the New York Mercantile Exchange dropped by almost 17%. Both benchmarks regained some of their losses later in the month, however. After dipping below \$22 for several days in December, the OPEC basket price rebounded in January as talk of new production cuts of 1 mb/d to 2 mb/d gained momentum ahead of the group's Ministerial meeting of 17 January.
- **Crude price differentials** between key regional grades stood at unusually wide levels in December, turning the US Gulf Coast into a magnet for oil imports. Both the WTI/Brent and the Brent/Dubai spreads reached monthly average levels unseen since the Gulf War. Differentials between sweet and sour grades were also exceptionally large.
- **Product prices** also fell in December, hitting record lows for the quarter, but the drops were not as deep as for crude oil. Front-month IPE gasoil brushed quarterly lows of \$231 per ton last month but averaged \$255.96, a 15% decline. Nymex heating oil fell 8.5% to 93.26c per gallon from 101.93c in November after hitting quarterly lows of 85.66c. In spot markets, most key products traded lower, with gasoline posting some of the steepest falls of all in Europe and the US but some of the slightest in Singapore. Smaller drops in gasoil prices in New York Harbour than in Rotterdam and the Mediterranean opened wide the door to heavy transatlantic imports into the US East Coast.
- **Refining margins** in the four major centres improved in December, as crude prices fell faster than product prices. Margins declined in the US Gulf Coast in the first half of December, but rebounded sharply in the second half. Northwest Europe enjoyed positive and stable margins throughout the month, while refiners in the Mediterranean and Singapore benefited from weak sour crude prices.
- **Refinery throughput** in OECD countries averaged 39.7 mb/d for November, matching the previous record for that month. Compared to October, throughput increased in North America and the Pacific, while decreasing slightly in Europe. Japanese throughput posted the largest increase, 0.47 mb/d, contributing two thirds of the total OECD increase of 0.67 mb/d. Utilisation rates in OECD countries averaged 92.2%, an increase of 0.6 percentage points.



Crude Oil Prices and CIF Import Costs

Spot Crude Prices and Differentials

Crude oil prices extended their drops of late November, falling steeply last month, albeit from record-high levels. In physical markets, monthly average prices for key Mideast and European benchmarks fell the most. Two sour grades, Mideast Dubai and Russian Urals, posted particularly steep declines, despite a near complete halt in Iraqi exports of sour Basrah Blend and an almost total disruption of Iraqi sales of Kirkuk, Urals' most direct competitor. Dubai prices for December declined by 28% to \$21.83 per barrel from November while Urals delivered in the Mediterranean dropped by 23%. Prices for sweet benchmark grades fell as well, with North Sea Brent Dated down 22% on the month. US and Asian benchmarks fell somewhat more modestly, with sweet US grade West Texas Intermediate 17% lower at \$28.55 and Malaysian Tapis down 17% at \$28.05.

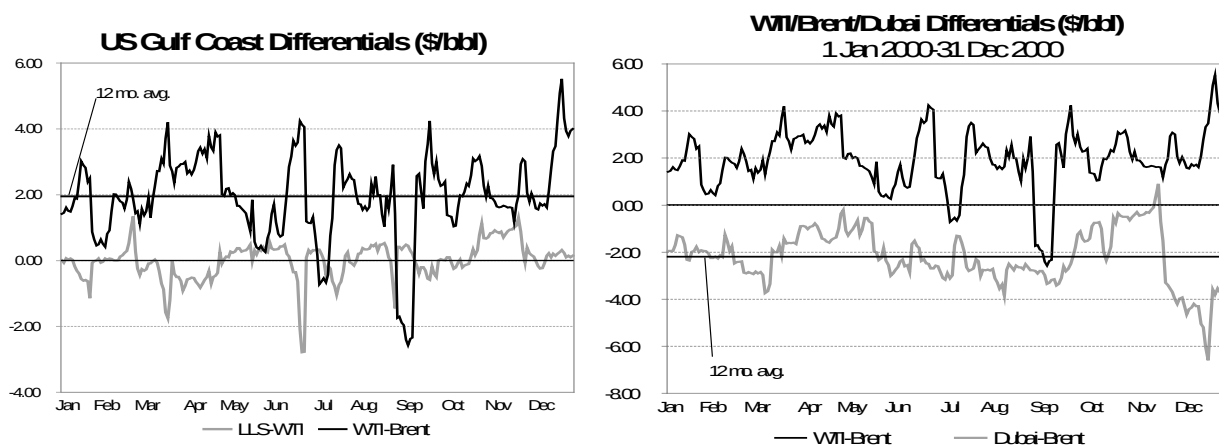
Exceptionally high refinery utilisation in the US, spurred by good refining margins, helped cushion the drop in US crude markets. Cold weather and record-high natural gas prices fuelled vigorous consumer demand for refined products, notably heating oil, thus providing an incentive for refiners to keep running their plants at very high rates for the season, by historical standards. Partly as a result, price differentials between the North Sea and West Africa on one side and the US on the other widened, encouraging transatlantic exports. Dated Brent's discount to spot WTI widened from \$1.92 per barrel in November to a record \$3.13 average in December, and at one point last month grew as wide as \$5.52. Nigerian Forcados' average discount to US coastal benchmark Light Louisiana Sweet was also wider, at \$3.27, compared to \$2.46 in November.

Spot Crude Oil Prices and Differentials

(monthly and weekly averages, \$/bbl)

	Oct	Nov	Dec	Change	Week Ending:					
					01 Dec	08 Dec	15 Dec	22 Dec	29 Dec	05 Jan
WTI	32.99	34.40	28.55	-5.84	33.94	29.73	28.95	27.21	26.27	27.84
Brent Dated	30.86	32.48	25.42	-7.06	32.08	28.07	25.77	22.68	22.30	23.96
Urals (del. Mediterranean)	28.36	31.11	23.88	-7.23	30.91	26.63	23.69	21.29	21.29	23.05
Dubai	30.50	30.44	21.83	-8.60	27.91	23.69	21.17	20.61	19.96	21.61
Tapis	32.73	32.59	28.05	-4.54	32.72	29.81	28.18	26.52	24.90	25.95
Brent minus Dubai	0.37	2.04	3.59		4.17	4.38	4.59	2.08	2.34	2.35
WTI minus Brent	2.12	1.92	3.13		1.86	1.66	3.19	4.53	3.97	3.88
Tapis minus Brent	1.87	0.11	2.63		0.64	1.74	2.41	3.84	2.61	1.99
Brent 1 st month minus 2nd month	-0.14	0.59	-0.39		0.83	-0.04	-0.50	-0.73	-0.68	-0.55
WTI 1 st month minus 2nd month	0.59	0.97	0.58		1.02	0.51	0.68	0.47	0.60	0.70

Even as the swelling premium of US oil prices turned North American markets into a magnet for North Sea and West African crude exports, Dubai's widening discount to Brent-related grades cost the latter much of their market outlets in Asia.



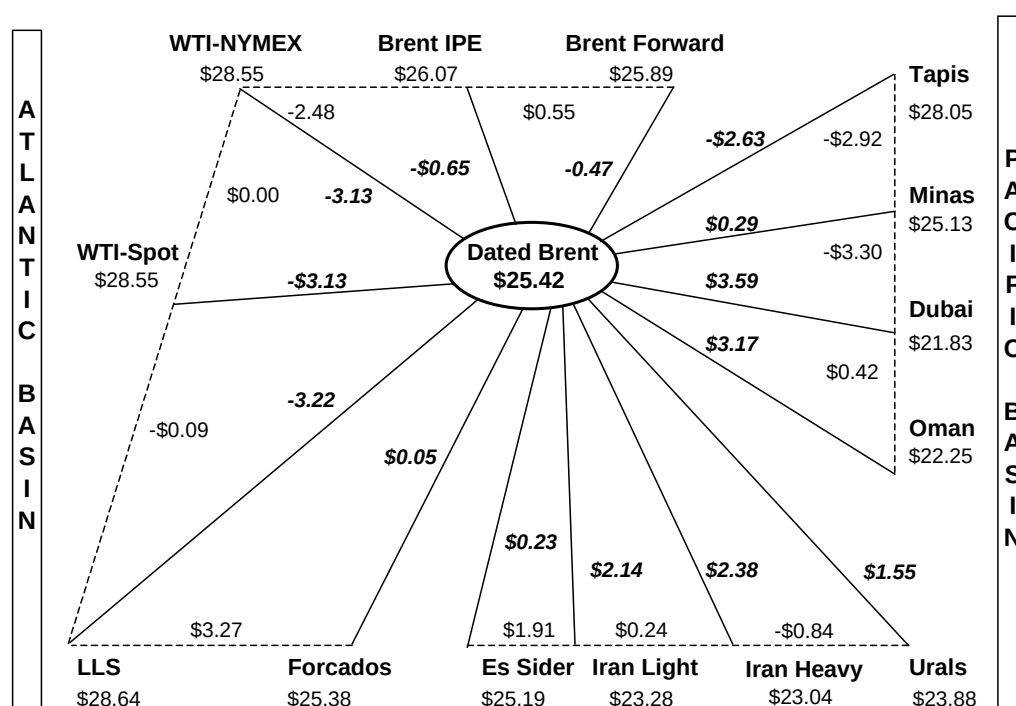
Dated Brent's premium over Dubai widened from an already large \$2.04 in November to a gaping \$3.59 in December, its highest level since the Gulf War, even hitting peaks of \$6.60 last month. While most Asian refiners found themselves priced out of the market for incremental Brent supplies,

the gap also provided fresh support for regional sweet grades such as Malaysian Tapis and Indonesian Minas. Brent's \$1.44 November premium over Minas vanished to near parity last month, while its tiny discount of 11c to Tapis widened to as much as \$2.63.

Sweet/sour differentials also reached unusually wide levels, due in part to shutdowns at several refineries on the US West Coast, a key sour grade market. Spot WTI's premium to West Texas Sour peaked at \$3.58 per barrel last month and averaged \$2.92, also a high unmatched since the Gulf War and more than twice the typical spread. Any cut in crude output such as OPEC producers might implement following their meeting of 17 January should work to narrow that spread, as it would first and foremost affect sour grades. But those potential cuts should also be offset by lower US demand, as several Gulf Coast refiners are expected to take long-deferred maintenance shutdowns.

By early January, as talk of OPEC production cuts gained momentum, most key crude benchmarks had already started to regain part of their December losses. Grades competing most directly with OPEC exports were particularly supported by expectations of lower output from the producer group. Thus prices for Dubai as well as Urals rose 8% in the week of 5 January from the previous week. Brent increased by 7%, WTI 6% and Tapis 4%. Whether such gains can be sustained or even extended depends in part on the outcome of OPEC's January meeting, how effective the group proves in carrying out its production policy, and the future availability of Iraqi supplies.

Average Spot, Paper Crude Oil Prices and Differentials - December 2000

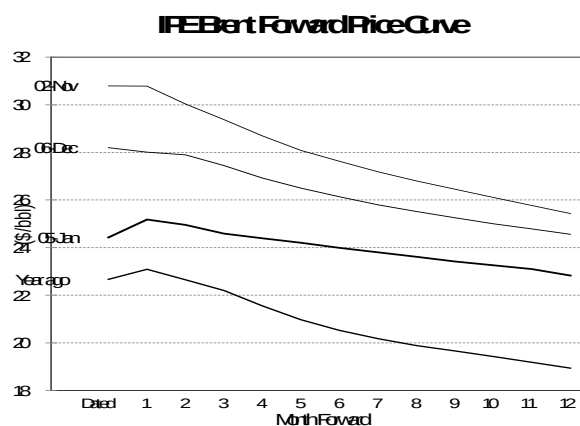
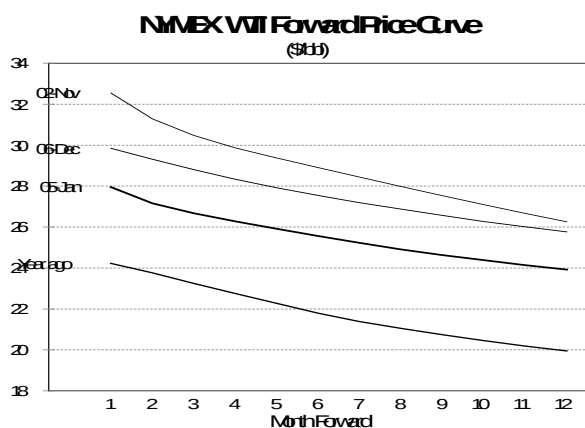


Crude Futures

Steep drops in crude futures markets last month left prices still well above year-ago levels, as the fall was from 10-year highs. Moreover, while the decline was slightly greater for prompt barrels than for later supplies, the premium of the nearby contracts, or backwardation, remains steep and undermines the building of stocks.

Both IPE Brent and NYMEX WTI futures prices fell steeply in December, with the front-month contracts' average prices down by 19% and 17%, respectively, from November. But the two contracts' monthly averages had peaked that month at highs unmatched since October 1990, and while volatility was exceptionally great on futures exchanges in December, average prices of \$26.07 for IPE Brent and \$28.55 for NYMEX WTI remained high by historical standards.

Measured against November average prices, December crude futures showed a slightly flatter forward curve, indicative of more comfortable supply levels. The December sell-off affected nearby contracts more than later ones in both of the key futures markets: front-month WTI fell by 16% over the month, compared to 15% for the second month and 14% for the third. The forward price curve of IPE Brent flattened even more, with the price drop 3 percentage points steeper for the front-month than the third, a trend consistent with fourth-quarter inventory gains. By early January, Dated Brent had swung into a slight discount to front-month forward Brent, sketching the first signs of a fledgling contango. However, those market shifts remained relatively faint, and compared with October levels the forward price curve did not flatten significantly. Thus front-month WTI prices fell only 13% in December from two months earlier for the nearby contract, and a steady 14% for later months.



Speculators typically tend to take profit and liquidate their positions in commodities markets, for accounting reasons, toward the end of the US tax year. This was particularly true last December, as hedge funds' profits in commodities markets helped offset steep losses suffered in equities markets, and as the relatively mixed signals sent by the shifts in the forward price curve were made fuzzier still by uncertainties regarding Iraqi oil exports and future OPEC policy.

Trading activity on futures exchanges was exceptionally muted on the NYMEX and IPE futures exchanges through much of December and into early January, as speculators trimmed their positions. Net commitments of NYMEX traders show that speculators largely exited the NYMEX futures market in December. Traders liquidated their long positions last month and briefly swung into small short positions in crude and gasoline in early January. News reports that Saudi Arabia had given customers word of lower February exports prompted speculators to cover those short positions earlier this month, helping trigger the rebound in crude and products futures. On the eve of OPEC's Ministerial meeting of 17 January, traders had reportedly gone very slightly long in gasoline but stayed mostly away from the crude and heating oil futures markets.

Delivered Crude Prices

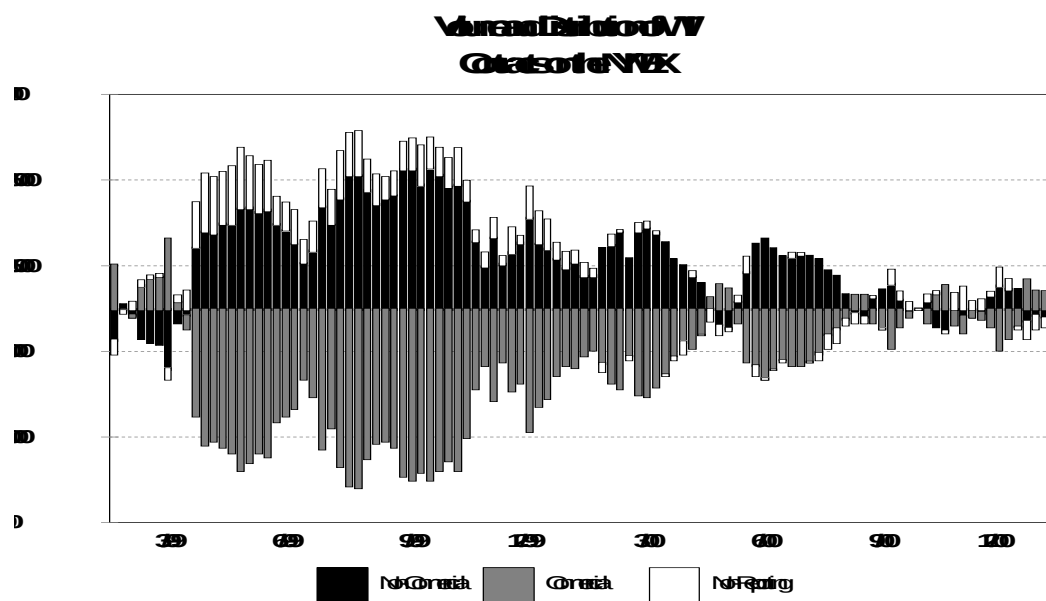
CIF crude import costs into IEA Member countries averaged \$30.51 per barrel in October, down slightly from the revised September average. Although reductions in import costs generally reflected price movements in the crude spot market, rising ocean-freight transportation costs partly offset the declines. Average import costs into Europe fell by 79 cents, while those into North America decreased by 82 cents. In contrast, Pacific import costs rose by \$1.78, due to strong Dubai crude prices. The monthly average Dubai spot price gained \$3.01 in September and 53 cents in October, as Brent and WTI prices were falling.

Weighted-Average CIF¹ Crude Import Cost by Area^{**}

	\$/ bbl			
	Total IEA	IEA Europe	IEA North America	IEA Pacific
May 00	26.06	26.55	25.72	25.62
Jun 00	28.80	28.98	28.65	28.73
Jul 00	28.47	27.78	28.56	29.90
Aug 00	28.41	28.35	28.23	28.97
Sep 00	30.81	30.99	30.72	30.52
Oct 00*	30.51	30.20	29.90	32.30

* preliminary, based on partial submissions

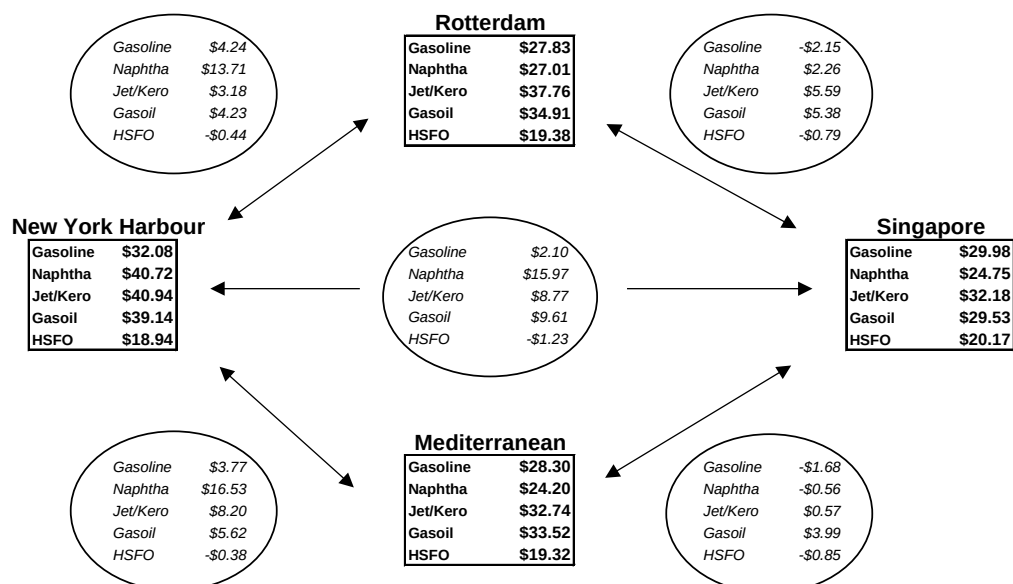
** CIF = cost, insurance and freight



Spot Product Prices

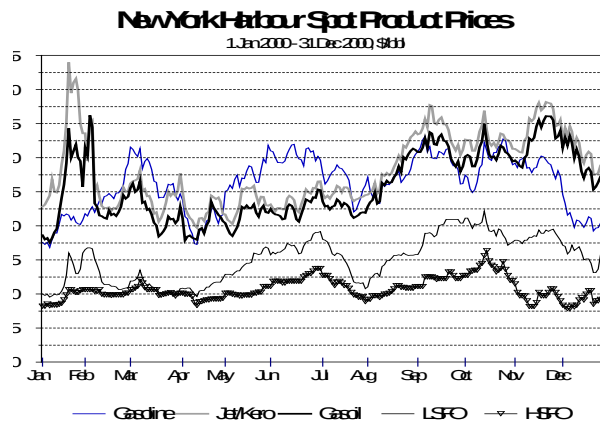
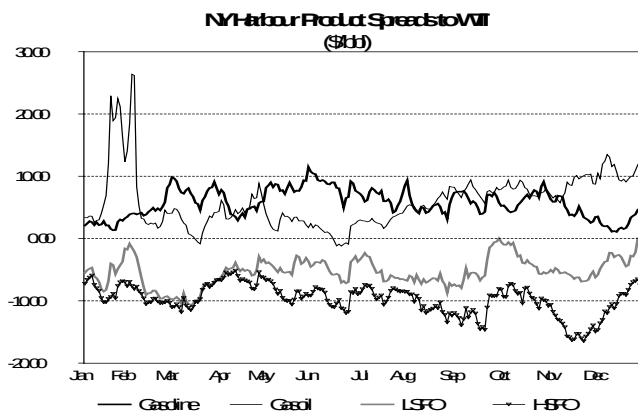
Product prices weakened substantially across the board in December in all major markets, though not as much as those of crude oil. Average December gasoline prices posted some of the steepest drops by far in all key markets except Singapore, down 19% in New York Harbour and Rotterdam and down 20% in the Mediterranean, due in part to stock builds and snowfalls that hampered road traffic in the US. Against a backdrop of double-digit percentage losses for most refined products prices in Singapore, Rotterdam, the Mediterranean and the US Gulf Coast, drops in New York Harbour ranging around 9% for gasoil, jet/kerosene and naphtha, let alone a 4% drop for high-sulphur fuel oil, were comparatively modest.

Monthly Average Spot Product Prices and Differentials - December 2000

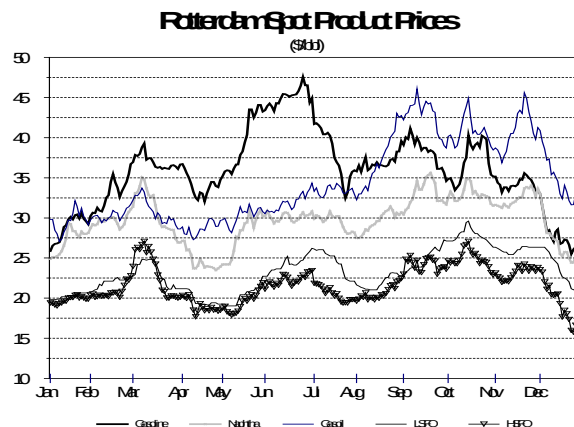
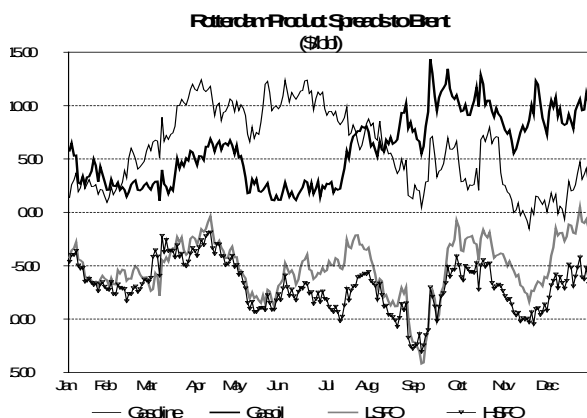


The comparatively greater strength of the New York Harbour gasoil and jet fuel markets only served to bolster opportunities for transatlantic trading with Europe – and even for arbitrage plays with Asia – where such opportunities already existed, and to open new ones where there were none. The premium for New York Harbour gasoil thus more than doubled in December over Rotterdam and the Mediterranean, to \$4.23 and \$5.62 per barrel, respectively. New York jet fuel also nearly doubled its

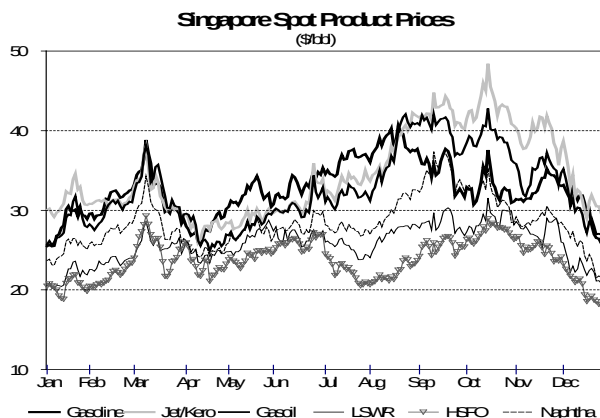
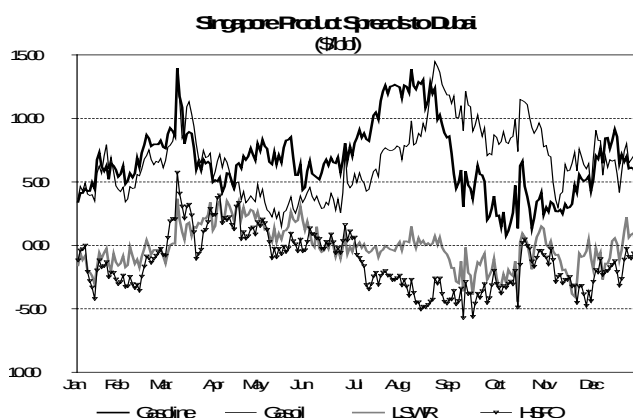
premium over the Mediterranean, to \$8.20. By contrast, transatlantic arbitrage opportunities for gasoline, while still attractive, narrowed substantially. And while Singapore jet widened its discount to Rotterdam and the US, Singapore gasoline swung from a slight discount to both Rotterdam and the Mediterranean to premiums of \$2.15 and \$1.68. Singapore gasoline substantially narrowed its discount to US prices as well.



In late December and early January, however, the relative strength of western products markets appeared to shift from gasoil and jet fuel – both of which fell in Rotterdam, the Mediterranean and New York Harbour in the week of 5 January – to gasoline, which rebounded substantially in all three markets. That trend could continue if US temperatures rebound from last month's cold snap and heating demand slows down, even as record-high US natural gas prices indirectly curtail refinery yields of gasoline.



In a similar development, high US natural gas prices and lower volumes of butane available for gasoline blending have caused a rebound in US prices for gasoline additive methyl tertiary butyl ether (MTBE), up 7% to 106.74c/gallon in December from November levels.



Spot Product Prices

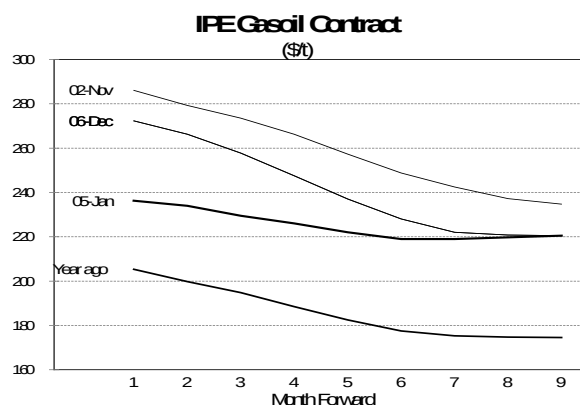
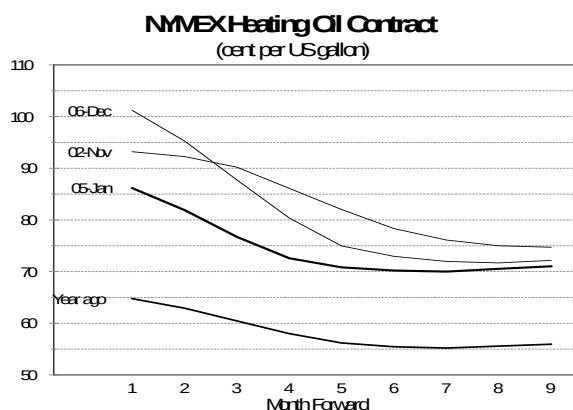
(monthly and weekly averages, \$/bbl)

	Oct	Nov	Dec	Dec-Nov	% Chg	Week ending					Oct	Nov	Dec
						08 Dec	15 Dec	22 Dec	29 Dec	05 Jan			
Rotterdam, Barges FOB						Differential to Brent							
Premium Unleaded (Cargo)	37.04	34.25	27.83	-6.41	-18.7%	29.14	27.50	26.56	25.99	28.10	6.18	1.77	2.41
Regular Unleaded	35.49	32.98	27.47	-5.51	-16.7%	28.76	27.26	26.21	25.53	27.66	4.62	0.50	2.05
Naphtha	32.94	32.43	27.01	-5.41	-16.7%	28.99	26.50	25.07	25.20	26.45	2.07	-0.05	1.59
Jet/Kerosene	44.05	43.35	37.76	-5.58	-12.9%	40.10	37.87	35.52	34.60	33.32	13.19	10.87	12.34
Gasoil	40.74	40.84	34.91	-5.93	-14.5%	37.61	34.16	32.55	32.94	32.05	9.88	8.36	9.49
Fuel Oil 1.0%S	27.77	26.05	23.72	-2.33	-8.9%	25.92	23.91	21.82	21.19	21.03	-3.10	-6.43	-1.70
Fuel Oil 3.5%S	24.91	23.17	19.38	-3.79	-16.4%	21.70	19.67	17.14	16.34	16.46	-5.95	-9.31	-6.05
Mediterranean - Basis Italy, Cargoes FOB						Differential to Urals							
Premium 0.15 g/l	39.11	35.34	28.30	-7.03	-19.9%	29.82	28.05	26.79	26.17	28.79	10.75	4.23	4.43
Naphtha	31.34	30.47	24.20	-6.28	-20.6%	26.26	23.67	22.21	22.22	23.51	2.98	-0.64	0.32
Jet/Kerosene	42.14	40.67	32.74	-7.92	-19.5%	35.47	32.72	30.23	29.38	28.11	13.79	9.56	8.87
Gasoil	41.90	40.40	33.52	-6.88	-17.0%	37.05	33.24	30.53	29.36	28.28	13.54	9.29	9.64
Fuel Oil 1.0%S	27.87	25.57	23.36	-2.21	-8.6%	25.42	23.57	21.42	20.96	20.84	-0.49	-5.54	-0.52
Fuel Oil 3.5%S	24.10	20.95	19.32	-1.63	-7.8%	22.03	20.00	16.86	15.37	15.65	-4.26	-10.16	-4.56
NY Harbour, Barges						Differential to WTI							
Premium Unleaded 93	40.24	39.43	32.08	-7.35	-18.6%	32.90	31.70	30.90	32.00	34.78	7.25	5.03	3.52
Regular Unleaded 87	39.35	38.84	30.95	-7.89	-20.3%	31.51	30.40	30.20	31.03	33.02	6.36	4.44	2.40
Jet/Kerosene	42.72	45.09	40.94	-4.15	-9.2%	43.49	40.93	38.82	39.06	37.42	9.73	10.70	12.39
No.2 (Heating Oil)	40.88	43.11	39.45	-3.67	-8.5%	42.24	39.13	37.16	37.85	36.68	7.89	8.71	10.89
Fuel Oil 1.0%S (Cargo)	29.52	28.49	25.62	-2.87	-10.1%	26.52	25.96	23.90	26.10	25.31	-3.46	-5.90	-2.93
Fuel Oil 3.0%S (Cargo)	23.75	19.67	18.94	-0.74	-3.7%	18.08	19.23	19.50	19.25	19.25	-9.24	-14.72	-9.62
Singapore, Cargoes						Differential to Dubai							
Gasoline Unleaded 95	32.87	32.84	29.98	-2.86	-8.7%	32.17	31.07	27.62	26.10	28.17	2.37	2.40	8.15
Naphtha	31.74	28.89	24.75	-4.14	-14.3%	27.01	25.10	22.86	21.31	23.06	1.24	-1.55	2.92
Jet/Kerosene	43.23	39.47	32.18	-7.29	-18.5%	34.36	31.02	31.04	29.23	29.53	12.73	9.03	10.34
Gasoil	39.04	34.78	29.53	-5.25	-15.1%	31.64	29.06	27.93	26.65	28.36	8.54	4.34	7.70
LSWR (0.3%S)	28.89	27.57	22.61	-4.97	-18.0%	23.18	22.86	21.92	20.61	21.93	-1.61	-2.86	0.77
HSFO (3.5%S 180cst)	28.10	26.07	21.16	-4.90	-18.8%	22.67	21.13	19.85	19.23	20.51	-2.39	-4.37	-0.67
HSFO (3.5%S 380cst)	27.24	25.09	20.17	-4.92	-19.6%	21.78	20.22	18.71	18.11	19.33	-3.26	-5.35	-1.66

Product Futures

Distillate futures markets in London and New York were contrasted in December. Both the NYMEX heating oil and the IPE gasoil front-month contracts hit quarterly lows during December, averaging at their weakest monthly levels in four and five months, respectively. However, while the IPE forward price curve flattened considerably in December, the backwardation of the NYMEX heating oil price curve actually grew steeper.

In the US, an early December cold spell and strong utility demand moderated the drop in front-month heating oil prices: down 8.5% on average for the month, compared to the second- and third-month contracts, which fell by 10.5% and 13.5%. The fourth-month contract declined by an even steeper 15%. While by early January the NYMEX heating oil forward price curve had flattened compared to its steep early-December shape, it remained much too steep to warrant stock builds. In London, meanwhile, the percentage drops in gasoil futures prices showed only marginal variations from nearby to later contracts, resulting in a relatively flat price curve.



The Ups and Downs of Refinery Demand

Record-high refinery throughput at OECD plants in November goes a long way toward explaining how crude oil prices came to soar to 10-year peaks that month. Instead of an expected heavy maintenance turnaround schedule, US refiners, in particular, responding to both government appeals and attractive margins, ran their plants unusually hard. Crude throughput at US refineries rose in November by 26,000 b/d from the previous month, a jump of more than 350,000 b/d year-on-year. US runs soared by another 165,000 b/d in December from November, according to US government figures.

But even with highly profitable refining margins, maintenance shutdowns cannot be postponed indefinitely without incurring onerous safety risks, so long-delayed turnarounds are widely expected to depress US demand for crude oil in the first quarter. US refiners consider their maintenance plans commercially sensitive and prefer to keep them under wraps as much as possible, so third-party assessments of US crude unit shutdowns for the first quarter vary widely. For example, estimates of idled crude distillation capacity in PADD 3 - the US Gulf Coast - calculated by oil industry consulting firms for January range from a low of about 200,000 b/d to a high of more than 500,000 b/d. And turnaround schedules remain subject to last-minute changes.

Whatever actually ends up happening, expectations of lower US refinery demand for crude this quarter undoubtedly loom already large in crude producers' minds. Most observers expect crude unit maintenance at US plants to ramp up from January through March, peaking briefly at more than 1 million b/d that month. Most of the shutdowns are expected in the Gulf Coast, with West Coast crude distillation shutdowns heaviest in January. East Coast maintenance for the first half of the year is expected to peak in March, in line with seasonal patterns. Maintenance activity is typically slight in the Midwest in the first quarter due to cold weather. This year is expected to be no exception, with a few shutdowns set mostly for March. European maintenance should also be slight until March, in line with historical patterns, followed by Asian maintenance in late spring and early summer. Most of the US shutdowns are expected to take place at sour crude refineries.

In addition to crude unit shutdowns, first-quarter maintenance at US upgrading units is expected to be exceptionally heavy this year. Again US demand for high-sulphur crude oil is thought to bear the brunt of the maintenance programme, as several coking units are set to come down. Upgrading unit shutdowns also affect crude oil demand as they typically cause associated distillation units to run at reduced rates.

The flip side of heavy first-quarter refinery maintenance, however, is that second- and third-quarter demand for crude are likely to be all the stronger as a result. Refiners who idle their plants for maintenance without having first built up their stocks will have to run those units proportionately harder later on to meet consumer demand. Refinery demand last summer tested crude production capacity, and so oil producers this year might consider letting refiners build up their crude oil stocks in order to avoid potential disruptions or bottlenecks at times of peak demand later on.

End-User Product Prices

Mid-Month End-User Product Price Changes December 2000 versus November 2000

	Local Currency Including Taxes (%)			
	Gasoline ¹	Automotive Diesel ³	Domestic Heating Oil	HFO for Industry ⁵
US	-4.9	-1.2	1.7 ²	na
Canada	-5.1	0.3	na	na
France	-5.2	-4.5	-8.9	-7.6
Germany	-2.5	-0.3	-3.0	-5.4
Italy	-1.7	0.2	-0.8	-0.9
Spain	-1.9	0.0	0.1	1.1
UK	-1.7	1.2	0.0	-0.6
Japan	0.0	0.0	0.4	6.5

1 premium leaded gasoline for France, Italy, Spain, the UK; regular unleaded gasoline for Canada, Germany, Japan and the US

2 previous month's data

3 VAT excluded where it is refundable: Heavy Fuel Oil for Industry, Automotive Diesel for Industry

4 kerosene

5 high sulphur fuel oil price for France, Spain, the UK and Japan; low sulphur fuel oil price for Germany and Italy - details are shown in Table 9 at the back of the Report

December end-user product prices, shown in Table 9 at the end of the Report, were generally down, reflecting falling crude prices. Gasoline prices fell by 5% in the US and Canada and 2% in Europe, with the exception of French gasoline prices, which fell by 5%. Japanese gasoline prices remained unchanged. Diesel prices fell, to a lesser extent, in the US, France and Germany, but gained in Italy and the UK. Heating oil prices in the US continued to rise. They rose by 2% in December, after posting a 3% increase in the previous month.

Japanese kerosene prices also rose due to the peak winter demand, while European gasoil prices decreased because of a warm winter. Fuel oil prices in Europe fell sharply in November and continued to lose ground in December. Conversely, Japanese fuel oil prices gained 7% over the same period.

Refining Margins in December

Refining margins in the four major centres surged in December, as crude price dropped faster than product prices. Margins declined in the US Gulf Coast in the first half of December, but rebounded sharply in the second half. Northwest Europe enjoyed positive and stable margins throughout the month, while refiners in the Mediterranean and Singapore benefited from weak sour crude prices. Both hydroskimming and cracking margins were in positive territory in all four major refining centres and cracking margins maintained healthy differentials over hydroskimming margins. Margins, however, fell across the board at the beginning of January, due to rebounding crude prices.

Refining Margins in Major Refining Centres

(monthly and weekly averages, \$/bbl)

	Oct	Nov	Dec	Change	Week Ending:					
					01 Dec	08 Dec	15 Dec	22 Dec	29 Dec	05 Jan
NW Europe										
Brent (Hydroskimming)	2.37	-0.69	1.71	2.40	-0.04	1.23	1.27	2.40	2.45	0.74
Brent (Cracking)	3.88	0.77	2.54	1.78	1.25	2.00	2.03	3.27	3.34	1.97
Mediterranean										
Urals (Hydroskimming)	5.67	0.80	3.18	2.38	1.44	3.02	3.37	3.46	2.56	0.83
Urals (Cracking)	7.48	2.48	4.10	1.61	2.97	3.91	4.18	4.39	3.51	2.11
US Gulf Coast										
Brent (Cracking)	1.11	-0.90	0.55	1.45	-2.01	-1.40	-0.01	1.86	4.83	5.59
WTI (Cracking)	2.48	1.09	1.38	0.30	0.21	0.90	0.82	1.38	4.49	4.96
Singapore										
Dubai (Hydroskimming)	1.28	-1.16	2.71	3.87	0.60	2.64	3.28	2.46	2.08	1.78
Dubai (Cracking)	2.96	0.56	4.78	4.22	2.85	4.89	5.52	4.29	3.73	3.69

For the purposes of this Report, refining margins are calculated on the basis of an "average" refinery that is running a "typical" crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

Margins on the **US Gulf Coast** declined in the first half of December, but rebounded in the second half. WTI cracking margins suffered from strong WTI crude prices relative to other crudes, while Brent cracking margins were cut by rising tanker transportation costs. The December average rate for smaller 65KMT tankers from the UK to the US Gulf Coast increased by 20 cents from November, to \$4.35 per barrel. That for larger 130KMT tankers rose by 23 cents to \$2.21. Recovery in product prices supported US margins in the second half of the month.

Rotterdam margins gained steadily in December, as local product prices fell less than crude prices. December hydroskimming margins increased by \$2.40 per barrel over the previous month, while cracking margins rose by \$1.80. **Mediterranean** margins fared even better than those of Rotterdam did, thanks to the discount of Urals to Brent. The differential between Brent and sour Urals averaged \$1.55 per barrel for December.

Singapore margins improved the most among the four major refining centres, due to widening sweet-sour differentials. Spot prices of sour Dubai crude fell by \$8.60 per barrel between November and December (compared to Brent's drop of \$7.00). As a result, margins were up \$2.70 for hydroskimming and \$4.80 for cracking.

OECD Refinery Throughput in November

Preliminary data suggest that aggregate refinery throughput in OECD countries averaged 39.7 mb/d for November, an increase of 1.0 mb/d, or 2.6%, year-on-year. This level of throughput matched the previous record for the month of November. October throughput has been revised upward by 0.13 mb/d to 39.0 mb/d. Compared to October, November throughput increased in North America and the Pacific, but decreased in Europe. Japanese throughput posted the largest gain of 0.47 mb/d, contributing two thirds of the 0.67 mb/d total OECD increase over October. North American throughput rose by 0.17 mb/d. European throughput fell, but only slightly, by 0.06 mb/d. Utilisation rates in OECD countries averaged 92.2%, an increase of 1.5 percentage points from the revised October average.

Refinery Crude Throughput and Utilisation in OECD Countries

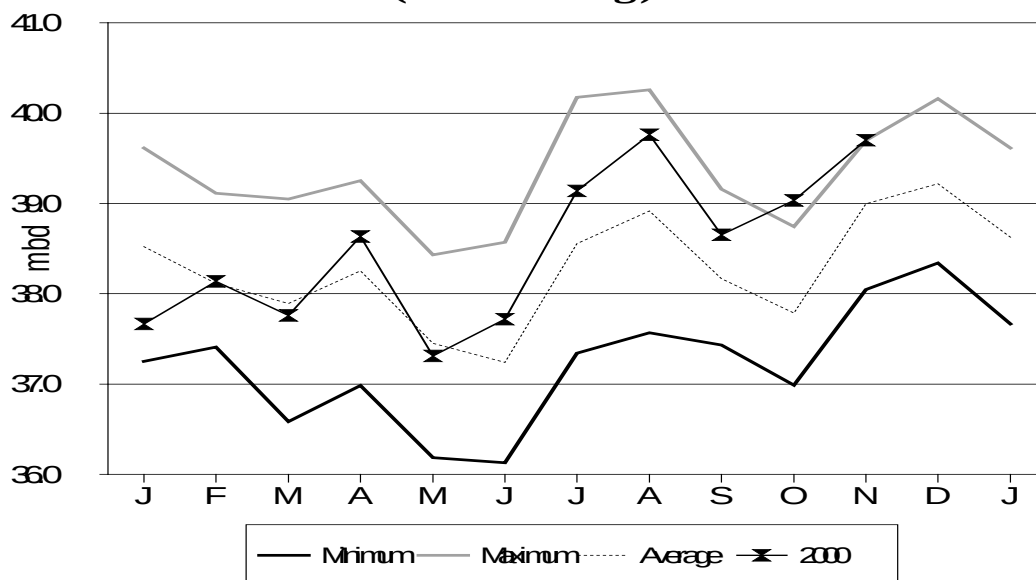
	million barrels per day					Change from Nov 99		utilisation rate ²	
	Jul	Aug	Sep	Oct	Nov	mb/d	%	Nov 00	Nov 99
OECD Europe	13.31	14.03	13.27	14.07	14.01	0.600	4.5	95.9%	91.8%
France	1.78	1.89	1.67	1.75	1.82	0.064	3.6	105.0%	101.3%
Germany	2.31	2.27	2.21	2.27	2.17	-0.086	-3.8	96.2%	100.0%
Italy	1.51	1.78	1.81	1.83	1.80	0.038	2.2	89.0%	87.1%
Netherlands	1.17	1.17	1.03	1.24	1.17	0.157	15.5	96.4%	83.5%
Spain	1.10	1.19	1.10	1.19	1.19	0.050	4.4	93.4%	89.5%
UK	1.59	1.65	1.66	1.74	1.77	0.059	3.4	101.6%	98.2%
US ³	15.83	15.65	15.41	15.04	15.06	0.357	2.4	91.3%	90.2%
Canada	1.64	1.62	1.68	1.61	1.66	0.037	2.3	90.2%	88.2%
Mexico	1.06	1.14	1.12	1.05	1.14	0.044	4.0	73.5%	70.7%
Japan	4.06	4.25	4.02	3.94	4.41	0.040	0.9	84.2%	81.5%
Korea	2.43	2.29	2.32	2.51	2.59	-0.062	-2.3	105.1%	107.6%
Australia/New Zealand	0.82	0.78	0.84	0.82	0.82	-0.016	-1.9	99.6%	101.5%
OECD Total	39.14	39.76	38.65	39.03	39.70	1.006	2.6	92.2%	90.1%

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$0

November **North American** throughput rose in all three countries. US throughput increased by 26 kb/d from the previous month and by 357 kb/d year-on-year. Although refining margins were falling, refineries in the US continued to operate at close to capacity, posting record-high throughput levels. US utilisation rates averaged 91.3% for the month of November. Canadian throughput rose by 55 kb/d, while Mexican throughput increased by 92 kb/d, with utilisation rates standing at 90% and 74% respectively.

OECD Total Crude Throughputs
(1996-1999 Average)

European throughput decreased by 63 kb/d from the previous month, as margins deteriorated in both Northwest Europe and the Mediterranean. Throughput in France and the UK increased, while that of Germany, Italy and the Netherlands decreased. Spanish throughput remained unchanged. European utilisation rates fell from 96.3% in October to 95.9% in November.

Throughput in OECD **Pacific** countries rose in November, except for Australia. Korean runs increased by 84 kb/d to 2.59 mb/d, which is slightly above the country's sustainable capacity. Following seasonal patterns, Japanese throughput increased by 471 kb/d to 4.41 mb/d, with refinery utilisation rates increasing from 75% to 84%. Australian throughput decreased by 15 kb/d, while New Zealand throughput increased by 16 kb/d.

The US Energy Department's weekly statistics suggest that US throughput averaged 15.23 mb/d for the four weeks ending 5 January, an increase of 165 kb/d from the month of November. Utilisation rates averaged 92% over the period. In Europe, the December throughput is estimated to have increased by 89 kb/d from November to 14.10 mb/d. Japanese throughput is expected to have risen by 226 kb/d to 4.64 mb/d to meet winter demand.

Downstream Industry Developments

Following the announcement of Lasmo's takeover by Amerada Hess in November, Italy's Ente Nazionale Idrocarburi (ENI) made a cash bid of £2.69 billion (\$3.98 billion) to acquire Lasmo on 21 December. ENI's bid was higher than Amerada Hess's cash and stock terms. After the announcement of ENI's bid, Amerada Hess indicated that it would not get into a bidding war with ENI. ENI's bid needs to be approved by Lasmo's board. ENI, founded in 1953, is an integrated oil and gas company with six main subsidiaries: Agip for exploration and production, Snam for natural gas, Agip Petroli for refining and marketing, Enichem for petrochemical and Saipem and Snamprogetti for oil field service and engineering. The Italian Government currently owns 51.5% of ENI. ENI bought British upstream independent British-Borneo for \$1.2 billion (£0.81 billion) earlier in 2000. Lasmo had acquired a UK upstream company, Monument Oil and Gas, in 1999.

Saudi Aramco announced that its four domestic refineries would produce only unleaded gasoline from 1 January, to combat air pollution in the country. The four plants are the 300 kb/d Ras Tanura refinery, the 120 kb/d Riyadh refinery, the 60 kb/d Jeddah refinery and the 190 kb/d Yanbu refinery. Leaded gasoline will continue to be sold at service stations until the end of 2001, when inventories are expected to run out. Saudi Arabia's phase-out programme for unleaded gasoline is one year in advance of the target date set by the Gulf Co-operation Council, comprising Oman, Qatar, Bahrain, Kuwait and the UAE.

China's offshore producer, China National Offshore Oil Corporation (CNOOC), is planning an initial public offering (IPO) in the first quarter of 2001. The IPO is expected to be filed on the New York and the Hong Kong stock exchanges in February. In November, Royal/Dutch Shell signed a memorandum of understanding with CNOOC to purchase 20% of the IPO up to a maximum of \$300 million. Shell and CNOOC also agreed to forge a strategic alliance in the areas of oil and gas exploration and production and gas marketing. CNOOC originally planned to file an IPO in October 1999, but delayed the submission due to stock market conditions. If it succeeds, CNOOC's IPO will be the third one in China's oil sector, following those of CNPC and Sinopec.

India's Reliance Petroleum is reportedly planning to expand the capacity of its Jamnager refinery to 600 kb/d from 540 kb/d. Although Reliance Petroleum exported some products during 2000, the company is expected to focus on domestic markets in anticipation of rising demand. The Jamnager refinery was running at close to capacity in the second half of 2000. In November, its throughput averaged 535 kb/d, 98% of the capacity.

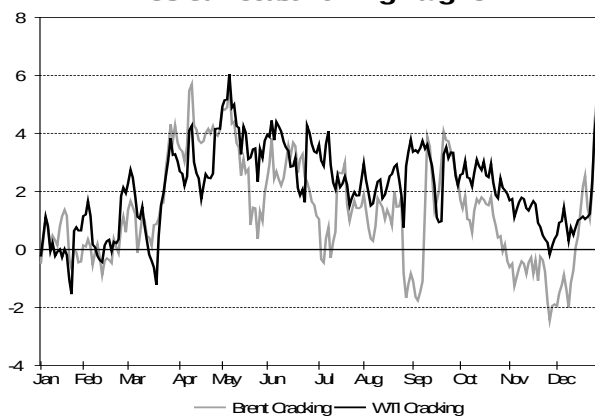
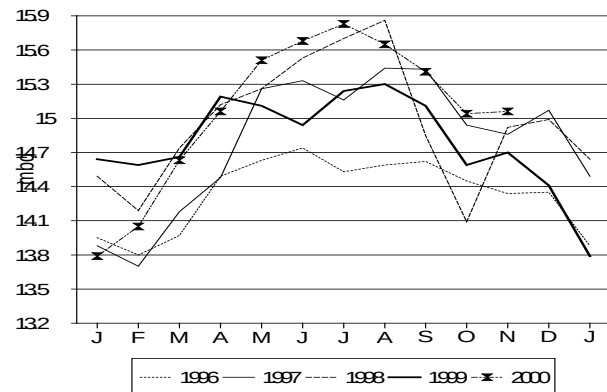
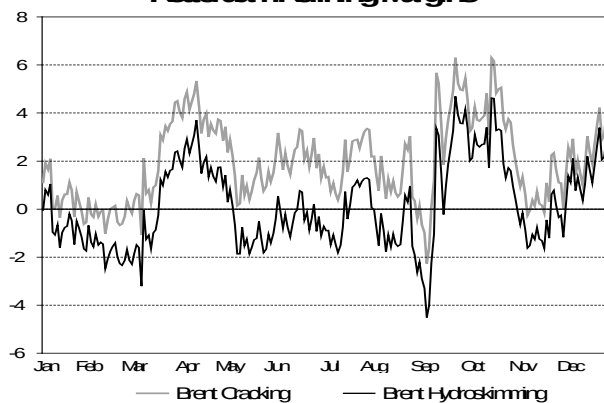
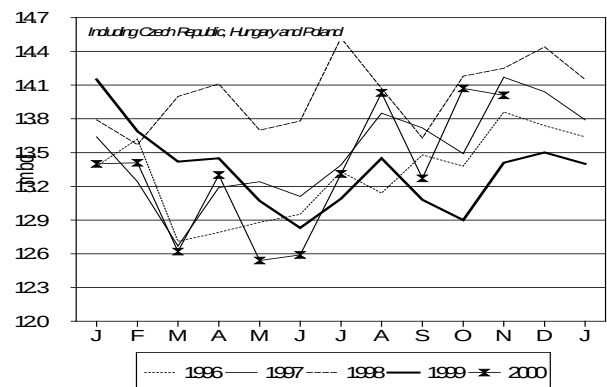
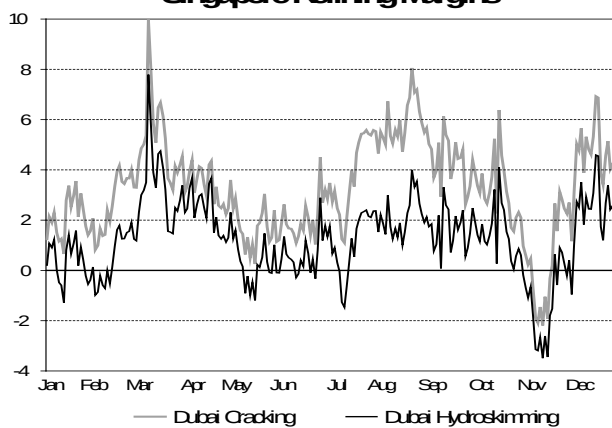
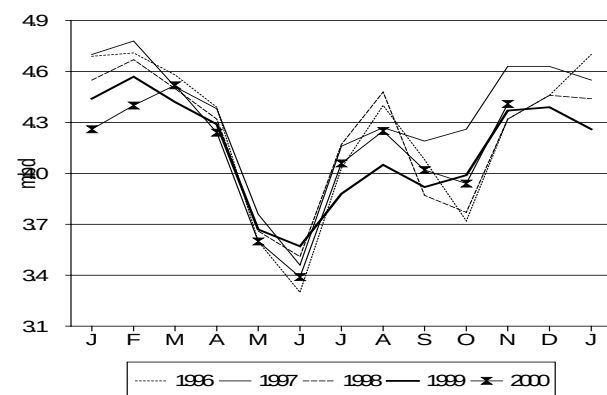
US Gulf Coast Refining Margins**US Crude Throughputs****Rotterdam Refining Margins****OECD Europe Crude Throughputs****Singapore Refining Margins****Japan Crude Throughputs**

Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	22.7	23.1	23.6	23.5	24.2	24.3	23.9	23.6	23.7	24.3	24.6	24.1	24.1	24.1	24.7	25.0	24.5
Europe	15.0	15.3	15.8	14.4	14.7	15.6	15.1	15.1	14.5	15.0	15.7	15.1	15.4	14.7	15.1	15.9	15.3
Pacific	9.0	8.4	9.4	7.9	8.2	9.1	8.6	9.3	8.0	8.3	8.9	8.6	9.6	8.1	8.4	9.2	8.8
Total OECD	46.7	46.8	48.7	45.7	47.0	49.0	47.6	47.9	46.3	47.6	49.2	47.8	49.0	46.8	48.2	50.1	48.6
NON-OECD DEMAND																	
FSU	3.8	3.7	3.6	3.3	3.4	3.7	3.5	3.5	3.4	3.4	3.6	3.5	3.6	3.4	3.3	3.5	3.4
Europe	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	4.2	4.2	4.4	4.6	4.3	4.6	4.5	4.7	4.5	5.1	4.8	4.8	4.9	5.0	5.0	5.3	5.0
Other Asia	6.7	6.7	7.0	7.1	7.1	7.1	7.1	7.1	7.3	7.3	7.3	7.2	7.4	7.6	7.5	7.6	7.5
Latin America	4.7	4.8	4.6	4.8	4.9	4.8	4.8	4.7	4.9	4.9	4.9	4.8	4.8	5.0	5.0	5.0	5.0
Middle East	4.0	4.2	4.3	4.4	4.4	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.6
Africa	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4
Total Non-OECD	26.5	26.7	27.0	27.2	27.1	27.5	27.2	27.5	27.5	28.2	28.2	27.8	28.3	28.6	28.7	29.2	28.7
Total Demand¹	73.1	73.5	75.8	72.9	74.1	76.5	74.8	75.4	73.8	75.8	77.3	75.6	77.4	75.4	76.9	79.3	77.3
OECD SUPPLY																	
North America	14.6	14.5	14.1	13.9	13.9	14.1	14.0	14.3	14.3	14.3	14.3	14.3	14.7	14.6	14.6	14.8	14.7
Europe	6.7	6.7	6.8	6.5	6.7	7.1	6.8	7.1	6.6	6.6	6.9	6.8	6.9	6.6	6.5	6.9	6.7
Pacific	0.7	0.7	0.6	0.6	0.7	0.7	0.7	0.9	0.9	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8
Total OECD	22.1	21.9	21.5	20.9	21.3	22.0	21.4	22.2	21.7	21.7	22.0	21.9	22.4	22.1	22.0	22.6	22.3
NON-OECD SUPPLY																	
FSU	7.2	7.3	7.4	7.4	7.5	7.6	7.5	7.7	7.8	8.0	8.2	7.9	8.2	8.3	8.4	8.4	8.3
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Other Asia	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Latin America	3.4	3.6	3.8	3.8	3.8	3.8	3.8	3.7	3.7	3.8	3.9	3.8	3.9	3.9	3.9	3.9	3.9
Middle East	1.9	1.9	1.9	1.9	1.9	2.0	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.7	2.8	2.7	2.7	2.8	2.9	2.8	2.9	2.9	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	20.8	21.2	21.5	21.5	21.6	21.8	21.6	21.9	22.0	22.3	22.7	22.2	22.7	22.7	22.8	22.8	22.8
Processing Gains ²	1.6	1.6	1.7	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8
Total Non-OPEC	44.5	44.7	44.6	44.0	44.5	45.5	44.7	45.8	45.4	45.7	46.5	45.9	46.9	46.6	46.5	47.2	46.8
OPEC																	
Crude	27.2	28.0	27.8	26.3	26.2	26.1	26.6	26.5	27.8	28.5	28.9	27.9					
NGLs	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.0
Total OPEC	29.9	30.8	30.6	29.1	29.1	29.0	29.4	29.3	30.7	31.4	31.8	30.8					
Total Supply³	74.4	75.5	75.3	73.1	73.6	74.5	74.1	75.1	76.1	77.1	78.3	76.7					
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.3	0.2	-0.7	0.4	-0.2	-2.4	-0.7	-0.3	0.9	0.3							
Government	0.0	0.1	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.1							
Total	0.3	0.3	-0.7	0.5	-0.3	-2.5	-0.8	-0.3	0.9	0.4							
Floating Storage/Oil in Transit	0.1	0.1	0.0	0.1	-0.1	-0.1	-0.1	0.0	0.1	0.1							
Miscellaneous to balance ⁴	0.9	1.6	0.2	-0.3	0.0	0.6	0.1	0.1	1.4	0.9							
Total Stock Ch. & Misc	1.3	2.0	-0.5	0.2	-0.4	-2.0	-0.7	-0.3	2.3	1.3	1.0	1.1					
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	25.9	26.0	28.3	26.1	26.7	28.1	27.3	26.8	25.5	27.2	27.9	26.8	27.5	25.9	27.4	29.1	27.5
Total Demand ex. FSU	69.3	69.8	72.1	69.6	70.6	72.8	71.3	71.9	70.4	72.4	73.7	72.1	73.8	72.1	73.6	75.8	73.8
Total demand exc. FSU (% ch) ⁶	3.1	0.7	3.7	1.8	1.6	1.7	2.2	-0.3	1.1	2.5	1.2	1.1	2.6	2.3	1.7	2.9	2.4

¹ measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel and includes crude for direct burning, oil from non-conventional sources and other sources of supply

² net of volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ includes changes in non-reported stocks in OECD and non-OECD areas

⁵ equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	-	-	-	-	0.1	-	-	-	-	-	-0.1	-	-0.1	-0.1	-0.1	-0.1	-0.1
Europe	-	-	-	-	-	-	-	-	-	0.1	-0.1	-	-	-	-	-0.1	-
Pacific	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1	-0.1	-0.2	-0.1
Total OECD	-	-	-	-	-	-	-	-	-	0.1	-0.2	-	-0.3	-0.2	-0.1	-0.4	-0.2
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1
Other Asia	-	-0.1	-	-	0.1	-	0.1	-	0.1	0.1	-0.1	-	-	-	-0.1	-0.1	-0.1
Latin America	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-0.1	-0.1	-
Middle East	-	-	0.1	0.1	0.1	0.1	-	0.1	-	-	-	0.1	-	0.1	0.1	-	0.1
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-0.1	-
Total Non-OECD	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	-	-0.1	-	-	-0.1	-
Total Demand	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	-0.4	-	-0.3	-0.2	-0.1	-0.5	-0.2
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	0.1	-0.1	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-0.1	-	-0.2	-0.1	-	-	-0.1	-	-
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Middle East	-	-	-	-	-	0.1	-	-	0.1	-	-	-	-	-	-	0.1	-
Africa	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-	-0.1	-0.1	-0.1
Total Non-OECD	-	-	0.1	0.1	-	-	-	0.1	-	-	0.1	-	0.1	0.1	0.1	-	0.1
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	-	0.1
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-
Total Supply	-	-	0.1	-	-	0.1	-	-	-	-0.1	-	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-
Miscellaneous to balance	0.1	0.1	-0.1	-	-	-	-0.1	-	-0.1	-0.4	-	-	-	-	-	-	-
Total Stock Ch. & Misc	0.1	0.1	-	-0.1	-	-	-0.1	-0.1	-0.2	-0.3	-	-	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-0.1	-0.1	-	0.1	0.1	-	-	0.1	0.2	0.2	-0.4	-0.1	-0.4	-0.2	-0.1	-0.5	-0.3
Total Demand ex. FSU	-	-	-	-	-	0.1	0.1	0.1	0.1	0.2	-0.4	-	-0.3	-0.1	-0.1	-0.6	-0.3

When submitting their monthly oil statistics, IEA Member countries periodically update data for earlier years. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	Second Quarter			July			August			September			Third Quarter		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
North America															
LPG	2.73	2.85	4.3	2.81	2.74	-2.5	2.80	2.79	-0.2	3.03	2.76	-8.7	2.88	2.77	-3.9
Naphtha	0.32	0.31	-3.4	0.37	0.41	10.7	0.34	0.35	4.0	0.32	0.43	32.2	0.34	0.40	15.1
Motor Gasoline	9.84	9.76	-0.9	10.23	9.85	-3.7	9.85	10.11	2.6	9.57	9.68	1.1	9.89	9.88	-0.1
Jet/Kerosene	1.88	1.91	1.7	1.91	2.03	6.0	2.01	2.08	3.6	1.92	2.02	5.2	1.95	2.04	4.9
Gasoil	4.17	4.39	5.4	4.24	4.15	-2.2	4.23	4.58	8.5	4.29	4.60	7.2	4.25	4.44	4.5
Residual Fuel Oil	1.53	1.55	1.4	1.49	1.72	15.2	1.72	1.68	-2.8	1.50	1.68	12.2	1.57	1.69	7.6
Other Products	3.04	2.96	-2.6	3.10	3.05	-1.4	3.47	3.19	-8.3	3.24	3.03	-6.7	3.27	3.09	-5.6
Total	23.51	23.73	0.9	24.16	23.95	-0.8	24.42	24.77	1.5	23.87	24.20	1.4	24.15	24.31	0.6
Europe															
LPG	0.81	0.85	4.6	0.74	0.79	6.9	0.76	0.87	14.8	0.80	0.83	3.7	0.77	0.83	8.4
Naphtha	1.16	1.18	2.0	1.13	1.09	-4.2	1.13	1.24	9.9	1.11	1.10	-0.5	1.12	1.14	1.8
Motor Gasoline	3.22	3.13	-2.9	3.41	3.16	-7.5	3.26	3.24	-0.6	3.21	3.09	-3.8	3.30	3.16	-4.0
Jet/Kerosene	1.08	1.10	1.6	1.15	1.16	0.9	1.13	1.23	8.4	1.17	1.23	5.7	1.15	1.21	5.0
Gasoil	4.80	5.14	7.2	4.84	5.08	4.9	4.89	5.47	12.0	5.41	5.65	4.4	5.04	5.40	7.0
Residual Fuel Oil	1.93	1.88	-2.8	1.90	1.88	-1.1	1.81	1.95	7.7	1.93	1.92	-0.3	1.88	1.92	2.0
Other Products	1.36	1.23	-9.2	1.41	1.32	-6.3	1.34	1.34	-0.6	1.52	1.38	-9.1	1.42	1.35	-5.5
Total	14.36	14.51	1.0	14.59	14.48	-0.8	14.33	15.35	7.1	15.15	15.21	0.4	14.68	15.01	2.2
Pacific															
LPG	0.84	0.85	1.2	0.83	0.82	-1.4	0.77	0.82	5.4	0.83	0.82	-1.5	0.81	0.82	0.7
Naphtha	1.32	1.38	4.8	1.37	1.45	6.1	1.45	1.50	3.6	1.44	1.40	-2.8	1.42	1.45	2.3
Motor Gasoline	1.48	1.52	2.6	1.59	1.57	-1.4	1.67	1.73	3.5	1.55	1.55	0.2	1.60	1.62	0.8
Jet/Kerosene	0.76	0.77	1.0	0.66	0.63	-3.5	0.71	0.73	3.4	0.81	0.94	15.8	0.72	0.77	5.8
Gasoil	1.82	1.83	0.5	1.80	1.74	-3.7	1.77	1.83	3.8	1.86	1.85	-0.3	1.81	1.81	-0.1
Residual Fuel Oil	1.14	1.13	-0.9	1.14	1.14	0.3	1.14	1.23	8.1	1.22	1.16	-4.5	1.16	1.18	1.2
Other Products	0.50	0.54	9.5	0.60	0.63	6.4	0.63	0.66	4.7	0.66	0.67	1.7	0.63	0.65	4.2
Total	7.86	8.03	2.1	7.99	7.99	0.0	8.14	8.50	4.5	8.36	8.39	0.3	8.16	8.29	1.6
OECD															
LPG	4.39	4.55	3.7	4.38	4.35	-0.7	4.33	4.48	3.4	4.66	4.42	-5.3	4.46	4.42	-0.9
Naphtha	2.80	2.88	2.7	2.87	2.95	2.6	2.92	3.10	6.1	2.86	2.92	2.0	2.88	2.99	3.6
Motor Gasoline	14.55	14.40	-1.0	15.24	14.58	-4.3	14.78	15.07	2.0	14.33	14.32	-0.1	14.79	14.66	-0.8
Jet/Kerosene	3.72	3.78	1.5	3.72	3.82	2.7	3.85	4.04	5.0	3.90	4.19	7.5	3.82	4.02	5.1
Gasoil	10.78	11.36	5.4	10.89	10.97	0.7	10.88	11.89	9.3	11.56	12.11	4.7	11.11	11.65	4.9
Residual Fuel Oil	4.60	4.56	-0.9	4.53	4.74	4.6	4.67	4.86	3.9	4.64	4.77	2.6	4.62	4.79	3.7
Other Products	4.90	4.74	-3.2	5.10	5.01	-1.8	5.45	5.18	-4.9	5.41	5.07	-6.4	5.32	5.09	-4.4
Total	45.73	46.27	1.2	46.74	46.42	-0.7	46.88	48.62	3.7	47.38	47.79	0.9	47.00	47.61	1.3

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	July			August			September			Third Quarter			October		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
United States²															
LPG	2.07	1.94	-6.3	2.09	2.06	-1.4	2.29	2.02	-11.7	2.15	2.01	-6.6	2.32	2.23	-3.9
Naphtha	0.27	0.32	18.7	0.25	0.27	9.2	0.23	0.34	47.6	0.25	0.31	24.3	0.31	0.31	-0.6
Motor Gasoline	8.94	8.56	-4.2	8.58	8.76	2.1	8.31	8.42	1.3	8.61	8.58	-0.3	8.54	8.36	-2.1
Jet/Kerosene	1.69	1.81	6.9	1.79	1.85	3.3	1.70	1.80	5.9	1.73	1.82	5.3	1.78	1.81	1.6
Gasoil	3.48	3.37	-3.2	3.44	3.69	7.5	3.43	3.73	8.6	3.45	3.59	4.2	3.75	3.72	-0.8
Residual Fuel Oil	0.75	0.98	29.9	1.00	0.88	-12.0	0.76	0.85	12.7	0.84	0.90	8.0	0.72	1.03	43.1
Other Products	2.62	2.58	-1.5	2.95	2.71	-8.3	2.77	2.53	-8.6	2.78	2.61	-6.2	2.45	2.23	-9.0
Total	19.82	19.55	-1.4	20.09	20.22	0.6	19.49	19.69	1.1	19.80	19.82	0.1	19.87	19.69	-0.9
Japan³															
LPG	0.54	0.51	-5.4	0.49	0.53	6.8	0.53	0.53	-0.6	0.52	0.52	0.1	0.50	0.50	-1.4
Naphtha	0.75	0.85	12.8	0.85	0.85	-0.7	0.80	0.79	-1.3	0.80	0.83	3.3	0.77	0.79	3.2
Motor Gasoline	1.03	1.06	2.2	1.12	1.16	3.9	1.00	1.04	3.5	1.05	1.08	3.2	0.95	0.95	-0.6
Jet/Kerosene	0.43	0.43	1.0	0.44	0.47	7.6	0.48	0.56	17.4	0.45	0.49	8.9	0.55	0.55	0.5
Diesel	0.72	0.69	-4.2	0.70	0.70	0.2	0.73	0.71	-2.3	0.72	0.70	-2.1	0.72	0.71	-1.6
Other Gasoil	0.47	0.46	-2.6	0.46	0.49	6.7	0.49	0.53	8.3	0.47	0.49	4.1	0.47	0.46	-2.3
Residual Fuel Oil	0.63	0.67	5.5	0.68	0.72	5.8	0.76	0.70	-7.3	0.69	0.70	1.0	0.66	0.60	-8.2
Direct use of Crude Oil	0.16	0.19	25.6	0.20	0.23	16.3	0.17	0.19	13.8	0.18	0.21	18.3	0.11	0.11	-3.9
Other Products	0.36	0.37	3.7	0.34	0.34	-0.5	0.39	0.36	-7.7	0.36	0.35	-1.6	0.36	0.34	-4.9
Total	5.09	5.23	2.7	5.28	5.48	3.9	5.36	5.43	1.3	5.24	5.38	2.6	5.09	5.00	-1.7
Germany															
LPG	0.08	0.10	18.8	0.08	0.09	11.1	0.08	0.09	14.1	0.08	0.10	14.6	0.07	0.06	-14.1
Naphtha	0.36	0.38	6.0	0.35	0.42	19.4	0.35	0.35	-0.2	0.35	0.38	8.5	0.40	0.37	-6.8
Motor Gasoline	0.71	0.69	-3.3	0.71	0.68	-4.3	0.71	0.69	-2.4	0.71	0.68	-3.3	0.71	0.65	-8.1
Jet/Kerosene	0.17	0.17	0.0	0.16	0.17	4.7	0.16	0.17	6.9	0.16	0.17	3.7	0.15	0.17	9.0
Diesel	0.50	0.53	5.6	0.49	0.56	14.5	0.51	0.57	11.0	0.50	0.55	10.3	0.49	0.54	10.8
Other Gasoil	0.42	0.58	37.5	0.64	0.84	32.5	0.72	0.81	12.5	0.59	0.74	25.8	0.80	0.66	-17.0
Residual Fuel Oil	0.14	0.18	29.4	0.12	0.17	40.8	0.13	0.16	26.5	0.13	0.17	32.1	0.15	0.17	12.3
Other Products	0.21	0.13	-37.6	0.21	0.16	-22.5	0.23	0.15	-34.3	0.22	0.15	-31.6	0.17	0.17	-2.1
Total	2.60	2.76	6.2	2.75	3.08	12.2	2.89	3.00	3.7	2.75	2.95	7.3	2.94	2.79	-5.1
Italy															
LPG	0.07	0.09	25.9	0.08	0.09	21.8	0.09	0.10	7.9	0.08	0.09	17.8	0.10	0.11	7.0
Naphtha	0.08	0.10	17.5	0.08	0.10	22.7	0.11	0.09	-12.6	0.09	0.10	7.4	0.10	0.11	8.9
Motor Gasoline	0.47	0.42	-9.5	0.44	0.44	-0.6	0.45	0.42	-5.9	0.45	0.43	-5.4	0.43	0.41	-5.9
Jet/Kerosene	0.09	0.09	5.5	0.09	0.09	4.2	0.09	0.10	8.2	0.09	0.09	6.0	0.07	0.08	12.1
Diesel	0.37	0.39	4.8	0.29	0.33	16.4	0.40	0.39	-2.1	0.35	0.37	5.5	0.39	0.40	2.8
Other Gasoil	0.15	0.14	-5.1	0.14	0.12	-16.3	0.15	0.18	17.0	0.15	0.14	-1.3	0.20	0.20	-0.4
Residual Fuel Oil	0.46	0.42	-8.6	0.43	0.46	6.9	0.47	0.46	-2.3	0.45	0.45	-1.5	0.41	0.35	-14.6
Other Products	0.14	0.12	-9.6	0.13	0.14	11.9	0.18	0.15	-13.8	0.15	0.14	-5.0	0.14	0.16	12.9
Total	1.82	1.77	-2.8	1.67	1.77	6.3	1.93	1.89	-2.3	1.80	1.81	0.2	1.85	1.82	-1.7
France															
LPG	0.07	0.07	-3.2	0.08	0.07	-2.2	0.09	0.09	-3.2	0.08	0.08	-2.9	0.11	0.12	1.6
Naphtha	0.18	0.19	5.1	0.18	0.19	5.6	0.17	0.17	-1.0	0.18	0.19	3.3	0.16	0.16	-3.7
Motor Gasoline	0.38	0.35	-8.8	0.36	0.35	-2.9	0.34	0.31	-11.1	0.36	0.33	-7.5	0.32	0.31	-2.1
Jet/Kerosene	0.15	0.15	0.7	0.14	0.17	15.0	0.14	0.15	3.7	0.14	0.15	6.5	0.13	0.14	3.9
Diesel	0.57	0.57	-0.6	0.51	0.54	6.3	0.57	0.54	-5.2	0.55	0.55	0.0	0.56	0.52	-6.3
Other Gasoil	0.34	0.33	-4.1	0.34	0.37	8.6	0.36	0.23	-34.9	0.35	0.31	-10.2	0.42	0.68	61.3
Residual Fuel Oil	0.12	0.12	-5.1	0.12	0.11	-8.9	0.13	0.12	-10.9	0.13	0.11	-8.3	0.15	0.14	-0.9
Other Products	0.17	0.17	0.4	0.14	0.14	-1.4	0.17	0.18	1.5	0.16	0.16	0.3	0.16	0.16	1.8
Total	1.99	1.94	-2.5	1.88	1.95	3.6	1.98	1.77	-10.3	1.95	1.89	-3.1	2.01	2.22	10.9
United Kingdom															
LPG	0.13	0.09	-27.6	0.12	0.13	10.0	0.12	0.12	-5.4	0.12	0.11	-7.9	0.14	0.12	-20.2
Naphtha	0.08	0.05	-34.9	0.09	0.06	-32.5	0.09	0.07	-30.7	0.09	0.06	-32.6	0.09	0.10	9.4
Motor Gasoline	0.51	0.50	-2.7	0.49	0.50	1.2	0.50	0.49	-3.3	0.50	0.49	-1.6	0.49	0.50	2.2
Jet/Kerosene	0.27	0.29	6.7	0.29	0.33	14.0	0.29	0.34	17.3	0.28	0.32	12.8	0.29	0.33	11.6
Diesel	0.31	0.30	-1.7	0.30	0.31	4.4	0.31	0.32	3.6	0.31	0.31	2.1	0.32	0.32	-1.6
Other Gasoil	0.16	0.17	6.7	0.17	0.18	4.6	0.17	0.19	8.2	0.17	0.18	6.5	0.17	0.19	12.8
Residual Fuel Oil	0.08	0.07	-11.5	0.08	0.07	-14.7	0.09	0.08	-9.6	0.08	0.07	-12.0	0.09	0.07	-19.7
Other Products	0.17	0.14	-17.3	0.16	0.15	-2.3	0.15	0.17	14.2	0.16	0.16	-2.7	0.14	0.16	12.2
Total	1.71	1.62	-5.3	1.71	1.74	1.9	1.74	1.77	2.1	1.72	1.71	-0.4	1.73	1.77	2.3
Canada															
LPG	0.33	0.37	11.6	0.30	0.30	1.2	0.30	0.29	-1.8	0.31	0.32	4.0	0.38	0.43	12.4
Naphtha	0.08	0.09	4.0	0.08	0.07	-7.2	0.08	0.08	1.0	0.08	0.08	-0.7	0.05	0.08	52.7
Motor Gasoline	0.71	0.70	-1.9	0.70	0.72	2.9	0.68	0.66	-2.8	0.70	0.69	-0.6	0.65	0.65	0.4
Jet/Kerosene	0.12	0.12	-2.1	0.11	0.12	8.2	0.13	0.13	-0.8	0.12	0.12	1.6	0.11	0.11	-7.6
Diesel	0.17	0.18	5.9	0.18	0.20	10.8	0.18	0.17	-3.3	0.18	0.18	4.5	0.18	0.20	6.9
Other Gasoil	0.24	0.24	1.0	0.26	0.29	12.8	0.33	0.34	2.6	0.28	0.29	5.4	0.31	0.33	5.2
Residual Fuel Oil	0.13	0.14	14.8	0.13	0.11	-15.2	0.14	0.19	33.8	0.13	0.15	11.1	0.11	0.17	49.3
Other Products	0.32	0.30	-4.9	0.30	0.29	-2.2	0.29	0.27	-8.0	0.30	0.29	-5.0	0.26	0.27	1.7
Total	2.10	2.14	1.9	2.07	2.12	2.6	2.13	2.13	0.1	2.10	2.13	1.5	2.06	2.22	7.5

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	3Q01	Oct 00	Nov 00	Dec 00
OPEC											
Crude Oil											
Saudi Arabia	7.52	8.00		8.24	8.40				8.35	8.50	8.35
Iran	3.50	3.68		3.72	3.80				3.81	3.80	3.80
Iraq	2.52	2.57		2.79	2.40				3.00	2.90	1.32
UAE	2.07	2.24		2.23	2.35				2.34	2.34	2.36
Kuwait	1.65	1.77		1.85	1.88				1.88	1.88	1.88
Neutral Zone	0.59	0.63		0.63	0.67				0.66	0.68	0.68
Qatar	0.63	0.69		0.69	0.73				0.71	0.74	0.73
Nigeria	1.95	2.04		2.04	2.15				2.13	2.16	2.15
Libya	1.38	1.41		1.43	1.45				1.44	1.45	1.46
Algeria	0.76	0.81		0.82	0.84				0.84	0.85	0.85
Venezuela	2.79	2.89		2.92	2.99				2.95	3.00	3.03
Indonesia	1.27	1.21		1.20	1.26				1.25	1.26	1.26
Total Crude Oil	26.61	27.93		28.53	28.91				29.35	29.54	27.86
Total NGLs ¹	2.82	2.88	3.00	2.89	2.91	2.95	2.98	3.01	2.91	2.91	2.91
Total OPEC	29.43	30.81		31.43	31.81				32.25	32.45	30.76
NON-OPEC²											
OECD											
North America	14.00	14.29	14.69	14.27	14.31	14.68	14.65	14.63	14.11	14.30	14.53
United States	8.10	8.14	8.14	8.07	8.18	8.22	8.12	8.07	8.15	8.16	8.21
Mexico	3.35	3.45	3.72	3.51	3.39	3.67	3.74	3.72	3.27	3.39	3.52
Canada	2.56	2.70	2.83	2.69	2.75	2.80	2.79	2.85	2.69	2.75	2.80
Europe	6.76	6.78	6.74	6.57	6.88	6.88	6.62	6.52	6.69	6.96	6.98
UK	2.93	2.70	2.63	2.58	2.63	2.70	2.44	2.63	2.55	2.67	2.68
Norway	3.14	3.32	3.34	3.25	3.46	3.41	3.42	3.13	3.37	3.50	3.53
Others	0.69	0.76	0.76	0.74	0.78	0.78	0.76	0.76	0.78	0.79	0.78
Pacific	0.67	0.85	0.83	0.84	0.85	0.84	0.82	0.84	0.81	0.87	0.88
Australia	0.61	0.79	0.78	0.77	0.79	0.78	0.76	0.78	0.75	0.81	0.81
Others	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.43	21.92	22.26	21.67	22.05	22.40	22.10	21.99	21.62	22.13	22.39
NON-OECD											
Former USSR	7.49	7.94	8.33	8.02	8.23	8.24	8.28	8.37	8.19	8.24	8.26
Russia	6.16	6.51	6.78	6.60	6.71	6.70	6.73	6.82	6.69	6.72	6.73
Others	1.34	1.44	1.55	1.43	1.52	1.54	1.55	1.55	1.51	1.53	1.53
Asia	5.42	5.50	5.49	5.51	5.54	5.52	5.50	5.48	5.54	5.55	5.55
China	3.19	3.23	3.21	3.21	3.22	3.22	3.21	3.20	3.21	3.22	3.22
Malaysia	0.70	0.71	0.71	0.72	0.72	0.71	0.71	0.71	0.72	0.72	0.72
India	0.75	0.73	0.71	0.74	0.74	0.73	0.71	0.70	0.74	0.74	0.74
Others	0.79	0.83	0.87	0.84	0.87	0.87	0.86	0.87	0.86	0.87	0.87
Europe	0.19	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Latin America	3.78	3.77	3.88	3.77	3.90	3.88	3.89	3.89	3.83	3.92	3.96
Brazil	1.36	1.50	1.66	1.49	1.63	1.62	1.66	1.68	1.58	1.63	1.68
Argentina	0.85	0.82	0.79	0.81	0.81	0.80	0.80	0.79	0.81	0.81	0.81
Colombia	0.83	0.70	0.66	0.68	0.68	0.68	0.66	0.65	0.65	0.70	0.69
Ecuador	0.38	0.40	0.42	0.43	0.43	0.42	0.42	0.42	0.43	0.42	0.42
Others	0.36	0.36	0.36	0.37	0.36	0.36	0.36	0.36	0.36	0.36	0.36
Middle East³	1.93	1.99	2.00	2.02	2.02	2.03	2.02	2.00	2.01	2.03	2.03
Oman	0.91	0.95	0.98	0.98	0.98	0.98	0.98	0.98	0.97	0.98	0.98
Syria	0.57	0.55	0.52	0.54	0.54	0.53	0.52	0.52	0.54	0.54	0.53
Yemen	0.41	0.45	0.46	0.45	0.47	0.47	0.46	0.46	0.46	0.46	0.47
Africa	2.79	2.85	2.88	2.85	2.84	2.88	2.88	2.89	2.83	2.83	2.86
Egypt	0.85	0.81	0.78	0.80	0.80	0.79	0.79	0.78	0.80	0.80	0.80
Angola	0.75	0.74	0.73	0.74	0.72	0.73	0.73	0.73	0.72	0.72	0.72
Gabon	0.33	0.31	0.29	0.31	0.30	0.30	0.30	0.29	0.31	0.30	0.30
Others	0.85	0.99	1.08	1.00	1.02	1.06	1.07	1.09	1.00	1.01	1.04
Total Non-OECD	21.60	22.24	22.77	22.34	22.72	22.72	22.74	22.80	22.58	22.74	22.83
Processing Gains ⁴	1.67	1.72	1.77	1.70	1.74	1.79	1.75	1.75	1.74	1.74	1.74
TOTAL NON-OPEC	44.69	45.87	46.79	45.71	46.50	46.90	46.58	46.53	45.93	46.61	46.96
TOTAL SUPPLY	74.12	76.68		77.14	78.31	49.85			78.19	79.06	77.72

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	3Q01	Oct-00	Nov-00	Dec-00
United States											
Alaska	1050	971	947	906	989	996	942	907	966	987	1016
California	857	834	810	835	829	821	814	807	831	828	827
Texas	1231	1224	1186	1235	1210	1200	1190	1181	1220	1210	1201
Federal Gulf of Mexico ²	1349	1397	1568	1409	1456	1524	1553	1577	1431	1456	1482
Other US Lower 48	1390	1374	1316	1371	1356	1340	1324	1308	1360	1358	1350
NGLs ³	1834	1942	1910	1931	1926	1931	1892	1887	1919	1929	1931
Other Hydrocarbons	386	395	404	385	407	404	404	404	425	393	404
Total	8096	8136	8139	8072	8174	8216	8119	8070	8152	8160	8210
Canada											
Alberta Light/Medium/Heavy	784	766	750	764	764	759	753	747	766	767	761
Alberta Bitumen	244	264	279	268	275	276	278	279	276	274	276
Saskatchewan	374	413	426	420	423	425	426	427	421	424	425
Other Crude	187	230	289	215	241	260	267	300	232	241	251
NGLs	649	700	718	693	725	730	700	715	725	725	725
Synthetic Crudes	323	322	371	327	316	348	370	378	266	323	359
Total	2560	2696	2833	2687	2745	2798	2793	2846	2686	2754	2796
Mexico											
Crude	2906	3016	3282	3069	2970	3225	3300	3275	2861	2965	3083
NGLs	439	438	440	439	424	440	440	440	413	420	440
Total	3345	3453	3722	3508	3394	3665	3740	3715	3274	3385	3523
UK Offshore⁴											
Brent Fields	414	337	279	324	277	300	264	282	269	282	280
Forties Fields	904	776	775	732	742	762	684	792	696	764	768
Ninian Fields	154	137	116	117	133	126	109	117	138	129	131
Flotta Fields	201	178	160	162	183	174	151	161	188	180	180
Other Fields	928	988	1035	989	1002	1031	979	1058	981	1017	1009
NGLs	238	218	212	188	234	243	200	165	213	240	250
Total	2839	2634	2578	2512	2571	2637	2387	2575	2485	2611	2617
Norway⁴											
Ekofisk-Ula Area	452	460	437	447	466	462	441	425	464	460	474
Oseberg-Troll Area	672	730	712	724	750	731	728	655	754	759	737
Statfjord-Gullfaks Area	1017	928	912	906	943	915	959	851	871	950	1008
Haltenbanken Area	695	766	776	785	822	806	796	723	822	831	814
Sleipner-Frigg Area	179	316	322	297	330	320	315	301	335	327	328
NGLs	121	121	183	93	152	173	183	172	120	168	168
Total	3136	3322	3341	3252	3463	3407	3424	3126	3367	3494	3528
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	346	403	413	389	415	412	405	417	408	425	414
UK Onshore	88	65	55	64	61	59	56	54	62	61	61
Italy	82	76	85	70	89	86	86	86	101	80	85
Turkey	59	53	50	54	53	52	51	49	53	53	53
Other	150	163	160	172	167	164	161	159	164	171	165
NGLs (excl. North Sea)	24	27	27	22	29	31	24	24	25	32	31
Non-Conventional Oils	31	33	28	35	30	29	29	28	28	32	29
Total	780	821	818	805	844	834	812	816	840	854	839
Australia											
Gippsland Basin	210	182	169	174	174	172	170	168	174	174	174
Cooper-Eromanga Basin	25	25	25	27	27	26	25	25	27	27	27
Carnarvon Basin	248	324	347	305	337	344	336	348	311	349	351
Other Crude	51	187	159	191	180	166	156	162	169	187	186
NGLs	72	75	74	75	73	72	75	77	69	75	75
Total	606	793	774	773	791	780	763	780	750	811	813
Other OECD Pacific											
New Zealand	42	36	35	36	37	36	35	34	36	37	38
Japan	8	7	6	7	7	7	7	6	7	7	7
NGLs	14	16	15	16	16	15	15	15	15	16	16
Synthetic Fuels	4	3	3	3	3	3	3	3	3	3	3
Total	67	61	59	62	62	61	60	58	61	63	63
OECD											
Crude Oil	17286	17618	17873	17458	17702	17969	17755	17672	17386	17770	17951
NGLs	3400	3545	3587	3462	3587	3643	3537	3502	3507	3611	3644
Non-Conventional Oils	743	754	806	749	756	784	805	813	722	751	795
Total	21430	21917	22265	21670	22044	22397	22097	21987	21615	22133	22389

¹ subcategories refer to crude oil only unless otherwise noted

² only production from Federal waters is included

³ to the extent possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Jul2000	Aug2000	Sep2000	Oct2000	Nov2000*	Nov1997	Nov1998	Nov1999	4Q1999	1Q2000	2Q2000	3Q2000
North America												
Crude	377	387	385	380	403	419	428	402	-0.28	0.15	-0.05	-0.03
Gasoline	238	224	226	218	227	234	243	235	-0.14	0.14	0.02	-0.13
Middle Distillate	188	186	188	190	192	225	241	218	-0.32	-0.34	0.14	0.08
Residual Fuel Oil	44	46	46	45	48	47	52	49	-0.08	0.01	0.02	0.01
Total Products ³	649	637	641	626	628	673	725	661	-0.92	-0.30	0.54	0.12
Total ⁴	1175	1172	1172	1154	1163	1247	1318	1216	-1.41	-0.19	0.59	0.11
Europe												
Crude	343	320	338	323	327	343	350	333	-0.19	0.24	-0.05	-0.02
Gasoline	121	119	122	125	124	128	133	127	0.01	-0.02	-0.08	0.04
Middle Distillate	230	232	225	225	227	233	267	235	-0.52	-0.07	0.02	0.06
Residual Fuel Oil	78	83	78	85	81	88	86	82	0.00	-0.04	-0.03	0.01
Total Products ³	530	537	526	538	534	538	577	536	-0.52	-0.09	-0.07	0.16
Total ⁴	940	925	928	928	928	941	987	927	-0.67	0.19	-0.11	0.12
Pacific												
Crude	191	167	168	171	180	197	190	181	-0.15	-0.02	0.17	-0.19
Gasoline	26	24	26	27	26	25	23	26	0.00	0.02	-0.01	0.00
Middle Distillate	79	81	82	92	94	99	90	93	-0.02	-0.25	0.14	0.13
Residual Fuel Oil	24	24	24	26	24	27	25	23	-0.02	0.01	0.00	0.02
Total Products ³	198	200	203	219	221	221	205	213	-0.09	-0.30	0.20	0.25
Total ⁴	472	451	453	472	486	513	481	476	-0.28	-0.31	0.39	0.07
Total												
Crude	911	875	892	875	910	959	968	915	-0.62	0.37	0.06	-0.25
Gasoline	385	367	373	370	376	387	399	389	-0.13	0.14	-0.07	-0.10
Middle Distillate	497	500	495	506	513	558	597	546	-0.86	-0.66	0.30	0.27
Residual Fuel Oil	146	152	148	155	153	162	163	155	-0.10	-0.02	-0.01	0.05
Total Products ³	1377	1375	1370	1382	1383	1432	1506	1410	-1.53	-0.69	0.67	0.53
Total ⁴	2587	2548	2553	2554	2577	2700	2786	2619	-2.36	-0.32	0.87	0.30

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Jul2000	Aug2000	Sep2000	Oct2000	Nov2000*	Nov1997	Nov1998	Nov1999	4Q1999	1Q2000	2Q2000	3Q2000
North America												
Crude	570	571	570	564	551	563	569	569	-0.09	0.02	-0.01	0.02
Products	0	0	2	2	2	0	0	0	0.00	0.00	0.00	0.02
Europe												
Crude	139	140	139	137	137	123	146	152	0.00	-0.07	-0.05	-0.03
Products	211	213	213	214	214	203	215	196	-0.03	0.05	0.05	0.07
Pacific												
Crude	314	314	312	312	311	314	315	315	0.00	0.00	-0.01	-0.02
Total												
Crude	1023	1025	1021	1013	999	1001	1029	1036	-0.09	-0.04	-0.06	-0.04
Products	211	213	215	216	216	203	215	196	-0.03	0.05	0.05	0.09
Total ⁴	1236	1238	1237	1231	1217	1204	1245	1233	-0.13	0.00	-0.02	0.05

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	1999	June 2000	%	1999	July 2000	%	1999	August 2000	%	1999	September 2000	%	1999	October 2000	%
United States															
Crude	331.7	291.2	-12.2	331.9	283.1	-14.7	315.2	290.5	-7.8	303.5	280.2	-7.7	304.1	280.8	-7.6
Motor Gasoline	216.9	209.7	-3.3	204.4	209.7	2.6	200.6	195.3	-2.6	207.2	197.2	-4.8	204.1	188.3	-7.8
Middle Distillate	183.1	153.1	-16.4	188.8	159.2	-15.7	193.2	157.4	-18.5	199.8	160.1	-19.9	189.0	161.8	-14.4
Residual Fuel Oil	42.5	37.1	-12.7	44.4	35.4	-20.3	38.7	37.3	-3.7	40.8	37.9	-7.0	40.5	35.0	-13.6
Other Products	152.1	137.6	-9.6	157.0	148.8	-5.2	157.8	151.5	-4.0	150.2	151.3	0.8	138.1	142.8	3.4
Total Products	594.5	537.4	-9.6	594.6	553.0	-7.0	590.2	541.4	-8.3	598.0	546.5	-8.6	571.7	527.9	-7.7
Other ²	141.2	131.2	-7.1	141.5	135.6	-4.2	141.4	134.2	-5.0	137.9	132.9	-3.6	137.0	135.3	-1.3
Total	1067.5	959.8	-10.1	1068.0	971.8	-9.0	1046.8	966.1	-7.7	1039.4	959.6	-7.7	1012.8	944.0	-6.8
Japan															
Crude	136.0	134.2	-1.3	136.4	132.4	-3.0	142.8	122.2	-14.5	138.1	116.3	-15.8	134.8	124.0	-8.0
Motor Gasoline	14.7	13.9	-5.7	13.3	13.5	1.7	12.8	13.6	6.5	12.5	13.3	6.3	13.0	13.8	6.0
Middle Distillate	45.8	43.8	-4.5	48.3	47.9	-0.8	52.5	53.9	2.7	54.5	52.4	-3.9	58.8	57.1	-3.0
Residual Fuel Oil	9.0	8.7	-4.1	10.3	9.4	-7.9	11.5	9.7	-15.8	9.2	9.5	2.8	9.4	10.2	8.2
Other Products	45.5	46.2	1.5	47.9	48.6	1.4	52.6	52.6	-0.1	52.3	51.2	-2.0	56.4	55.2	-2.1
Total Products	115.1	112.5	-2.3	119.8	119.5	-0.2	129.4	129.8	0.3	128.5	126.4	-1.7	137.6	136.2	-1.0
Other ²	71.8	70.3	-2.0	73.9	73.3	-0.9	73.6	73.3	-0.5	70.2	71.6	2.1	70.9	70.1	-1.1
Total	323.0	317.1	-1.8	330.1	325.1	-1.5	345.9	325.3	-6.0	336.7	314.3	-6.7	343.3	330.3	-3.8
Germany															
Crude	24.1	20.4	-15.5	27.1	19.7	-27.4	24.6	19.0	-22.9	24.0	18.8	-21.8	19.7	18.1	-8.3
Motor Gasoline	9.3	10.4	11.8	8.7	12.4	42.8	10.3	10.3	-0.3	10.5	11.0	5.4	10.9	12.4	14.2
Middle Distillate	21.9	14.5	-33.8	24.8	17.6	-29.1	23.1	14.8	-35.8	22.1	17.4	-21.3	21.1	17.9	-15.0
Residual Fuel Oil	9.0	9.4	4.3	8.8	10.2	15.7	8.8	9.6	8.5	9.5	9.5	-0.1	9.2	9.5	4.1
Other Products	12.2	13.0	6.6	12.7	12.9	2.0	13.1	13.3	1.2	12.6	12.9	2.0	12.7	12.7	-0.3
Total Products	52.4	47.3	-9.8	55.0	53.1	-3.4	55.4	48.0	-13.3	54.7	50.8	-7.2	53.9	52.6	-2.4
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	76.5	67.7	-11.6	82.1	72.8	-11.3	80.1	67.0	-16.3	78.7	69.6	-11.6	73.6	70.7	-4.0
Italy															
Crude	38.9	41.6	6.9	40.4	37.8	-6.5	38.2	39.7	4.0	37.9	41.8	10.4	39.7	37.8	-4.7
Motor Gasoline	28.6	23.4	-18.1	27.1	23.6	-12.9	29.0	22.8	-21.4	31.5	24.4	-22.5	29.9	26.0	-13.1
Middle Distillate	30.7	28.7	-6.3	30.5	31.3	2.7	33.1	32.0	-3.4	30.6	32.5	5.9	29.9	34.2	14.3
Residual Fuel Oil	15.8	16.6	5.7	15.4	15.5	0.9	17.7	16.5	-6.7	17.2	15.0	-12.9	17.4	18.7	7.2
Other Products	7.8	12.4	57.6	8.4	12.8	51.6	9.2	12.7	38.0	8.7	13.0	50.5	8.9	13.9	56.8
Total Products	82.8	81.1	-2.1	81.4	83.2	2.2	89.0	84.0	-5.6	88.0	84.9	-3.5	86.1	92.8	7.7
Other ²	6.9	11.9	73.0	5.8	11.6	100.9	6.9	11.5	67.0	6.4	11.8	85.6	7.9	11.5	45.4
Total	128.6	134.6	4.7	127.6	132.6	3.9	134.1	135.2	0.8	132.3	138.6	4.7	133.7	142.1	6.3
France															
Crude	42.8	44.0	2.8	39.5	39.6	0.1	38.3	36.3	-5.2	40.3	36.5	-9.4	39.9	37.9	-5.1
Motor Gasoline	17.1	13.1	-23.3	15.7	12.8	-18.7	15.9	13.3	-16.0	14.6	13.3	-8.7	13.1	15.2	16.0
Middle Distillate	41.0	33.6	-18.0	42.7	34.3	-19.7	45.5	33.7	-26.0	41.4	36.5	-11.8	36.7	29.4	-20.0
Residual Fuel Oil	6.5	7.7	18.1	6.6	7.8	19.0	8.0	9.0	12.0	7.2	7.6	6.6	7.2	7.7	7.1
Other Products	8.4	8.5	1.2	8.8	8.8	-0.1	8.7	9.3	6.3	8.5	8.7	2.4	8.5	9.5	11.3
Total Products	73.0	62.9	-13.8	73.8	63.7	-13.7	78.1	65.3	-16.5	71.6	66.2	-7.6	65.6	61.8	-5.7
Other ²	12.9	11.9	-7.4	12.3	12.4	1.2	12.8	13.0	1.7	11.5	13.0	12.9	12.8	12.8	0.0
Total	128.7	118.8	-7.7	125.6	115.7	-7.9	129.2	114.6	-11.3	123.5	115.7	-6.3	118.2	112.5	-4.9
United Kingdom															
Crude	34.2	31.8	-7.2	35.8	37.7	5.3	41.5	34.9	-15.9	37.8	33.6	-11.1	40.6	33.1	-18.6
Motor Gasoline	11.2	8.2	-26.6	10.9	8.5	-21.9	12.1	8.5	-30.1	11.4	10.4	-8.7	11.5	10.1	-12.6
Middle Distillate	21.4	21.5	0.4	20.5	21.2	3.4	20.0	20.6	3.0	21.3	17.0	-20.3	18.3	20.5	12.2
Residual Fuel Oil	5.3	5.8	9.4	5.6	5.6	0.1	5.5	5.6	1.8	5.5	5.0	-8.2	5.4	5.2	-3.5
Other Products	13.1	15.7	19.9	13.1	15.5	18.0	13.4	15.6	16.9	13.1	16.2	23.9	13.1	15.9	21.7
Total Products	50.9	51.1	0.4	50.0	50.7	1.4	51.0	50.4	-1.4	51.3	48.6	-5.1	48.3	51.7	7.1
Other ²	13.1	13.5	3.4	13.5	14.1	4.9	12.2	12.9	5.5	12.7	13.4	5.6	13.5	13.9	3.0
Total	98.2	96.4	-1.9	99.3	102.5	3.3	104.8	98.2	-6.3	101.8	95.7	-6.0	102.3	98.6	-3.6
Canada³															
Crude	69.4	69.7	0.4	65.2	68.1	4.4	63.6	68.1	7.1	68.1	68.1	-0.1	71.6	68.1	-4.9
Motor Gasoline	15.7	16.0	1.6	15.2	16.1	6.2	16.2	16.1	-0.4	16.0	16.1	1.1	16.1	16.1	0.1
Middle Distillate	21.4	19.0	-10.9	21.7	20.0	-7.6	21.5	20.0	-6.8	20.0	20.0	0.4	19.3	20.0	4.1
Residual Fuel Oil	4.4	3.7	-17.8	4.7	4.0	-15.6	4.6	4.0	-14.0	4.4	4.0	-10.9	4.3	4.0	-8.0
Other Products	21.3	20.8	-2.0	20.5	22.0	7.4	20.4	22.0	8.0	20.0	22.0	10.2	19.3	22.0	14.1
Total Products	62.8	59.5	-5.3	62.0	62.1	0.1	62.7	62.1	-0.9	60.3	62.1	3.0	58.9	62.1	5.4
Other ²	15.8	13.1	-17.3	16.0	13.1	-18.3	18.0	13.1	-27.5	19.7	13.1	-33.8	19.0	13.1	-31.2
Total	148.0	142.3	-3.9	143.2	143.3	0.0	144.3	143.3	-0.7	148.2	143.3	-3.3	149.5	143.3	-4.2

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Canada August 2000 to September 2000 data are partially estimated

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End September 1999		End December 1999		End March 2000		End June 2000		End September 2000 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	148.2	70	141.0	67	141.3	68	142.3	67	143.3	-
Mexico	46.6	23	37.4	18	37.3	18	38.3	19	47.3	-
United States	1614.8	81	1492.9	78	1477.6	77	1528.7	77	1531.5	-
Total ⁴	1831.8	75	1693.4	72	1678.3	71	1731.4	71	1744.1	71
Pacific										
Australia	40.4	44	37.0	43	37.6	43	41.2	49	43.9	-
Japan	651.8	111	628.7	105	606.0	122	631.6	117	626.8	-
Korea ⁵	75.8	34	76.3	33	71.6	35	77.4	40	83.0	-
New Zealand	11.4	89	11.5	80	9.7	77	10.1	77	11.3	-
Total	779.4	86	753.4	81	724.9	90	760.3	92	765.1	86
Europe⁶										
Austria	20.0	77	19.6	81	19.7	81	18.0	72	16.8	-
Belgium	31.7	54	25.8	43	27.7	51	27.4	53	27.6	-
Czech Republic	13.2	72	15.1	94	14.6	79	14.6	86	14.9	-
Denmark	22.2	97	18.3	85	18.0	85	17.7	86	17.2	-
Finland	23.1	104	23.2	113	22.0	110	20.4	100	23.4	-
France	168.8	80	160.3	76	165.8	88	169.7	90	168.4	-
Germany	302.4	102	289.6	110	286.0	107	280.6	95	277.6	-
Greece	29.5	72	23.9	54	22.7	61	24.6	69	24.6	-
Hungary	21.6	131	21.2	151	23.5	160	21.1	137	21.5	-
Ireland	11.3	64	10.8	62	9.4	57	8.5	54	8.2	-
Italy	132.3	69	130.4	70	136.3	77	134.6	74	138.6	-
Luxembourg	1.0	19	0.6	14	0.9	19	0.9	17	0.7	-
Netherlands	112.4	131	96.0	118	94.2	109	106.4	125	108.6	-
Norway	52.4	221	52.5	258	57.1	284	45.5	216	49.0	-
Poland	11.8	27	12.2	32	24.9	62	22.7	52	24.5	-
Portugal	22.3	69	21.9	66	21.7	70	21.1	63	23.3	-
Spain	108.6	76	106.4	73	107.6	76	110.1	78	112.7	-
Sweden	35.1	94	33.4	82	32.5	98	33.8	102	37.8	-
Switzerland	44.9	156	40.9	160	39.1	161	39.1	143	39.2	-
Turkey	50.4	78	48.9	81	49.6	79	52.7	74	50.5	-
United Kingdom	101.8	58	101.2	57	103.0	63	96.4	56	95.7	-
Total	1316.6	84	1252.1	83	1276.4	88	1265.9	84	1280.8	82
Total OECD	3927.8	80	3699.0	77	3679.6	80	3757.6	79	3790.0	77
DAYS OF IEA Net Imports⁷	-	121	-	110	-	110	-	112	-	113

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net

imports used for the calculation of IEA Emergency Reserves

3 end September 2000 forward demand figures are IEA Secretariat forecasts

4 Total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
3Q1997	3851	1208	2643	80	25	55
4Q1997	3850	1207	2643	82	26	56
1Q1998	3840	1205	2635	85	27	58
2Q1998	3997	1228	2769	86	26	59
3Q1998	4031	1238	2793	84	26	58
4Q1998	3974	1249	2725	82	26	56
1Q1999	3913	1248	2665	86	27	58
2Q1999	3955	1250	2706	84	27	58
3Q1999	3928	1240	2688	80	25	55
4Q1999	3699	1228	2470	77	26	52
1Q2000	3680	1234	2446	80	27	53
2Q2000	3758	1232	2525	79	26	53
3Q2000	3790	1237	2553	77	25	52

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 3Q2000 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1997	1998	1999	4Q99	1Q00	2Q00	3Q00	4Q00	Jul 00	Aug 00	Sep 00	Oct 00	Nov00	Dec00
CRUDE OIL PRICES														
<i>IEA CIF Average Import*</i>	19.11	12.52	17.26	23.48	26.82	26.40	29.23		28.47	28.41	30.81	30.51		
<i>FOB Spot</i>														
Brent (Dated)	19.12	12.76	17.86	24.06	26.94	26.70	30.24	29.59	28.18	29.98	32.57	30.86	32.48	25.42
WTI (1st month)	20.62	14.40	19.25	24.57	28.87	28.83	31.63	31.98	29.71	31.30	33.89	32.99	34.40	28.55
Urals (Del. Med.)	18.33	11.83	17.18	23.62	26.15	25.02	27.15	27.78	24.24	27.28	29.92	28.36	31.11	23.88
Dubai (1st month)	18.15	12.18	17.20	22.70	24.42	25.05	27.61	27.59	25.91	26.96	29.97	30.50	30.44	21.83
OPEC Basket*	18.68	12.28	17.47	23.42	26.11	26.32	29.24	28.59	27.94	28.30	31.48	30.42	31.22	24.13
PRODUCT PRICES¹														
<i>Rotterdam, Barges FOB</i>														
Unleaded Premium ²	24.06	17.56	21.81	28.21	32.90	39.48	37.70	33.04	37.88	36.90	38.32	37.04	34.25	27.83
Regular Unleaded	23.03	16.54	20.80	27.25	31.91	36.91	36.12	31.98	36.34	35.03	37.00	35.49	32.98	27.47
Naphtha	21.43	14.64	18.68	24.75	29.19	27.54	30.71	30.79	29.49	29.56	33.07	32.94	32.43	27.01
Jet/Kerosene	24.58	17.16	22.04	29.56	33.23	33.23	39.79	41.72	36.14	39.13	44.09	44.05	43.35	37.76
Gasoil	23.39	16.19	20.06	26.75	30.23	30.27	37.77	38.83	33.42	37.14	42.75	40.74	40.84	34.91
Fuel Oil 1.0%S	15.47	11.73	14.75	19.81	21.76	21.46	23.75	25.85	24.44	21.94	24.87	27.77	26.05	23.72
Fuel Oil 3.5%S	14.59	10.20	14.41	19.81	21.28	20.26	21.80	22.49	20.52	20.67	24.20	24.91	23.17	19.38
Gross Product Worth ³	21.74	15.19	19.25	25.42	29.22	30.72	34.16	33.97	32.18	33.17	37.12	36.75	35.28	29.88
Brent Cracking Margin	1.41	1.34	0.30	0.19	0.80	2.45	2.07	2.40	2.01	1.23	2.97	3.88	0.77	2.54
<i>Mediterranean - Basis Italy, Cargoes FOB</i>														
Premium 0.15 g/l	24.29	17.86	22.75	29.13	33.75	40.22	39.35	34.25	39.67	38.62	39.76	39.11	35.34	28.30
Naphtha	20.10	13.54	17.66	23.88	27.92	26.12	29.03	28.67	27.89	27.92	31.28	31.34	30.47	24.20
Jet/Kerosene	22.19	14.99	20.55	28.31	31.91	31.06	37.76	38.52	34.23	36.91	42.14	42.14	40.67	32.74
Gasoil	22.04	14.83	19.05	26.24	29.73	29.03	37.63	38.61	33.47	36.74	42.68	41.90	40.40	33.52
Fuel Oil 1.0%S	15.48	10.96	14.11	18.50	22.12	21.83	23.45	25.60	23.41	21.33	25.61	27.87	25.57	23.36
Fuel Oil 3.5%S	13.45	9.14	13.20	18.40	20.34	18.70	20.29	21.46	19.48	18.75	22.65	24.10	20.95	19.32
Gross Product Worth ⁴	20.50	14.25	18.51	24.78	28.38	29.33	33.25	32.75	31.43	32.17	36.14	36.12	33.87	28.28
Urals Cracking Margin	1.85	2.07	1.00	0.86	1.93	4.02	5.81	4.69	6.89	4.61	5.94	7.48	2.48	4.10
<i>NYHarbour, Barges</i>														
Premium Unleaded 93	27.16	19.59	24.48	29.57	35.49	39.47	41.21	37.25	41.22	39.55	42.87	40.24	39.43	32.08
Regular Unleaded 87	25.22	17.80	22.71	28.38	33.77	36.05	37.64	36.38	36.24	36.57	40.11	39.35	38.84	30.95
Jet/Kerosene	24.58	18.03	21.74	28.57	37.25	33.16	39.10	42.92	34.63	38.67	44.01	42.72	45.09	40.94
No.2 (Heating Oil)	23.64	16.43	20.45	26.55	35.55	31.80	37.15	41.14	32.74	37.27	41.46	40.88	43.11	39.45
Fuel Oil 1.0%S (Cargo)	16.91	12.32	15.47	19.40	21.90	24.21	26.12	27.88	24.44	24.51	29.42	29.52	28.49	25.62
Fuel Oil 3.0%S (Cargo)	15.25	10.25	13.96	18.49	19.99	20.59	21.22	20.79	21.03	20.35	22.28	23.75	19.67	18.94
Gross Product Worth ⁵	23.18	16.75	20.67	25.39	30.74	33.39	35.30	34.73	33.31	34.73	37.84	36.57	36.58	31.03
WTI Cracking Margin	1.46	1.25	0.32	-0.28	0.76	3.46	2.56	1.65	2.51	2.33	2.86	2.48	1.09	1.38
<i>Singapore, Cargoes</i>														
Gasoline ⁶	24.57	17.19	21.02	25.33	30.66	31.00	36.52	31.90	36.13	38.41	35.01	32.87	32.84	29.98
Naphtha	21.92	14.84	19.39	25.17	27.03	26.82	30.81	28.46	27.62	30.12	34.68	31.74	28.89	24.75
Jet/Kerosene	24.97	16.36	21.43	27.60	31.59	29.41	37.79	38.29	33.26	37.87	42.24	43.23	39.47	32.18
Gasoil	24.28	15.47	19.13	24.59	30.31	28.47	36.40	34.45	31.79	37.36	40.07	39.04	34.78	29.53
LSWR (0.3%S) ⁷	16.92	10.98	15.50	21.03	23.62	25.92	26.92	26.36	25.25	27.05	28.46	28.89	27.58	22.61
HSFO (3.5%S 180cst)	15.93	10.65	15.70	21.79	23.21	25.31	24.27	25.11	23.19	23.03	26.57	28.10	26.07	21.16
HSFO (3.5%S 380cst)	15.10	10.09	15.14	21.39	22.48	24.34	23.33	24.16	22.31	22.16	25.53	27.24	25.09	20.17
Gross Product Worth ⁸	22.04	14.65	18.74	24.01	28.25	27.99	32.91	30.96	30.37	33.46	34.90	34.09	31.63	27.16
Dubai Cracking Margin	2.30	1.01	0.95	0.75	3.25	2.36	4.69	2.77	3.87	5.90	4.30	2.96	0.56	4.78

* IEA CIF Average Import price for Oct is an estimate

1 product prices are mean values and are converted to \$/bbl using following conversion factors.

Rotterdam: 8.35 bbl/MT for premium leaded gasoline, 8.46 bbl/MT for regular unleaded gasoline, 8.82 bbl/MT for naphtha, 7.88 bbl/MT for jet fuel, 7.46 bbl/MT for gasoil, 6.49 bbl/MT for 1.0%S LSFO and 6.31 bbl/MT for 3.5%S HSFO. Singapore: 6.46 bbl/MT for 3.5%S HSFO.

2 as of January 2000, Premium 0.15 g/l prices will be substituted by Unleaded Premium prices.

3 calculated using Brent cracking yield of a typical refinery in Rotterdam.

4 calculated using Urals cracking yield of a typical refinery in the Mediterranean.

5 calculated using WTI cracking yield of a typical refinery in US Gulf Coast.

6 changed from regular 0.15 g/l to unleaded 95 as of 2 February 1995.

7 as from 1 April 1996 mixed/cracked LSWR fob Indonesia

8 calculated using Dubai cracking yield of a typical refinery in Singapore.

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
December 2000

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	6.810	4.814	-5.2	-13.4	-0.2	11.5	0.919	0.269	-1.9	-10.5	-12.7	-2.4
Germany	2.002	1.376	-2.5	-6.6	8.4	13.4	0.906	0.283	0.8	-3.4	-5.1	-0.8
Italy	2120	1361	-1.7	-3.9	8.2	24.6	0.969	0.347	1.6	-0.6	-5.3	9.1
Spain	141.2	81.3	-1.9	-3.8	13.3	31.2	0.751	0.319	1.4	-0.5	-0.9	14.8
UK	0.788	0.589	-1.7	-5.7	4.2	16.4	1.145	0.289	0.0	-4.1	-6.1	4.9
Japan	110.3	59.1	0.0	0.0	7.2	15.8	0.991	0.460	-2.1	-2.1	-1.2	6.8
Canada	0.710	0.302	-5.1	-7.9	11.3	19.3	0.464	0.267	-4.2	-7.0	7.2	15.0
USA	0.391	0.101	-4.9	-6.5	14.0	19.8	0.391	0.290	-4.9	-6.5	14.0	19.8
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.931	2.571	-4.5	-8.9	14.1	29.7	0.666	0.319	-1.2	-5.8	-0.2	13.5
Germany	1.485	0.740	-0.3	-0.5	18.1	29.1	0.672	0.337	3.1	2.9	3.4	13.0
Italy	1562	739	0.2	0.3	16.3	40.2	0.714	0.376	3.6	3.7	1.8	22.7
Spain	111.32	44.90	0.0	-0.1	25.0	50.3	0.592	0.353	3.4	3.3	9.3	31.5
UK	0.740	0.502	1.2	3.9	6.8	24.6	1.075	0.346	3.0	5.7	-3.8	12.3
Japan	89.3	36.4	0.0	0.0	7.6	12.8	0.803	0.475	-2.1	-2.1	-0.8	4.0
Canada	0.748	0.241	0.3	0.4	25.3	37.8	0.489	0.332	1.2	1.3	20.7	32.8
USA	0.416	0.118	-1.2	-1.7	22.0	33.0	0.416	0.298	-1.2	-1.7	22.0	33.0
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	3042.4	702.4	-8.9	-9.7	13.9	38.5	410.7	315.9	-5.9	-6.6	-0.4	21.2
Germany	912.5	245.9	-3.0	-3.6	36.3	45.8	413.1	301.8	0.3	-0.3	19.3	27.6
Italy	1757000	990231	-0.8	-1.6	13.6	43.7	803.5	350.6	2.5	1.7	-0.6	25.8
Spain	80945	24262	0.1	0.1	35.3	47.3	430.8	301.7	3.5	3.5	18.4	28.9
UK	243.15	41.88	0.0	0.0	43.8	53.9	353.4	292.5	1.8	1.8	29.6	38.7
Japan ⁴	50820	2420	0.4	0.4	12.6	12.6	456.7	435.0	-1.7	-1.7	3.8	3.8
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	390.2	-	1.7	-	45.1	-	390.2	-	1.7	-	45.1	-
HFO FOR INDUSTRY^{3, 6} (Price per Metric Ton)												
France	1364.8	121.8	-7.6	-8.3	38.1	50.7	184.2	167.8	-4.5	-5.2	20.8	31.8
Germany	410.9	35.0	-5.4	-5.9	38.3	40.8	186.0	170.2	-2.2	-2.7	21.1	23.2
Italy	499091	60777	-0.9	-1.0	43.0	52.0	228.2	200.4	2.5	2.3	25.1	33.1
Spain	38107	2235	1.1	1.2	30.8	33.3	202.8	190.9	4.5	4.6	14.4	16.6
UK	138.41	26.77	-0.6	-0.8	21.1	27.5	201.1	162.2	1.1	1.0	9.1	14.9
Japan	27079	1289	6.5	6.5	25.6	25.6	243.3	231.8	4.2	4.3	15.8	15.8
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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12 February 2001

HIGHLIGHTS

- World oil demand growth in 2001 has been cut by 140 kb/d to 1.5 mb/d. Oil demand figures since October have fallen below expectations. Even January shows only modest growth, despite strong short-term substitution of oil for natural gas in North America. High crude prices and mild weather in Europe and Asia explain only part of the disparity. The global economy is slowing, curbing demand.
- World oil production in January increased by almost 0.5 mb/d, to an average of 77.9 mb/d. The gain was driven by a rebound in Iraq. By the second half of January, Iraqi oil-for-food exports had reached 1.8 mb/d, only 0.4-0.5 mb/d below the peaks seen last autumn.
- Light, sweet crude oil prices rose steadily in January as OPEC announced production cuts and crude inventories fell to record lows in parts of the US.
- January gasoline prices increased sharply on both sides of the Atlantic. New York Harbour prices jumped 18% ahead of the US driving season, while prices in Northwest Europe and the Mediterranean gained about 10%. Prices for middle-distillate and residual fuel oil fell, as the heating season began winding down. Refiners in Rotterdam, the Mediterranean, and Singapore cut runs as margins fell, but higher US Gulf Coast margins supported runs there.
- OECD industry oil stocks fell in December by 61 million barrels, or 2 mb/d, from revised November levels. The largest decrease occurred in OECD Pacific, followed by OECD North America, while stocks in OECD Europe remained flat. Preliminary fourth quarter estimates indicate a lower-than-average stock draw of 0.4 mb/d.

Next Issue: 14 March 2001

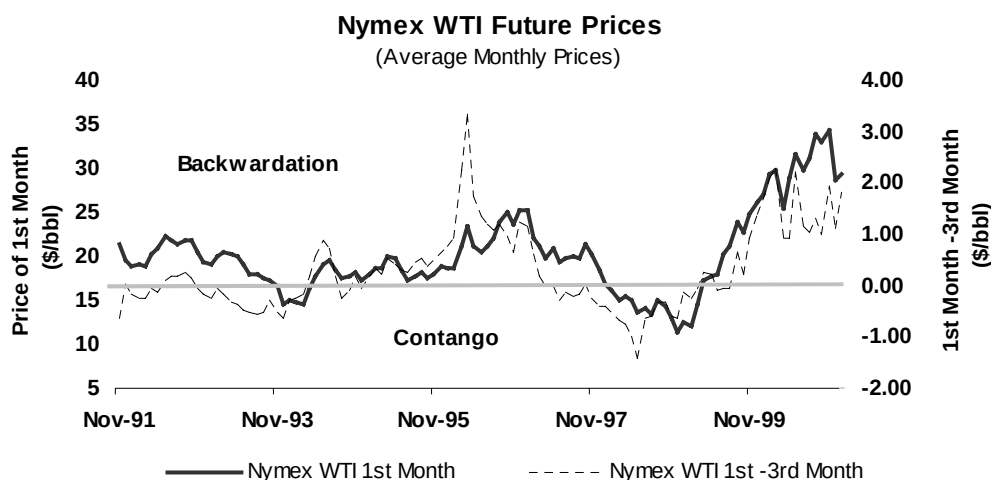
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INSTABILITY: THE NAME OF THE GAME?

The ink is barely dry, and the physical impact of the producer reductions is still months from reaching the market, and yet speculation is rampant about the size of still another round of cuts to maintain price. Where are the fundamentals in this equation? What about demand? Do producers have a good handle on the global impact of the economic slow-down in North America?

Producers talk as if their goal were strictly to stabilise markets, but they act as if they were primarily focused on maximising revenue. Are the two objectives compatible? Can prices be stabilised at the high end of the producers' target range regardless of economic conditions? The answer is certainly no. Managing supply to maintain exceptionally high prices fosters backwardation -- higher prices for prompt supply than for later barrels -- and backwardation breeds market instability. Sooner or later high oil prices boost competition on the supply side even as they undermine demand. They are not sustainable. By choosing to maximise revenue now, producers run the risk of a hard landing later on.



Producers agree that volatility is bad for producers and consumers alike in that it undermines planning and development and wreaks havoc on budgets and spending programs. But by shorting the market, they are encouraging the very outcome that they profess to combat. Tight markets force refiners to compete with one another for scarce barrels and bid up prompt supply. Faced with the prospect of falling futures prices, companies are unable to hedge forward without locking-in paper losses. The same applies for commercial storage. Consequently, commercial interests draw down inventories and place a premium on short-haul supplies. This creates market distortions and instability and provides fertile ground for speculative interests.

Over the short-term, low stocks limit the ability to respond to events such as severe weather conditions, pipeline disruptions, unscheduled refinery maintenance, spikes in demand or fuel switching. This contributes to regional supply imbalances and price volatility. We lumber from one crisis to another.

Over the medium-term, a high-price policy causes market instability. On the supply side, high prices send signals that promote exploration and development of more expensive reserves. Non-OPEC production has flourished, especially in unexpected regions such as the FSU. On the demand side, high prices encourage fuel substitution, fuel efficiency and conservation and investment in new technology. More importantly, high prices can push a struggling economy into recession, contributing to lower overall demand for goods and services and, consequently, for lower crude and product imports.

Producers talk about fighting market instability and joining with consumers in a common bid to lower volatility. This is a promising start. But talk will just be talk so long as actions remain focussed solely on high short-term revenue. Unless policies change, the market will be in for a rough ride, with backwardation and instability the norm. The promising dialogue that has emerged between producers and consumers can not long ignore this inconsistency.

DEMAND

Summary

- This Report cuts the assessment of world oil demand growth in 2001 by 140 kb/d to 1.52 mb/d. Oil demand figures from October onward have fallen below expectations, and even January shows only modest growth despite strong support in North America from the short-term substitution of oil for natural gas. High crude prices and mild weather in Europe and Asia explain only part of the disparity. The global economy seems to be slowing, braking oil demand.

Global Demand from 1999 to 2001

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q99	75.8	3.1	2.3	-
2Q99	72.9	1.2	0.9	-
3Q99	74.0	1.3	0.9	-0.1
4Q99	76.5	1.5	1.1	-
1Q00	75.5	-0.4	-0.3	0.1
2Q00	73.9	1.3	0.9	0.1
3Q00	75.9	2.5	1.8	0.1
4Q00	76.8	0.4	0.3	-0.5
1Q01	77.5	2.7	2.0	0.1
2Q01	75.2	1.8	1.3	-0.2
3Q01	76.7	1.1	0.8	-0.2
4Q01	78.7	2.5	1.9	-0.6
1999	74.8	1.7	1.3	-
2000	75.5	0.9	0.7	-0.1
2001	77.0	2.0	1.5	-0.3

* year-on-year change

- December inland deliveries of petroleum products in seven large OECD markets fell an average 2% short of the pre-Y2K deliveries a year earlier. Deliveries in France, Germany and Italy contracted nearly 9%, with losses across the barrel. In the US and Canada, deliveries rose 1.4%, supported by distillate and fuel oil replacing natural gas. In Japan and Korea, deliveries declined 5.5%, with half the weakness Y2K-related.

Global Oil Demand by Region

(million barrels per day)

	Demand (mb/d)	Annual Change (mb/d)			Annual Change (%)		
		1999	2000	2001	1999	2000	2001
North America	24.02	0.75	0.14	0.35	3.2	0.6	1.5
Europe	15.74	-0.18	-0.11	0.22	-1.1	-0.7	1.4
OECD Pacific	8.61	0.22	-0.02	0.15	2.6	-0.2	1.7
China	4.79	0.29	0.31	0.24	7.0	6.9	5.1
Other Asia	7.24	0.31	0.18	0.27	4.5	2.6	3.7
<i>Subtotal Asia</i>	20.64	0.82	0.48	0.65	4.2	2.4	3.2
FSU	3.53	-0.23	0.03	-0.05	-6.2	0.9	-1.3
Middle East	4.40	0.13	0.10	0.17	3.1	2.3	3.9
Africa	2.34	-0.02	0.01	0.05	-0.7	0.5	2.2
Latin America	4.82	0.02	0.04	0.12	0.4	0.9	2.5
<i>World</i>	75.49	1.28	0.69	1.52	1.7	0.9	2.0

- Chinese deliveries slowed to 5 mb/d in November, just 3% more than a year earlier, and are expected to report declines in December and January. The slowdown was widely anticipated after four consecutive months of double-digit growth. In the FSU, deliveries increased 5% in December and 2% in January.

Demand Assessment Reduced

The Oil Market Report dated 9 August 2000 estimated world oil demand growth in 2001 at 1.87 mb/d. It anticipated strong oil demand growth resulting from expanding economies, a factor which was substantially masked last year by the demand response to higher prices. Figures for the third quarter of 2000 proved to be in line with the projected demand rebound to 2.5% growth, giving no signal that the trajectory should be altered.

But since October, oil demand has not reached expectations, and milder-than-anticipated weather in Europe and Asia is not enough to explain the shortfall. Sharply-higher crude prices were undoubtedly a major factor restraining fourth quarter deliveries. Dated Brent at Sullom Voe, for example, cost about 40% more than a year earlier in October and November. But the December and January figures also look weak, and Brent's premium to its price a year earlier was only 10% in December and had disappeared by January. And the January figures show relatively low growth despite US demand in January significantly higher than a year earlier, supported by fuel switching away from natural gas driven by prices and concerns about gas availability. Indeed, the US EIA's weekly figures show US oil demand growth of 1.6 mb/d (8.5%) for the first four weeks of January, although a more conservative figure has been used for this Report. Short-term fuel switching of this implied magnitude is unprecedented, unanticipated, and unsustainable; loss of this swing-fuel role will hit demand as North American natural gas prices ease.

Oil demand weakness has emerged in all OECD regions and in such disparate non-OECD countries as South Africa and Thailand. Signs of economic slowing are also widespread. As weakness has become apparent, it has been reflected in the forecast, with the latest estimate of oil demand growth this year cut to 1.5 mb/d. The downside economic and oil-demand risks remain predominant, making the issue how quickly and how far to adjust forecasts. One forecaster reduced his growth estimate 800 kb/d in the span of only two months, and another now predicts only 500 kb/d growth this year. A main risk remains consumer and industrial confidence.

OECD

Early Indications of December and January Demand

OECD deliveries totalled only an estimated 48 mb/d in January 2001. Dropping 2.4 mb/d between December and January, somewhat less than the normal seasonal decline, January deliveries were only 1.8 mb/d higher than a year earlier. The figure is surprisingly weak despite extremely strong oil demand growth in the US, where high natural gas prices provoked switching into oil and somewhat lower oil prices gave companies economic incentives to rebuild stocks once the tax year was over.

Preliminary Moving Annual Average Change in OECD Oil Demand

January 2001
(thousand barrels per day)

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	
North America	17	25	-14	27	157	36	96	-92	252	1.1%
Europe	9	15	-92	32	94	-29	-89	-31	-93	-0.6%
Pacific	28	39	19	2	-4	10	-25	-15	54	0.6%
Total	54	80	-88	60	247	17	-18	-139	213	0.4%
	1.1%	2.7%	-0.6%	1.5%	3.6%	0.3%	-0.4%	-2.9%	0.4%	

IEA estimates, based for the most part on responses to supplemental questionnaires

For the first four weeks of January, the US EIA reported a year-on-year increase in deliveries of 1.6 mb/d: 175 kb/d gasoline (up 2%), 100 kb/d jet kerosene (up 6%), 440 kb/d distillate (diesel and "other gasoil", up by nearly 12%), 390 kb/d heavy fuel oil (up over 50%), and 500 kb/d "other products" (up 10%). A more conservative 1 mb/d growth estimate has been used for this Report. A strong increase in demand for "other products" including LPG seems highly unlikely. With North American natural gas prices touching \$10 per MCF in January, producers would have left butane and propane in the natural gas rather than stripping them out, significantly depressing domestic LPG production, and hence LPG availability. The gains shown for gasoil and heavy fuel are more

plausible, if somewhat exaggerated; with natural gas supply rationed by price, electric utilities would have been forced to shift to fuel oil, and dual-fuel commercial and industrial gas users to burn distillate.

Only Temporary Support from Natural Gas

North American demand for heavy fuel oil and distillates (diesel and 'other gasoil') has been strongly supported this winter by low natural gas deliverability and high gas prices. Early in the season, oil benefited as power producers and dual-fuel commercial and industrial users built precautionary oil stocks, while the recent strength indicates actual oil substitution for high-priced winter natural gas. As the season progresses and gas prices ease, oil burn will decline and the precautionary stocks will be liquidated.

This January's relatively dismal showing versus last January, which was depressed by drawdowns of Y2K "insurance" stocks, is significant. But month-to-month deliveries have been notoriously volatile lately; even the 12-month moving averages have been volatile. A small part of the weakness is due to weather, with France, Germany and the US all 2°C warmer than historic norms. A degree in winter across these three regions could mean up to 100 kb/d.

Preliminary Inland Deliveries – December 2000¹

	Gasoline		Jet/Kerosene		Diesel		Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	Mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.50	-4.1	1.72	0.0	2.69	6.9	1.51	10.1	1.17	36.7	5.16	-0.4	20.74	1.2
Canada	0.66	-0.9	0.12	-2.4	0.39	3.7	0.15	21.7	0.18	12.3	0.20	6.3	1.70	3.8
Japan	1.06	0.2	1.01	-9.2	0.77	-2.8	0.61	-6.8	0.53	-22.3	1.88	-5.2	5.86	-6.8
Korea	0.15	-13.6	0.04	-22.8	0.38	0.3	0.31	-13.3	0.34	-8.3	0.99	6.9	2.22	-2.2
France	0.30	-10.3	0.12	6.9	0.54	-5.4	0.34	-25.3	0.06	-36.3	0.48	-9.5	1.84	-12.3
Germany	0.67	-6.1	0.14	7.0	0.58	-4.7	0.66	-4.7	0.11	-10.2	0.42	-15.5	2.57	-6.7
Italy	0.38	-8.3	0.07	-5.8	0.38	-1.9	0.22	-9.8	0.27	-13.6	0.49	-6.3	1.82	-7.4
Total	11.72	-4.1	3.22	-3.2	5.74	1.8	3.80	-2.5	2.67	2.2	9.63	-6.1	36.76	-2.0

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, UK PIA, Italy Ministry of Industry, Statistics Canada, Mexico Pemex, Korea PEDCO

Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated

Preliminary figures for inland delivery of petroleum products in seven large OECD markets during December show a total 36.8 mb/d, 760 kb/d short of year-earlier levels. US and Canadian deliveries gained a combined 305 kb/d, 245 kb/d in the US. US deliveries of distillate (diesel plus "other gasoil") and residual fuel oil each increased 310 kb/d, with gasoil supported by December's bitter cold and residual fuel oil by substitution for natural gas. US gasoline's 360 kb/d decline took deliveries back to 1998 levels, with December weather making it more desirable to stay off the roads.

In Japan and Korea, the figures show a 475 kb/d contraction, of which 90% was in Japan. The Japanese decline includes 265 kb/d heavy fuel oil and "other products" related to lower deliveries to electric utilities and 100 kb/d jet/kerosene; this apparent weakness is only in comparison to deliveries for pre-Y2K stockbuilds.

In France, Germany and Italy, inland deliveries fell 590 kb/d or an average 9%, with losses across the barrel. Deliveries of petrochemical feedstocks LPG and naphtha were off 165 kb/d, gasoline 110 kb/d, "other gasoil" 210 kb/d and residual fuel oil 90 kb/d. The decline is normal for Italy, but anomalous for Germany, which had been experiencing year-on-year fuel oil gains since January.

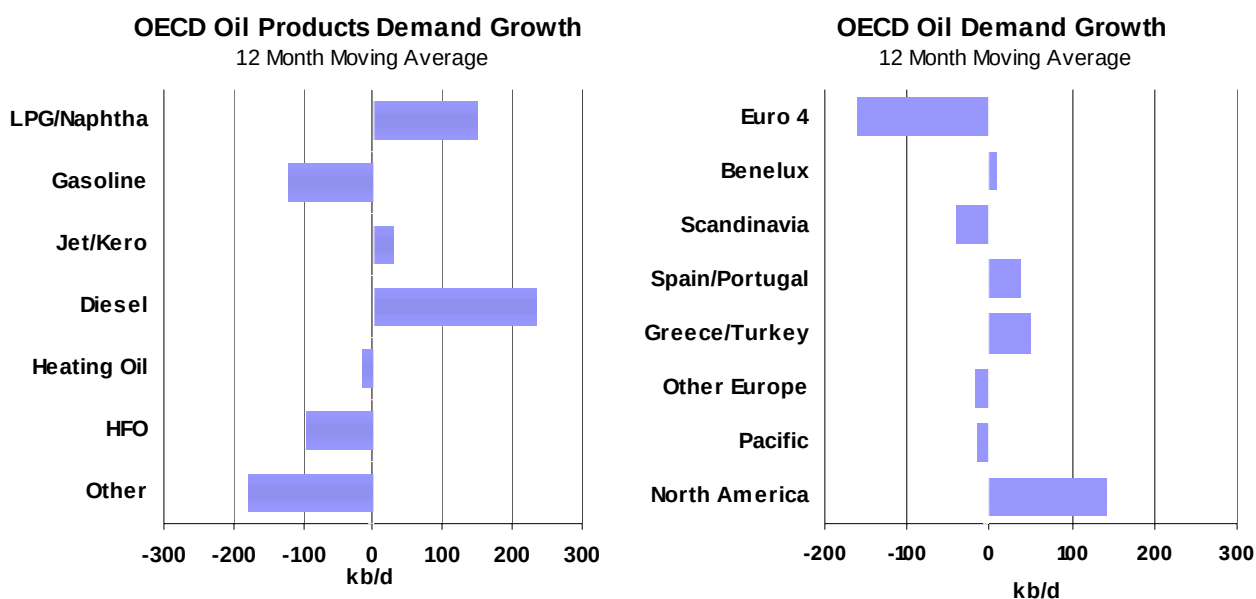
These figures are the best available, but may subsequently be revised. The American Petroleum Institute saw a 2.2% contraction in US deliveries whereas the EIA saw 1.2% growth, and preliminary EIA figures for October were succeeded by 'final' EIA figures 440 kb/d lower and those for November, 570 kb/d lower (in "other products"). The correction for Japan in October went in the other direction, with demand coming in two percentage points stronger than suggested by the inland delivery figures.

Moving Annual Average Change in Oil Demand – December 2000

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-0.4%	10.5%	-0.7%	0.6%	5.8%	-1.0%	2.5%	-4.7%	0.0%	8
Canada	20.7%	-6.0%	-0.3%	1.5%	0.0%	7.9%	1.8%	-0.9%	4.2%	87
Mexico*	2.8%	-53.8%	3.7%	1.0%	3.2%	3.2%	3.2%	-0.1%	2.4%	48
Japan	-1.0%	-0.7%	2.0%	-0.3%	-3.0%	1.7%	-6.3%	-5.8%	-1.5%	-82
Korea	9.7%	4.5%	-3.0%	-8.4%	5.8%	-5.2%	4.5%	-39.1%	2.6%	54
France	-1.1%	0.2%	-4.0%	3.1%	1.0%	-3.4%	-12.4%	3.5%	-1.7%	-34
Germany	1.4%	1.2%	-4.6%	4.7%	5.2%	-8.4%	15.3%	-23.6%	-2.6%	-73
Italy	5.8%	17.2%	-5.7%	1.4%	3.8%	-1.3%	-8.5%	-4.7%	-1.9%	-34
UK*	-10.4%	-11.3%	-0.8%	7.9%	1.8%	1.8%	-19.2%	-3.9%	-1.2%	-21
Total	1.8%	1.8%	-0.8%	0.6%	3.5%	-1.6%	-1.1%	-4.7%	-0.1%	-58
kb/d	76	46	-101	21	187	-60	-39	-187	-58	

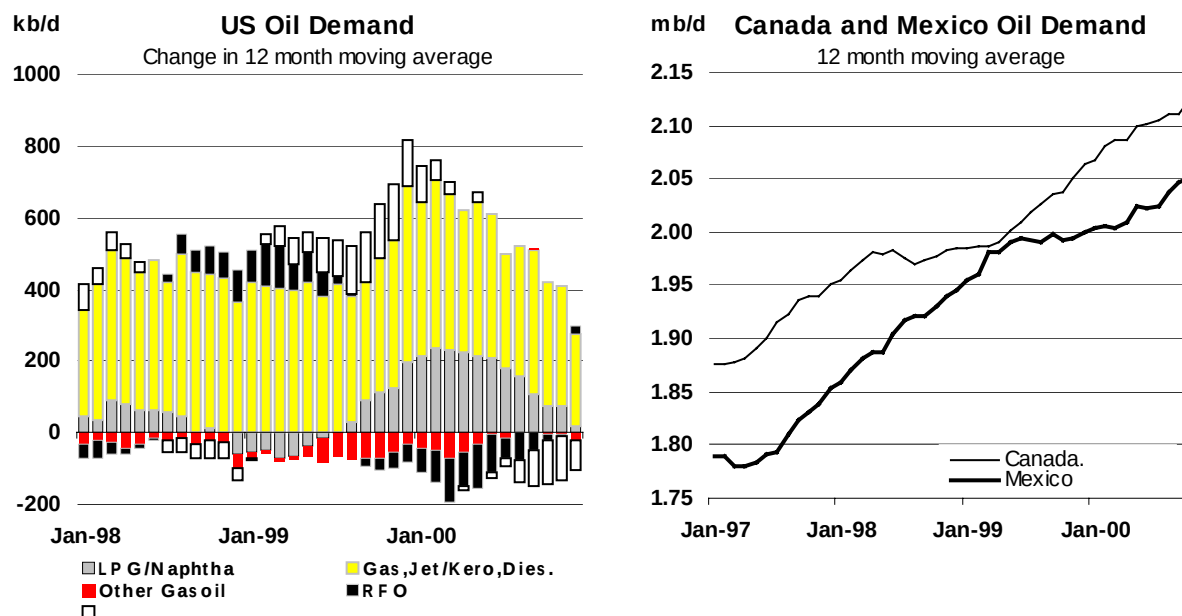
* near-month data are estimated

The twelve-month moving averages for the nine large markets shown above tipped into decline in December, braked by higher prices and slowing economies. Less than half of the decline can be explained by the loss to the average of December 1999, when year-on-year deliveries increased 1.5 mb/d, inflated by Y2K precautions. In only a month, annual average LPG growth has halved, jet/kerosene growth has fallen by two-thirds, and gasoline and diesel have each slipped 0.6 percentage points; only the heavy end of the barrel has been stable. As jet and diesel demand tend to be leading indicators of economic conditions, the softening tends to corroborate that economic growth is continuing to slow.

**North America**

As economic and oil-demand news filters in, the estimates of North American oil demand are being trimmed. Estimated demand for the fourth quarter of last year was cut 200 kb/d when the US EIA slashed its figures for November by 570 kb/d in what appears to be economic and oil-price-related weakness. Similar reductions have been applied to the second through fourth quarters of this year. In contrast, the first quarter estimate has been increased 180 kb/d; preliminary EIA figures for the first four weeks of January show an increase in US deliveries of 1.6 mb/d. The January increase is real though its magnitude is uncertain; oil deliveries have been bolstered by temporary oil substitution for high-priced natural gas and by some secondary and perhaps tertiary restocking under softer prices. The estimate of North American oil demand this year now stands at 24.4 mb/d, or only 350 kb/d higher than in 2000, despite strong support in January. The wildcards remain the US economy, North American natural gas prices, weather, and the effects of California's electricity crisis.

In a clear sign of concern over the slowing US economy, the US Federal Reserve Board twice cut short-term interest rates one-half a percentage point in January. Although it is perhaps reassuring that Alan Greenspan is quickly and forcefully altering monetary policy in order to soften the economic landing, the effect could be perverse: it deepens the fear of recession, which can be self-fulfilling. Economists are making soothing noises about brief corrections but consumers and manufacturers are decidedly gloomy. US manufacturing faces restructuring, surveys of consumer confidence signal impending recession, and the anecdotal evidence of slowdown is mounting.



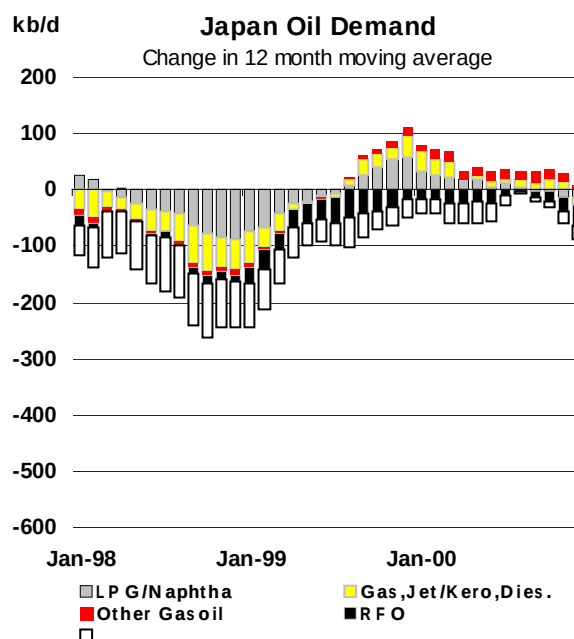
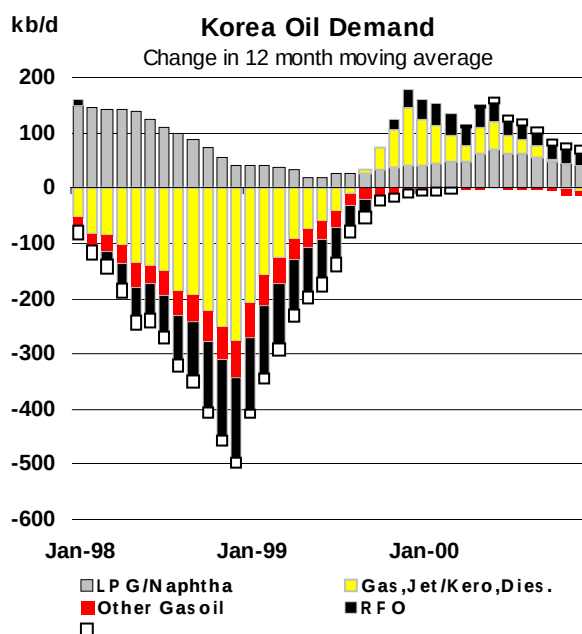
California may need to sort out its own energy problems, with the Bush administration reluctant to further extend federal orders requiring power and natural gas suppliers to do business with nearly-bankrupt California utilities. Mandated supply came at the expense of neighbouring states, that have become increasingly unwilling to bear this burden. The State of California has intervened to rescue its utilities from immediate financial collapse, but it remains likely that the State will continue to face energy shortages and dislocations for some time, slowing its economy. On the demand side, conservation and restraint are being urged but end-user prices have not yet increased sufficiently to make this significant. On the supply side, operating limits on emergency generators are being extended, new power plants are planned or under construction and the State has contracted for long-term supplies of electricity, but not yet natural gas.

In Mexico, high North American natural gas prices are reducing domestic industrial output and forcing layoffs; one steel manufacturer alone announced closures of four plants. For environmental and commercial reasons, the country has become increasingly reliant on natural gas rather than heavy fuel oil for industry and for power generation. This became an increasingly expensive policy this winter, when natural gas prices peaked. As a compromise, PEMEX is selling its industrial users natural gas at \$4 per MCF, which is still far from cheap.

OECD Pacific

Based on fourth quarter weakness, the assessment for demand growth in Japan, Korea, Australia and New Zealand has been reduced to 8.76 mb/d this year, only 150 kb/d more than in 2000. Demand is anticipated to increase a scant 45 kb/d in Japan, 85 kb/d in Korea, with the balance in Australia. Even this much growth may be tenuous if the US slowdown should prove to be severe.

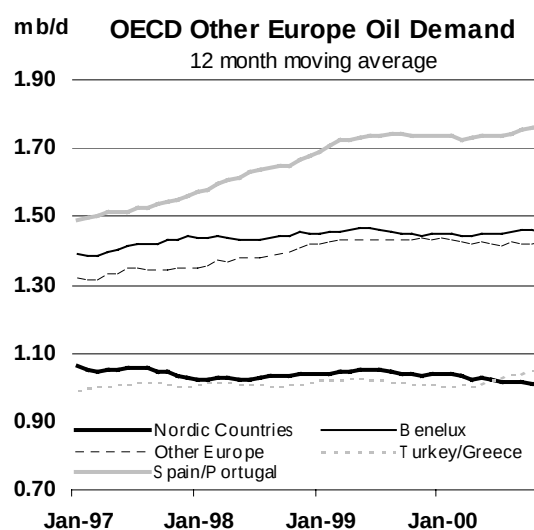
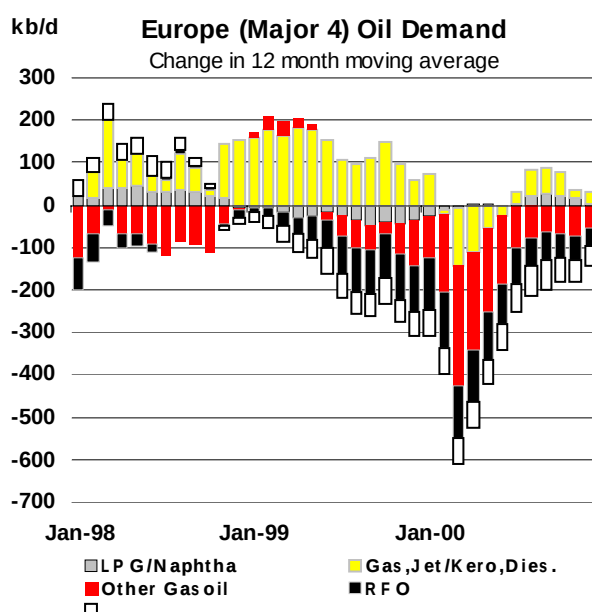
Economists view Japan as not yet capable of sustainable growth, despite years of fiscal and economic stimulus programs. They note that the economy and stock market remain weak, and that the trade surplus was shrinking even before the US slowdown. The banking sector continues to be a particular concern.



When Korea bounced back both quickly and strongly from the Asian crisis, efforts to reform the economy, particularly the chaebols and the banks, were cut short. But it now seems that much of 1999's growth spurt was an inventory correction, and slowing growth may make it increasingly apparent that fundamental problems remain. Korea's exports, too, are at risk as the US slows. After the Asian crisis, Korea refocused its export efforts to reduce exposure to Asia, increasing the percentage of its exports targeted instead at the US; this shift in strategy may backfire later this year. Anecdotal evidence suggests that Korean exports remain relatively solid for now; residual fuel oil stocks are being drawn down sharply despite extremely high refinery runs, implying strong demand for marine bunker fuel.

OECD Europe

The assessment of European demand in 2000 and 2001 continues to fall. Demand in 2000 is now estimated to have averaged 15 mb/d, 285 kb/d short of its recent 1998 peak, with higher oil prices, unseasonably warm winters, and heavy fuel oil's losses to natural gas the primary factors. Growth of 205 kb/d is expected this year, with gasoil for heating bouncing back if winter is normally cold.



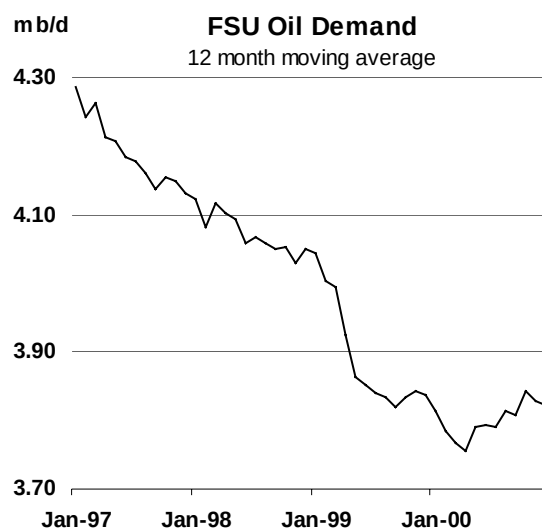
Fuel oil demand, which touched 2.2 mb/d in 1998, had been forced down to an estimated 1.95 mb/d last year, continuing the trend of losses as electricity liberalisation and restructuring proceeds. Heavy fuel oil demand lost 70 kb/d in Italy in 1999 and an estimated 40 kb/d in 2000; former power monopoly ENEL has been contracting for increasing volumes of LNG, and generating capacity is being sold with the proviso that it be run on natural gas rather than fuel oil.

Non-OECD

Former Soviet Union

The estimates of FSU domestic consumption have increased slightly, rising with estimates of domestic production. The figures now show a 5% increase in December deliveries and a 2% increase in January. FSU deliveries are estimated to have averaged 3.5 mb/d for 2000, 250 kb/d less than the difference between domestic production and current figures for net exports; export figures tend to be revised up substantially over time.

This winter has been marked by shortages of natural gas, fuel oil and electricity in the Eastern regions. Although annual FSU demand declines have fallen from 1992-94's average 1.2 mb/d to just 0.2 mb/d for 1995-99, with the annual losses declining as restructuring proceeded, it is too soon to call a turning point; restructuring continues. And the minimal protection afforded the domestic market by export quotas is likely to lessen, given IMF pressures and Russian President Putin's dismissal of Energy Minister Gavrin, whose ministry had defended the quota system. FSU oil deliveries are expected to contract 50 kb/d this year as the region continues to reduce its reliance on oil.



China

November statistics imply that deliveries of petroleum products in China averaged 5 mb/d, just 3% more than a year earlier. Deliveries have been between 4.9 and 5.1 mb/d since July, with buying strong as oil prices climbed and in advance of the Chinese New Year. Chinese buying is widely said to have cooled in December and January, with some observers blaming high prices. Deliveries should pick back up to 5 mb/d when the spring cultivation season begins in March.

Last year, diesel was the strongest product in the complex. For the eleven months through November 2000, the apparent demand for petroleum products in China was 345 kb/d higher than a year earlier, with 135 kb/d of the increase diesel, 80 kb/d each gasoline and naphtha, and 65 kb/d LPG. LPG demand growth is associated with the switching away from traditional biomass fuels to improve air quality.

Chinese demand is anticipated to average 5.0 mb/d this year, 240 kb/d or 5% more than in 2000. Demand is not likely to be restrained by the again-proposed fuel tax, imposition of which will be delayed until the tax can be imposed without increasing end-user prices; but the Chinese economy and the strength of global demand for Chinese exports remains a concern. If China's oil demand should falter, this would be bad news to the oil markets, as China is a major importer.

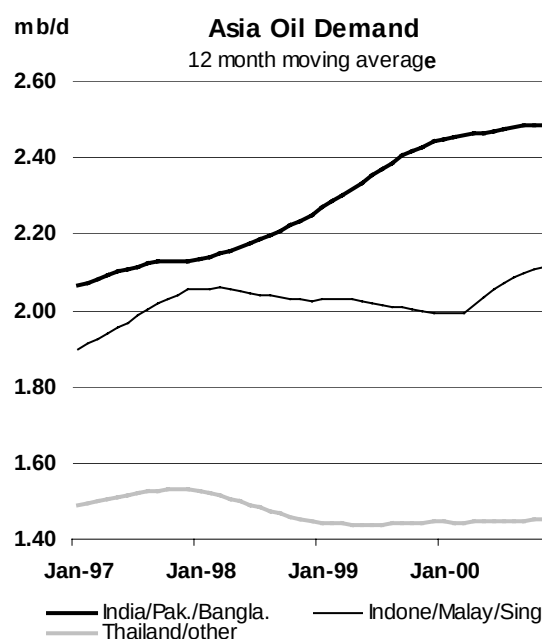
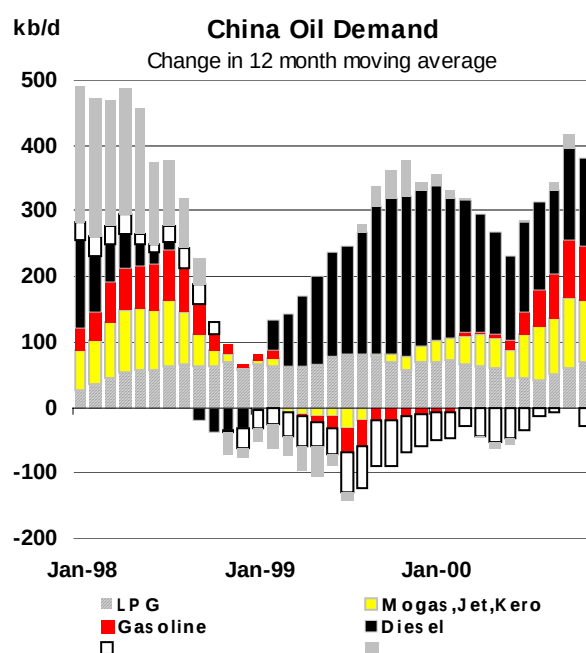
China - Crude Oil and Product Trade
(thousand barrels per day)

	kb/d			Latest Month vs	
	Nov 00	Oct 00	Nov 99	Oct 00	Nov 99
Crude Imports	1585	1397	896	187	688
Crude Exports	197	171	100	26	97
Net Crude Imports	1388	1227	796	161	592
Total Net Imports	1784	1471	1262	313	522
Net Product Imports					
LPG	167	135	188	32	-21
Naphtha	-21	-16	-8	-5	-13
Gasoline	-101	-72	-106	-29	4
Kerosene	41	6	33	35	8
Diesel	-8	-10	-8	2	-1
RFO	97	132	312	-35	-215
Other Products	222	70	54	152	168
Total Products	397	245	466	152	-69

Chinese refinery runs were cut for the second month in succession since July's record-high 4.06 mb/d, falling to a still-high 3.82 mb/d in November. But crude imports rose 187 kb/d from October, essentially all Omani crude. At the same time, Chinese refiners backed off on high-distillate-yield crudes, cutting back imports of Angolan, Nigerian and North Sea by a combined 260 kb/d, and increasing imports of heavier Iranian, Kuwaiti and Saudi crude by 175 kb/d. A return to China's normal net crude exports of about 200 kb/d meant incremental volumes for Indonesia and Korea. And the cutback in refinery runs made necessary increased imports of lower-valued "other products".

India

Last month's Report showed Indian figures for October and November; no new demand, refining, or trade figures are yet available. The main development in the meantime has been the devastating earthquake that occurred 26 January in Gujarat, killing tens of thousands and causing widespread damage to the infrastructure. The quake caused significant damage to the port of Kandla and an oil spill; Gujarat refineries and a product pipeline were shut down for days, limiting product supply. Though relief and reconstruction will help begin restoring the economy, the net effect is likely to be a loss. The estimate of Indian oil demand in 2001 is now 2.14 mb/d.



Other Non-OECD

Statistics received for non-OECD countries since the last Report was issued show wide-scattered weakness. Romanian statistics, which had been showing year-on-year demand growth through September, turned abruptly into declines in October and September; Thai oil demand slipped from growth to contractions of 2% and 5% in the second and third quarters; and South African products posted a 3% decline in the fourth quarter, twice the losses of the previous two quarters. In Colombia, demand's contraction steepened from 1-2% in the first and second quarters to 5% by the third.

High crude prices are one factor limiting oil demand in non-OECD countries, but another is the increasing use of natural gas at an earlier-than-usual stage of economic development, despite the costs of establishing a natural gas infrastructure. In Thailand, for example, the National Energy Policy Office forecast that Thai oil demand would be flat in 2001 even if GDP grew 4%, with increases in gasoline and diesel offset by fuel switching for power generation from residual fuel oil to natural gas. Thailand is a natural gas producer and also buys gas from Myanmar under long-term contracts.

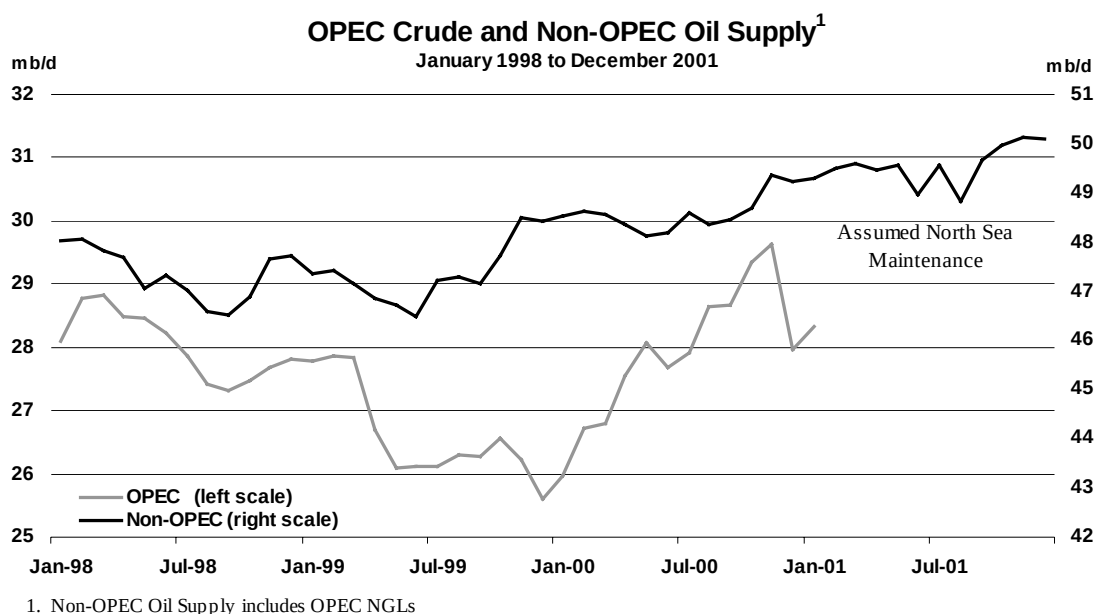
Summary of Global Oil Demand

	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
Demand (mb/d)																
North America	23.13	23.58	23.51	24.15	24.27	23.88	23.59	23.73	24.34	24.41	24.02	24.26	23.90	24.53	24.80	24.37
Europe	15.28	15.77	14.36	14.68	15.65	15.12	15.07	14.51	15.02	15.36	14.99	15.33	14.64	15.12	15.70	15.20
Pacific	8.41	9.40	7.86	8.16	9.10	8.63	9.28	8.03	8.29	8.84	8.61	9.51	8.07	8.37	9.07	8.76
Total OECD	46.82	48.75	45.73	46.99	49.01	47.62	47.95	46.27	47.65	48.62	47.62	49.10	46.61	48.02	49.57	48.33
FSU	3.73	3.62	3.28	3.43	3.65	3.50	3.55	3.41	3.47	3.68	3.53	3.66	3.41	3.34	3.52	3.48
Europe	0.76	0.80	0.74	0.69	0.74	0.74	0.81	0.75	0.69	0.75	0.75	0.82	0.76	0.70	0.76	0.76
China	4.19	4.38	4.61	4.33	4.61	4.48	4.73	4.55	5.05	4.84	4.79	4.85	4.98	5.02	5.28	5.03
Other Asia	6.75	6.98	7.08	7.05	7.10	7.05	7.10	7.30	7.28	7.27	7.24	7.41	7.50	7.51	7.61	7.51
Latin America	4.76	4.64	4.79	4.87	4.83	4.78	4.67	4.85	4.89	4.89	4.82	4.79	4.97	5.01	5.02	4.94
Middle East	4.17	4.27	4.36	4.37	4.18	4.30	4.27	4.42	4.54	4.35	4.40	4.44	4.60	4.72	4.52	4.57
Africa	2.35	2.32	2.31	2.32	2.36	2.33	2.37	2.32	2.32	2.35	2.34	2.40	2.35	2.38	2.42	2.39
Total Non-OECD	26.70	27.01	27.18	27.06	27.48	27.18	27.51	27.59	28.24	28.14	27.87	28.36	28.57	28.69	29.12	28.68
World	73.52	75.76	72.91	74.05	76.49	74.80	75.45	73.86	75.89	76.76	75.49	77.46	75.18	76.71	78.69	77.01
of which:																
US	18.92	19.21	19.22	19.80	19.83	19.52	19.11	19.29	19.82	19.83	19.52	19.72	19.41	19.94	20.16	19.81
Euro 4	8.67	8.96	7.89	8.21	8.76	8.45	8.37	7.99	8.35	8.44	8.29	8.51	7.99	8.33	8.64	8.37
Japan	5.52	6.17	5.02	5.24	5.86	5.57	5.98	4.98	5.38	5.62	5.49	6.08	5.01	5.36	5.69	5.53
Korea	1.92	2.26	1.85	1.94	2.20	2.06	2.31	2.04	1.93	2.18	2.12	2.43	2.04	2.03	2.31	2.20
Mexico	1.95	2.05	1.98	1.96	2.01	2.00	2.06	2.06	2.05	2.02	2.05	2.09	2.08	2.08	2.06	2.08
Canada	1.98	2.00	2.03	2.09	2.12	2.06	2.10	2.09	2.16	2.25	2.15	2.12	2.10	2.20	2.25	2.17
Brazil	2.08	2.02	2.09	2.14	2.14	2.10	2.02	2.12	2.18	2.21	2.13	2.18	2.24	2.28	2.20	2.20
India	1.84	2.04	2.00	1.94	2.01	2.00	2.09	2.04	1.99	2.07	2.05	2.16	2.10	2.18	2.16	2.14
Annual Change (% per annum)																
North America	1.9	4.1	2.3	3.0	3.7	3.2	0.1	0.9	0.8	0.6	0.6	2.8	0.7	0.8	1.6	1.5
Europe	1.8	2.5	-2.2	-3.3	-1.4	-1.1	-4.4	1.0	2.3	-1.8	-0.8	1.7	0.8	0.7	2.2	1.4
Pacific	-6.0	2.5	1.6	2.6	3.5	2.6	-1.3	2.1	1.6	-2.8	-0.2	2.5	0.6	1.0	2.6	1.7
Total OECD	0.3	3.3	0.7	0.9	2.0	1.7	-1.6	1.2	1.4	-0.8	0.0	2.4	0.7	0.8	2.0	1.5
FSU	-1.6	-7.5	-10.3	-4.1	-3.0	-6.2	-1.9	4.0	1.0	0.7	0.9	2.8	0.1	-3.6	-4.4	-1.3
Europe	-2.8	-2.2	-2.4	-2.5	-2.5	-2.4	1.1	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
China	-0.4	9.7	10.7	6.7	1.7	7.0	8.1	-1.4	16.6	5.1	6.9	2.6	9.6	-0.6	9.1	5.1
Other Asia	1.1	6.2	5.2	4.9	2.0	4.5	1.7	3.1	3.3	2.4	2.6	4.4	2.7	3.1	4.6	3.7
Latin America	0.6	1.5	-0.5	-0.4	1.0	0.4	0.6	1.1	0.4	1.4	0.9	2.5	2.5	2.5	2.5	2.5
Middle East	4.5	4.8	4.3	1.3	1.9	3.1	0.2	1.5	3.8	4.0	2.3	3.8	3.9	4.0	3.9	3.9
Africa	2.9	-1.4	-0.9	2.2	-2.8	-0.7	2.1	0.1	0.1	-0.4	0.5	1.3	1.6	2.9	2.9	2.2
Total Non-OECD	0.9	2.7	2.0	2.0	0.5	1.8	1.9	1.5	4.4	2.4	2.5	3.1	3.5	1.6	3.5	2.9
World	0.5	3.1	1.2	1.3	1.5	1.7	-0.4	1.3	2.5	0.4	0.9	2.7	1.8	1.1	2.5	2.0
Annual Change (mb/d)																
North America	0.42	0.93	0.52	0.69	0.86	0.75	0.02	0.22	0.19	0.14	0.14	0.67	0.17	0.19	0.39	0.35
Europe	0.27	0.39	-0.32	-0.49	-0.22	-0.16	-0.70	0.15	0.33	-0.28	-0.12	0.26	0.12	0.10	0.34	0.21
Pacific	-0.54	0.23	0.12	0.21	0.31	0.22	-0.12	0.17	0.13	-0.25	-0.02	0.23	0.05	0.08	0.23	0.15
Total OECD	0.15	1.55	0.32	0.40	0.96	0.80	-0.80	0.54	0.66	-0.39	0.00	1.16	0.34	0.38	0.95	0.70
FSU	-0.06	-0.29	-0.38	-0.15	-0.11	-0.23	-0.07	0.13	0.03	0.02	0.03	0.10	0.00	-0.13	-0.16	-0.05
Europe	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
China	-0.02	0.39	0.45	0.27	0.08	0.29	0.35	-0.07	0.72	0.23	0.31	0.12	0.44	-0.03	0.44	0.24
Other Asia	0.07	0.41	0.35	0.33	0.14	0.31	0.12	0.22	0.23	0.17	0.18	0.31	0.19	0.23	0.33	0.27
Latin America	0.03	0.07	-0.02	-0.02	0.05	0.02	0.03	0.05	0.02	0.07	0.04	0.12	0.12	0.12	0.12	0.12
Middle East	0.18	0.20	0.18	0.06	0.08	0.13	0.01	0.06	0.17	0.17	0.10	0.16	0.17	0.18	0.17	0.17
Africa	0.07	-0.03	-0.02	0.05	-0.07	-0.02	0.05	0.00	0.00	-0.01	0.01	0.03	0.04	0.07	0.07	0.05
Total Non-OECD	0.25	0.72	0.53	0.52	0.15	0.48	0.50	0.41	1.18	0.66	0.69	0.85	0.98	0.45	0.98	0.82
World	0.40	2.26	0.85	0.93	1.11	1.28	-0.30	0.95	1.84	0.27	0.69	2.01	1.32	0.83	1.93	1.52
Changes from Last Month's Report																
North America	-	-	-	-0.01	-	-	-	-	0.03	-0.20	-0.04	0.18	-0.17	-0.15	-0.25	-0.10
Europe	-	-	-	-	-	-	-	-	0.01	-0.33	-0.08	-0.03	-0.02	-0.01	-0.21	-0.07
Pacific	-	-	-	-	-	-	-	-	-	-0.04	-0.01	-0.09	-0.03	-0.03	-0.11	-0.06
Total OECD	-	-	-	-0.01	-	-	-	-	0.04	-0.57	-0.13	0.07	-0.23	-0.19	-0.56	-0.23
FSU	-	-	-	-	-	-	0.04	0.03	0.03	0.03	0.03	0.05	0.05	0.05	0.05	0.05
Europe	-	-	-	-	-	-	-	-	-	-0.01	-	-	-	0.00	-0.01	-
China	-	-	-	-	-	-	-	-	-	-	-	-0.04	0.01	0.01	-0.01	-0.01
Other Asia	-	-	-	-	-	-	0.01	0.04	0.02	-0.03	0.01	0.04	-0.06	-0.03	-0.03	-0.02
Latin America	-	-	-	-	0.00	-	-0.01	-0.01	-	-0.01	-0.01	-0.03	-0.03	-0.02	-0.02	-0.02
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-0.02	-0.01	0.01	-	-	-0.02	-
Total Non-OECD	-	-	-	-	0.00	-	0.04	0.07	0.04	-0.02	0.03	0.03	-0.02	-	-0.05	-0.01
World	-	-	-	-0.01	0.00	-	0.04	0.07	0.08	-0.59	-0.10	0.10	-0.25	-0.19	-0.61	-0.24

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 77.85 mb/d in January, an increase of 480 kb/d from December. OPEC crude supply rose by 350 kb/d, while non-OPEC output gained 80 kb/d. OPEC NGLs production was also higher.
- OPEC crude supply**, including Iraq, increased to 28.33 mb/d in January, compared to an upwardly-revised 27.98 mb/d for December. The gain was driven by **Iraq**, where output was 380 kb/d higher. Iraqi oil-for-food exports were up by 520 kb/d, but this was partly offset by an apparent lack of exports to Syria during January. **Excluding Iraq**, OPEC production averaged 26.63 mb/d, a modest decline of 30 kb/d from December. OPEC ministers met in Vienna on 17 January and reduced the production target for OPEC excluding Iraq by 1.5 mb/d, from 26.7 mb/d to 25.2 mb/d, with effect from 1 February.
- Non-OPEC oil supply** rose to 46.56 mb/d in January. **OECD** output was 100 kb/d higher, driven by North America. US production increased, as NGLs supply is estimated to have begun to recover from a low point in December. Mexican crude output is also assumed to have gained, building on December's growth. North Sea production declined, due to storms in Norway. **Non-OECD** oil production was 70 kb/d lower. Brazilian output fell back from record-levels the previous month, due to planned maintenance. Russian supply was lower because of the planned winter shutdown of the Sakhalin 2 field.
- The **"call on OPEC crude plus stock change"** for the first and second quarters of 2001 stands at 27.8 mb/d and 25.7 mb/d. The first quarter "call" has been revised upwards by 0.3 mb/d, while the second quarter "call" has been revised downwards by 0.2 mb/d. The "call" for all of 2001 has been reduced by 0.2 mb/d, to 27.3 mb/d. Global demand in 2001 was lowered by 0.3 mb/d, while non-OPEC supply was reduced by 0.1 mb/d.



All world oil supply figures for January discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary January crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 100 kb/d and 300 kb/d for non-OPEC supply each year.

Non-OPEC Outlook

Non-OPEC supply is estimated at 45.9 mb/d in 2000 and 46.7 mb/d in 2001, for year-on-year gains of 1.2 mb/d and 0.9 mb/d, respectively. In 4Q00, non-OPEC production averaged 46.4 mb/d, representing growth of 0.6 mb/d over 3Q00. This year, the forecast calls for growth in 1Q01, to 46.7 mb/d. Output is expected to drop to 46.5 mb/d in both 2Q01 and 3Q01, pulled down by North Sea maintenance and other seasonal patterns. Finally, a typical late-year surge is anticipated for 4Q01, with supply rising by 0.7 mb/d to 47.2 mb/d.

Focusing on annual growth, more than 70% of the expected 870 kb/d gain comes from only two countries/regions: the **Former Soviet Union (FSU)** and **Mexico**. An FSU increase of 385 kb/d will be driven by Russia (+270 kb/d), due to strong upstream capital investment, and by Kazakhstan (+90 kb/d), due to higher output from the Tengiz field. In Mexico, production is expected to be 265 kb/d higher, as expanding capacity at the offshore Cantarell field is utilised.

Other large gains are expected in **Brazil**, where the deepwater Roncador and Marlim fields will drive an increase of 165 kb/d. Smaller, but still significant, increments of 75 kb/d are forecast for both **Canada** and **Equatorial Guinea**. In Canada, growth is expected in synthetic crude, bitumen, and in offshore output, from the Terra Nova, which is due onstream mid-year. These will more than offset declines in output of light crude and of NGLs. The gains in Equatorial Guinea will come on the back of the recently started-up Ceiba field. Elsewhere, higher production is expected in **Oman** (+45 kb/d), due to three southern fields that started up last year, and to higher condensate supply. **Vietnamese** output is forecast to grow by 25 kb/d.

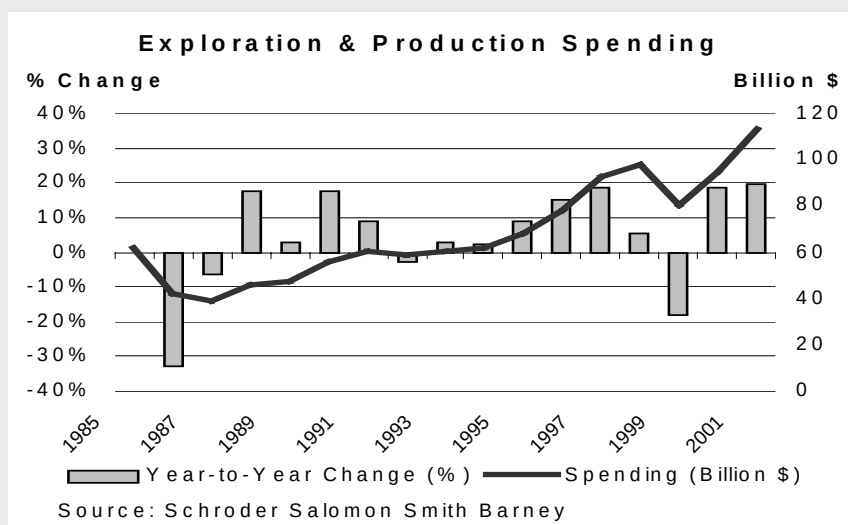
A modest overall increase of 20 kb/d in **US** production masks sharp growth of 175 kb/d in the Gulf of Mexico, where new and growing deepwater fields more than offset steadily declining old shallow water fields. Almost all of the Gulf of Mexico gains will be negated by decreases in Alaska (despite the new Alpine field), Texas, California, the other "lower 48" states, and in NGLs and "other" (non-conventional) supply. In the North Sea, **Norwegian** output is forecast to be flat, while **UK** production is expected to fall by 85 kb/d, with mature fields continuing to decline. Other decreases are expected in Australia, China, Colombia, Argentina, Egypt, Gabon, and Syria, with figures available in Tables 4 and 4A at the back of this Report.

A year-on-year increase of 50 kb/d in global refinery processing gains is included in the aggregate non-OPEC growth figures cited above. OPEC non-crude output, including NGLs, condensate, and non-conventional oil, is not included in the figures. This category of supply is forecast to grow by 115 kb/d in 2001.

Exploration and Production Spending in 2001

As previously noted when discussing the 2001 production outlook, a key assumption has been strong oil-directed upstream spending for the year. Surveys of companies' spending plans for 2001, released in December 2000, confirm this. One of the surveys was conducted by investment bank Schroder Salomon Smith Barney. Those results are shown in the graph and discussed here.

Worldwide upstream spending on oil and gas for the surveyed companies is projected to increase by a healthy 19.7% this year, following an 18.5% gain in 2000. Assuming that the plans are implemented, spending will have returned, after the 1998 price crash, to its 1998 peak in only three years. This is twice as fast as the aftermath of the 1986 price crash, when spending did not return to 1985 levels until 1991, six years later. In 1986, the cuts were immediate, while in 1998, spending still went up, with the cuts actually lagging the crash by a year.



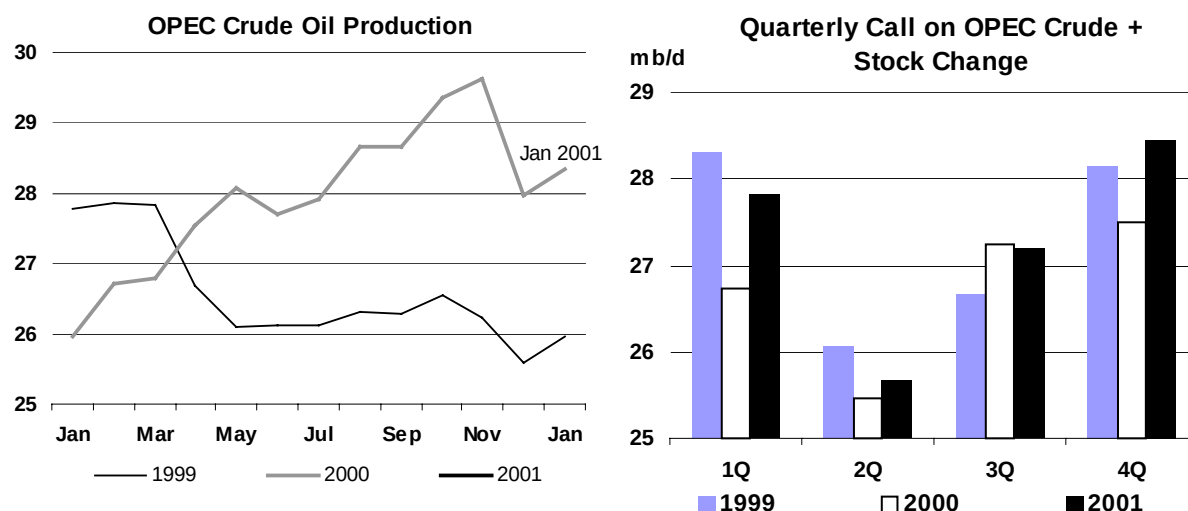
Although the overall spending growth in 2000 and 2001 is similar, there is an important difference in the geographic distribution. Last year's rise was heavily weighted towards North America (the US and Canada) and towards gas, driven by the tight gas markets there. North American spending was up 40.5%, with spending in the rest of the world rising only 8.2%. This year, North American spending is expected to gain 19.1%, with spending elsewhere planned to grow by 20.1%. This implies more oil-directed spending in the world in 2001, a positive factor for supply.

Hand-in-hand with a return to 1997-1998 spending, 2001 and probably 2002 may well see a return to the tight markets for rigs and other oilfield services and equipment experienced in 1997-1998. This is expected to happen first -- and have the greatest impact -- in North America, where oilfield services are already at high capacity utilisation rates. With the services sector tightening, some of the 2001 spending gains will go towards higher prices (such as rig day rates) rather than higher activity (such as rig counts). Oilfield service personnel may also be in short supply.

Other industry issues and concerns highlighted by the survey include: a scarcity of attractive drilling prospects in North America; a short-term spending focus on exploration, rather than development, outside North America; and a continuing shift towards offshore, rather than onshore, activity. The focus this year on exploration, rather than development, is expected to be temporary. A significant number of large and mostly offshore development projects are expected to be given a firm go-ahead this year, with the bulk of the spending to take place in 2002 and beyond.

OPEC

Preliminary estimates indicate that January OPEC crude supply, including Iraq, averaged 28.33 mb/d, an increase of 350 kb/d from the upwardly-revised December figure of 27.98 mb/d. Excluding Iraq, output averaged 26.63 mb/d, 70 kb/d below OPEC's January target of 26.70 mb/d.



Higher **Iraqi** output in January drove the overall OPEC increase. Iraqi supply increased by 380 kb/d to 1.70 mb/d, comprised of 1.05 mb/d of exports under the UN "oil-for-food" programme and 650 kb/d produced for domestic consumption and border trade. Based on UN data through 26 January and IEA estimates for the remainder of the month, oil-for-food exports were twice as high as in December. By the week of 20-26 January, flows from both Mina al-Bakr and Ceyhan had reached 1.8 mb/d, only 400-500 kb/d below the peaks seen last autumn.

The Iraqi situation is still not entirely clear, and various factors appear to be behind the recovery. Although exceptions are being made, the Iraqi government is still asking for a surcharge to be paid into an Iraqi-controlled account. However, the fee has been reduced from 40 cents per barrel to 25-30 cents per barrel, depending on crude grade and destination. In addition, some of the super-major and major international oil companies, including ExxonMobil, BP, and Texaco, have been widely reported to have purchased Iraqi cargoes from primary or secondary buyers. These reports may have encouraged others to buy Iraqi crude. The companies have said that because the UN has approved the Iraqi price formulas and the contracts signed by the primary buyers, there is no reason not to buy Iraqi crude. Moreover, they state that they have received certification from the primary buyers that no illegal surcharges were paid.

OPEC Crude Production

(thousand barrels per day)

	01 Nov 2000 Targets	Cuts	01 Feb 2001 Targets
Algeria	853	48	805
Indonesia	1385	78	1307
Iran	3917	219	3698
Kuwait	2141	120	2021
Libya	1431	81	1350
Nigeria	2198	123	2075
Qatar	692	39	653
Saudi Arabia	8675	486	8189
UAE	2333	132	2201
Venezuela	3077	174	2903
Total	26700	1500	25200

The January estimate of 650 kb/d produced in Iraq for domestic consumption and border trade is 140 kb/d lower than the December estimate. Published figures for Syrian exports show that, in contrast to December, January volumes dropped back to normal. This indicates that Iraqi crude did not flow to Syria during the month, and did not free up extra Syrian domestic production for export. Trade press reports indicated that after December, there were problems at pump stations on the Iraq-Syria pipeline, which may have been the reason for the apparent lack of Iraqi exports to Syria in January. Early reports on Syrian export loading schedules for February show an increase of 150 kb/d, meaning that Iraq may be planning to ship that much to Syria during the month.

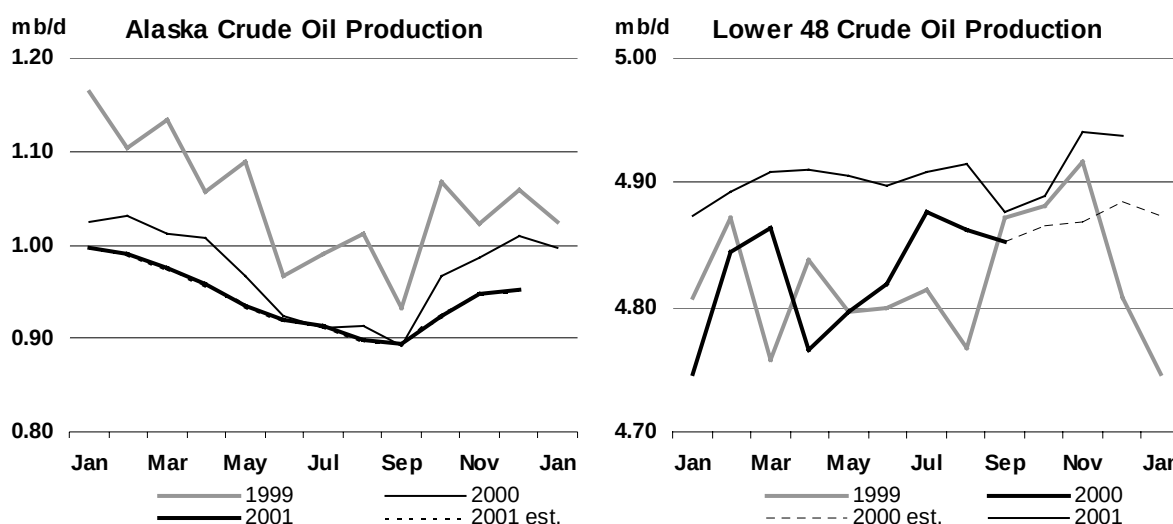
Crude supply from OPEC excluding Iraq fell by 30 kb/d. The major reduction was from **Saudi Arabia**, where supply dropped by 50 kb/d. Following a peak in November, it was the second straight month of lower supply from Saudi Arabia, in advance of larger cuts expected in February. OPEC ministers met in Vienna on 17 January and, in a widely anticipated move, decided to reduce the crude production target for OPEC excluding Iraq by 1.5 mb/d, from 26.7 mb/d to 25.2 mb/d. The new target took effect on 1 February. The country details of the production cuts are shown on the table. Soon after the OPEC meeting -- and in the case of Saudi Aramco, even before the meeting -- OPEC state companies informed customers of lower volumes to be shipped in February. Iran, Kuwait and the UAE also sent notifications.

December OPEC crude production has been revised upwards by 120 kb/d, from 27.86 mb/d to 27.98 mb/d. Supply from Iran and Saudi Arabia was increased by 70 kb/d and 50 kb/d, respectively.

OECD

North America

US - January - Alaska actual, other estimate: US crude supply is estimated to have averaged 5.87 mb/d in January, down 23 kb/d from the previous month. Alaskan output fell by 14 kb/d. Despite some technical problems early in the month, production at the new Alpine field increased from 55 kb/d in December to 67 kb/d in January. However, the growth at Alpine was more than offset by declines at Prudhoe Bay and Kuparuk.

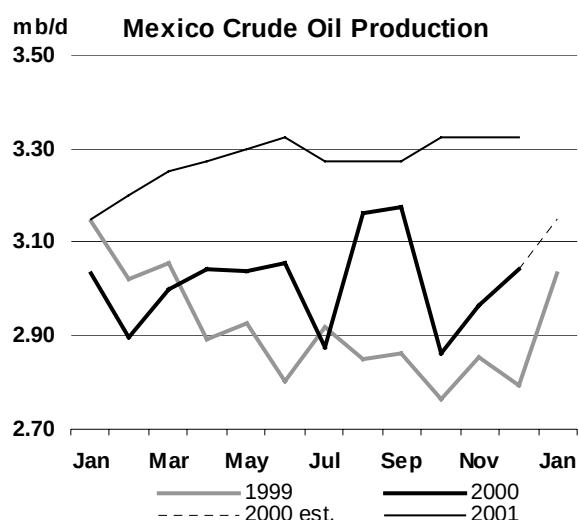
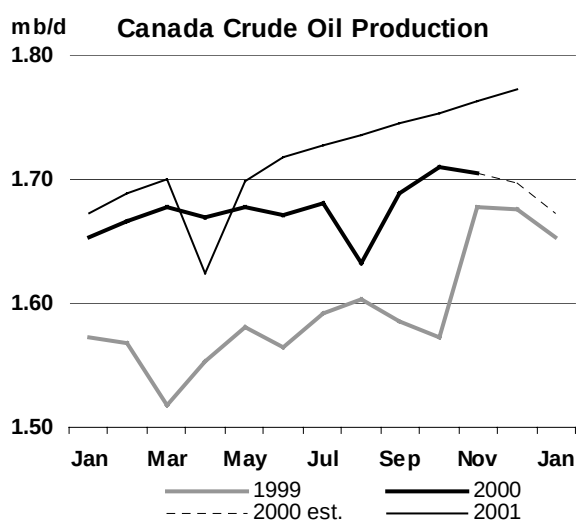


In California, supply is estimated to have fallen by 32 kb/d, due to shut-ins at some heavy crude fields that depend on steam injection. Gas is burned to heat the steam, and high gas prices have made steam injection uneconomic at some fields. Wide light-heavy differentials have also been a factor. Although gas prices started to ease in January, heavy crude producers often react slowly, because there are costs associated with interruptions in steam injection programmes. The impact is forecast to be less in February. Other onshore crude output in the US is thought to have declined slightly. In contrast, production in the Gulf of Mexico is estimated to have gained 30 kb/d, due to growing output from deepwater fields. The 13 kb/d Hickory field came onstream in December.

After averaging 1.88 mb/d in November, US NGLs production is estimated to have fallen to 1.64 mb/d in December (-235 kb/d) and partly recovered to 1.72 mb/d in January (+78 kb/d). A combination of surging gas prices and falling oil prices made it more attractive for some natural gas processing plants, particularly on the US Gulf Coast, to leave more propane, ethane, butane and other components in the gas stream, selling "wetter" gas, and reducing output of liquids. Most of the impact is thought to have been in propane. Out of November NGLs output of 1.88 mb/d, around 1.10 mb/d was propane, of which 715 kb/d came from the Gulf Coast (PADD III). The US EIA estimated that in December, PADD III propane output was cut by a third, hence the 235 kb/d impact estimated in this Report. As mentioned above, gas prices started to fall in January, while oil prices recovered, so the economics favoured a rebound in NGLs output, which is expected to continue in February and March.

Canada - November actual, December and January estimates: Canadian crude production was steady at 1.71 mb/d in November. Bitumen output in Alberta gained 20 kb/d, but this was offset by a fall in supply of the same amount from the offshore Hibernia field. In December, bitumen output fell back, and Hibernia production recovered somewhat, and total crude supply is estimated to have declined by 10 kb/d to 1.70 mb/d. January crude output was down by another 30 kb/d to 1.67 mb/d. Heavy crude production in Western Canada, which also depends on steam injection, is thought to have been affected in the same manner as California. Petro-Canada, one of the partners in the Hibernia field, advised investors that the field would not produce in 2001 at the widely anticipated level of 180 kb/d. Rather, output was expected to average 144 kb/d, the same as in 2000.

Synthetic crude production rose by 57 kb/d to 323 kb/d in November, as output from the Syncrude facility recovered from heavy maintenance and repairs in October. Total synthetics supply continued to be restrained in December and January, at 325 kb/d and 330 kb/d. At the Syncrude plant, some maintenance work continued, while Suncor's operations were adversely affected by very cold weather in December. As in the US, estimated Canadian NGLs output was also reduced, from 727 kb/d in November to 680 kb/d in both December and January.



Mexico - December actual, January estimate: In December, Mexican crude production rose by 78 kb/d to 3.04 mb/d. Despite the increase, supply was still more than 100 kb/d lower than the 3.16-3.17 mb/d seen in August and September. Since then, output has been affected by a combination of bad weather, technical problems at the Cantarell field complex and work on the nitrogen-injection project there, which is increasing production capacity. December crude exports increased by 52 kb/d to 1.75 mb/d. Crude production in January is estimated to have increased to 3.15 mb/d.

Following OPEC's decision to cut crude production, Mexico announced on 25 January that, as of 1 February, it would hold crude exports at the December level of 1.75 mb/d. In doing so, Mexico appears to have tried to strike a balance between co-operating with OPEC and maintaining crude exports to the US, its key trading partner. The new target is 75 kb/d lower than the 1.825 mb/d figure contained in Mexico's 2001 budget and 195 kb/d lower than the 1.945 mb/d target set last October. However, both of those levels exist only on paper and were never achieved last year. On a quarterly basis, only 3Q00 exports of 1.73 mb/d came close to Mexico's new target. Annual average crude exports were 1.65 mb/d in 2000.

North Sea

UK - November actual, December and January estimates: UK offshore crude production in November grew by 59 kb/d to 2.33 mb/d. Forties System output gained, as the Andrew/Cyrus development recovered from October maintenance and production from the Eastern Trough Area Project (ETAP) returned to normal. Supply from the

North Sea Oil Production Outlook

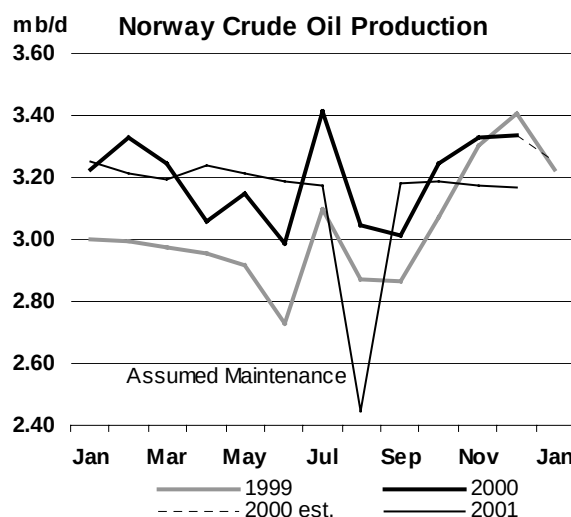
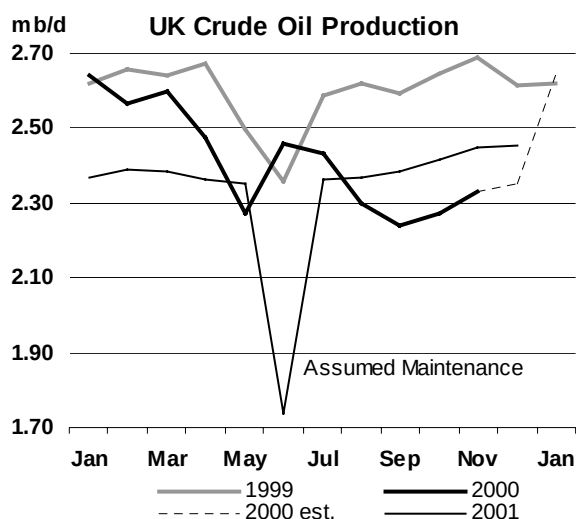
January - June 2001
(thousand barrels per day)

	Jan 01	Feb 01	Mar 01	Apr 01	May 01	Jun 01
UK	2631	2641	2637	2593	2563	1925
Norway	3425	3385	3370	3420	3398	3373
Denmark	385	384	381	379	377	375
Other*	38	37	37	37	36	36
Total	6478	6447	6425	6429	6374	5709

* offshore Netherlands and offshore Germany

Douglas/Lennox fields at Liverpool Bay also rebounded strongly from planned maintenance the previous month. On the negative side, production from Foinaven and Schiehallion, the two West of Shetlands fields, fell by a combined 26 kb/d in November.

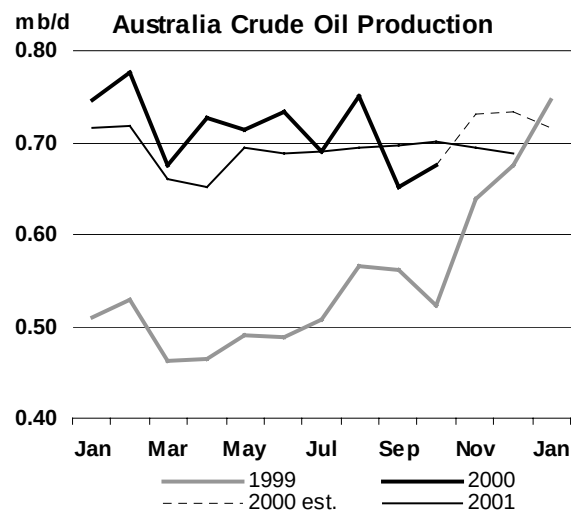
Offshore crude output in December and January is estimated to have increased modestly, to 2.35 mb/d and 2.37 mb/d, respectively. Forties System supply strengthened again in December, while the gains in January were broadly based. In late January, the operator of the Shearwater field said that it was expected to resume production in the spring. After coming onstream in September, technical problems forced a shutdown in early November. The field, which has a planned plateau of 90 kb/d, had reached output of 30 kb/d. Other industry sources reportedly said that Shearwater output might not resume until July.



Norway - December actual, January estimate: December crude production averaged 3.34 mb/d, up slightly from 3.33 mb/d the previous month. The month was generally uneventful. Increases in the Ekofisk-Ula and Statfjord-Gullfaks Areas were slightly higher than decreases in the Oseberg-Troll and Haltenbanken Areas. In January, crude output is estimated to have fallen by 83 kb/d to 3.25 mb/d. Most of the decline was in Statfjord-Gullfaks Area fields, where bad weather caused interruptions in tanker loadings and production during the last ten days of the month.

Pacific

Australia - January estimate: Australian crude production is estimated to have fallen by 17 kb/d to 716 kb/d in January. Most of the output declines were from fields in the Carnarvon Basin. Late in the month, preventive shutdowns took place at the Wanaea/Cossack development and at the Griffin field, due to Tropical Cyclone Terri. In addition, the Stag field was down for a week for routine planned maintenance.

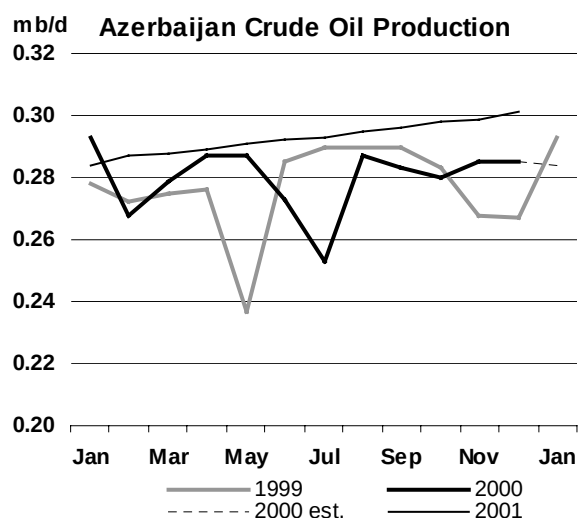
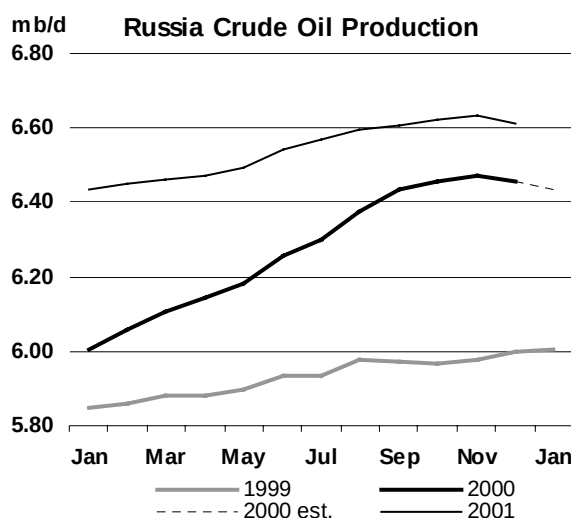


Former Soviet Union (FSU)

Production

Russia - December actual, January estimate: Russian crude production fell by 14 kb/d in December to 6.46 mb/d. The decline was caused by the mid-month shutdown of the Sakhalin 2 project in the Russian Far East. The offshore field does not operate during the six winter months, because bad weather and icebergs prevent shuttle tankers from offloading the platform and shipping the crude to market. For the month of December as a whole, Sakhalin 2 output averaged 28 kb/d, a decrease of 31 kb/d from November. Elsewhere in December, Yukos supply continued to grow, gaining 15 kb/d, while other Russian production remained flat. Russian output is estimated to have dropped by 25 kb/d in January, with Sakhalin 2 down for the entire month. During the month, reports

indicated that storage at Russian refineries was full, and the Russian majors said that unless they were allowed to increase crude exports, they would have to shut down some production.



Azerbaijan - December actual, January estimate: December crude production in Azerbaijan was flat at 285 kb/d, 181 kb/d from Socar-operated fields and 105 kb/d from the Chirag field. The Azerbaijan International Operating Company, operator of Chirag, stated that its 2001 production target for the field was 130 kb/d, up from an average of 103 kb/d last year. The forecast in this Report is, at this point, somewhat more conservative.

Net Exports

Net FSU exports in January rose by 120 kb/d to 4.20 mb/d. The gain was essentially due to seaborne exports from the Black Sea, despite reported weather problems. The re-opening of two berths at Novorossiysk early in the month, following reconstruction work, may have helped to offset the bad weather, by making additional loadings possible during the periods of good weather. The berths are primarily used for product shipments.

2000 Net FSU Exports
(million barrels per day)

	2000	1Q00	2Q00	3Q00	4Q00	Oct 00	Nov 00	Dec 00 ^r	Jan 01 ^p
Black Sea Exports ¹	1.79	1.62	1.82	1.96	1.77	1.71	1.96	1.65	1.78
Baltic Sea Exports	1.26	1.28	1.33	1.34	1.08	1.06	0.98	1.19	1.20
Total Seaborne	3.05	2.90	3.15	3.30	2.85	2.77	2.95	2.84	2.98
Druzhba Pipeline ²	1.03	1.02	1.02	1.02	1.08	0.99	1.08	1.17	1.17
Other	0.11	0.07	0.09	0.15	0.13	0.16	0.14	0.09	0.06
Total Exports	4.19	3.99	4.26	4.47	4.06	3.92	4.16	4.10	4.22
Imports	0.03	0.05	0.05	0.02	0.01	0.01	0.01	0.02	0.02
Net FSU Exports	4.16	3.94	4.20	4.45	4.05	3.91	4.15	4.08	4.20
NB: Crude	3.03	2.91	3.04	3.12	3.06	2.88	3.21	3.09	3.18
Products	1.13	1.03	1.16	1.33	0.99	1.03	0.94	1.00	1.02

¹ Includes a small amount of non-Russian crude oil exports
^r revised

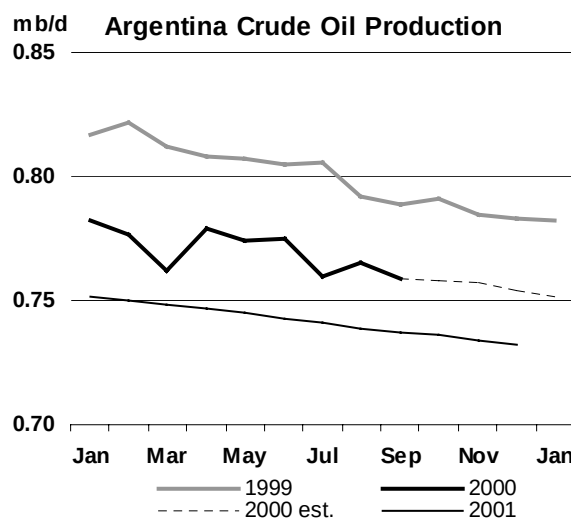
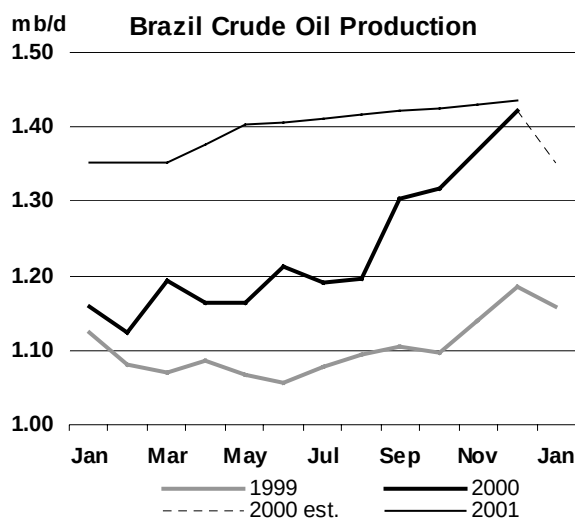
² crude oil only
^p preliminary

Other Non-OPEC

Latin America

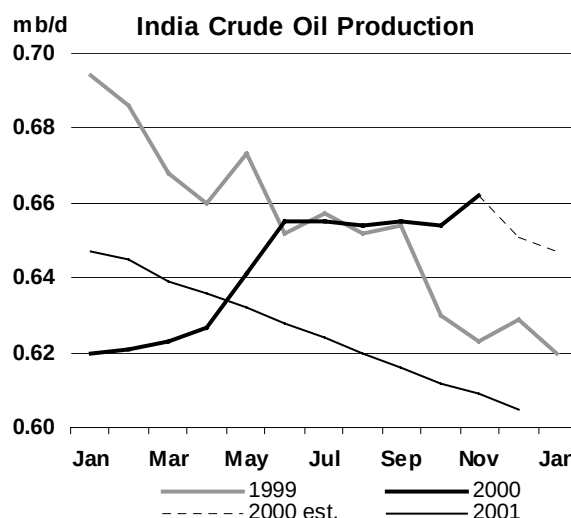
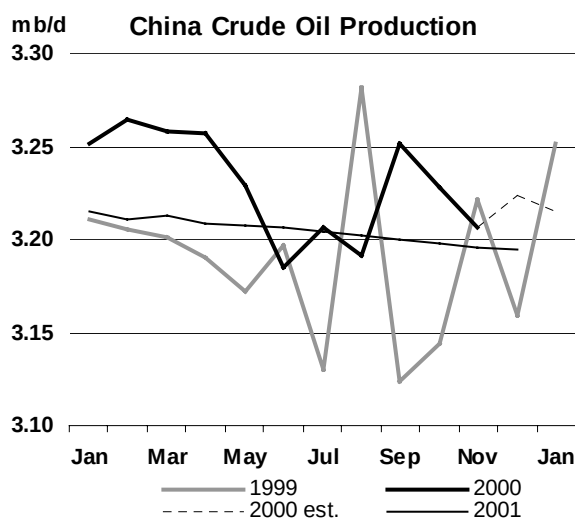
Brazilian crude production surged in the last four months of 2000, reaching a record-high monthly average of 1.42 mb/d in December. Output grew by 226 kb/d from August to December, driven by new wells coming onstream at the deepwater Roncador and Marlim fields in the Campos Basin. With scheduled maintenance announced for the first few months of 2001, however, output was estimated to have dropped by 69 kb/d in January. Production is not forecast to return to December's levels until mid-year. It is then expected to grow slowly for the rest of the year. Crude supply from **Argentina** in

September averaged 759 kb/d, continuing its slow but steady decline. The fields are mature, upstream investment has been low, and the outlook is for continuing declines in output.



Asia

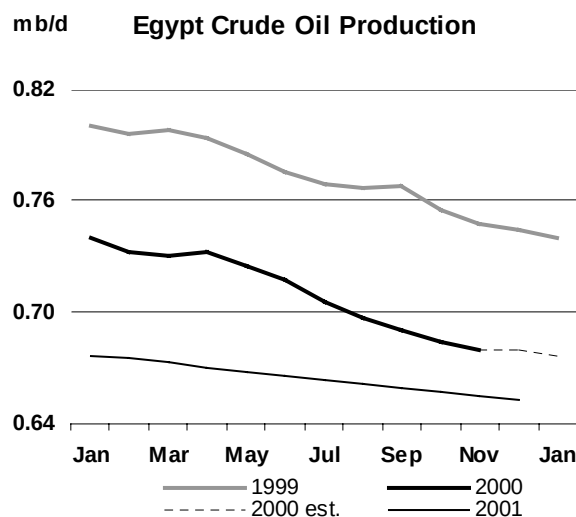
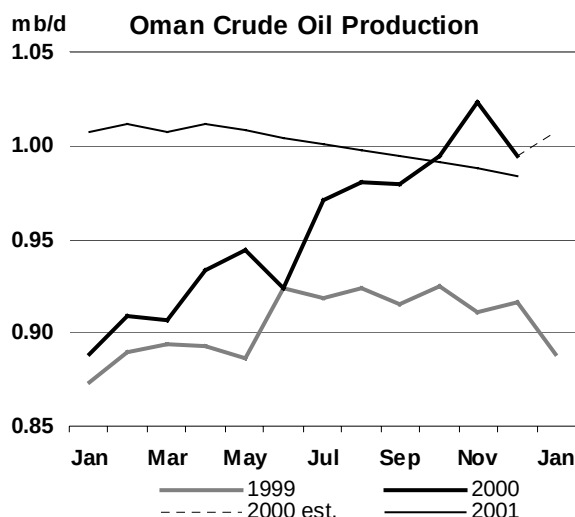
Chinese crude production was 3.21 mb/d in November, a decrease of 22 kb/d from the previous month. Output is expected to decline gently through 2001. The large onshore fields are mature and no significant new offshore fields are expected onstream this year. Initial output from the Penglai field of 30 kb/d has been delayed from the fourth quarter of 2001 into early 2002, when it will help to stabilise the Chinese production profile.



Indian crude output rose by 8 kb/d in November to 662 kb/d. Production from private companies and joint ventures, which is usually steady, unexpectedly rose by 7 kb/d to 87 kb/d. Offshore supply continued in the 337-341 kb/d range. A mid-2000 recovery in output from Bombay High and other offshore fields occurred, but this is thought to reflect early-year maintenance and not a change in the underlying declining trends. Offshore declines are expected to continue, cutting Indian output again in 2001. A planned -- but reportedly controversial -- redevelopment project for the Bombay High field, which includes four new platforms and 73 new wells, will not affect output this year. If the project proceeds and is successful, incremental reserves will be produced. However, in terms of the medium- and long-term production profile, incremental reserves from projects such as this may only make the decline rate at Bombay High more gentle, not increase or stabilise production.

Middle East and Africa

Omani crude production averaged 994 kb/d in December, a decrease of 29 kb/d from the previous month. The crude figure includes 82 kb/d of condensate from the Oman LNG project that is blended in. Technical problems have been reported in Oman in recent months and the drop in December could be due to problems or to maintenance to fix the problems, or merely due to normal operational fluctuations. In any case, gradual declines are expected in 2001, due to the maturity of the principal old fields in the northern part of Oman. Output is also falling in **Egypt**. November production was off by 4 kb/d to 680 kb/d. With the main Egyptian oilfields also mature, the downward trend is forecast to continue this year.



Revisions

Compared to last month's Report, estimated non-OPEC supply in 2000 has been increased by 5 kb/d, while it has been reduced by 55 kb/d in 2001. As a result, non-OPEC supply growth this year is now 60 kb/d lower, at a still-impressive 870 kb/d.

North American production has been revised upwards by 10 kb/d in 2000, but lowered by 40 kb/d in 2001. The changes were focused in the US and Canada. In the **US**, oil supply in 2000 was reduced by 20 kb/d, mainly due to lower NGLs output. US output in 2001 was lowered by just 5 kb/d. The NGLs forecast was downgraded for 2001, but was offset by higher production expected from Texas and the other Lower 48 states, excluding California. In **Canada**, 2000 output was increased by 30 kb/d, due to revised data received for NGLs. Projected 2001 Canadian production was reduced by 30 kb/d, almost entirely due to lower output expected from the offshore Hibernia field. Petro-Canada, one of the field's partners, warned investors that production would be flat at 2000 levels, due to delays in the drilling programme.

In the North Sea, forecast 2001 production in the **UK** was lowered by 20 kb/d, with lower supply expected from Foinaven and Schiehallion, the two West of Shetlands fields. The outlook for **Norway** was downgraded by 24 kb/d this year, due mainly to reductions in the Statfjord/Gullfaks Area.

In contrast to the downward revisions in the OECD forecast, the overall non-OECD supply outlook for 2001 was revised upwards. Forecast output was increased in **Oman** and **Vietnam**, by 25 kb/d and 15 kb/d respectively. The **Russian** projection was lowered by 10 kb/d. In all three countries, the adjustments were based on recent actual production data.

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			this month v last month		
	2000	2001	01 vs. 00	2000	2001	01 vs. 00	2000	2001	01 vs. 00
North America	14.29	14.69	0.41	14.30	14.65	0.36	0.01	-0.04	-0.05
Europe	6.78	6.74	-0.04	6.77	6.69	-0.08	0.00	-0.05	-0.04
Pacific	0.85	0.83	-0.02	0.85	0.83	-0.02	0.00	0.00	0.00
Total OECD	21.92	22.26	0.35	21.92	22.17	0.25	0.01	-0.09	-0.10
Former USSR	7.94	8.33	0.39	7.94	8.32	0.38	0.00	-0.01	-0.01
Europe	0.18	0.18	0.00	0.18	0.18	0.00	0.00	0.00	0.00
China	3.23	3.21	-0.02	3.23	3.20	-0.02	0.00	0.00	-0.01
Other Asia	2.27	2.28	0.01	2.28	2.30	0.03	0.00	0.02	0.02
Latin America	3.77	3.88	0.11	3.77	3.89	0.12	-0.01	0.01	0.01
Middle East	1.99	2.00	0.01	1.99	2.03	0.04	0.00	0.03	0.02
Africa	2.85	2.88	0.03	2.85	2.88	0.03	0.00	-0.01	-0.01
Total Non-OECD	22.23	22.77	0.53	22.24	22.80	0.57	0.00	0.04	0.03
Processing Gains	1.72	1.76	0.05	1.72	1.76	0.05	0.00	0.00	0.00
Total Non-OPEC	45.87	46.80	0.93	45.87	46.74	0.87	0.01	-0.06	-0.06

OMR = Oil Market Report

OECD STOCKS

Industry Stock Changes in December 2000

Estimates at the end of December put OECD industry stocks of total oil at 2517.9 million barrels, down by roughly 61 million barrels, or 1.97 mb/d, from revised November levels. Regionally, the largest decrease occurred in OECD Pacific, followed by OECD North America, while preliminary figures for industry stocks in OECD Europe remained essentially the same. The aggregate December stock build follows a slight upward revision in November industry stocks of 2.3 million barrels.

Preliminary fourth quarter estimates indicate an OECD stock draw of 0.43mb/d. Stocks typically draw in the fourth quarter, but this year's decline is lower than average. While moderate, it comes at a time when stocks are low by historical comparisons. North America experienced the largest draw of 0.26 mb/d followed by a draw in OECD Pacific and OECD Europe of 0.16 mb/d and 0.1 mb/d respectively.

Preliminary Industry Stock Change in December and the Fourth Quarter 2000

(million barrels per day)

	December (preliminary)				Fourth Quarter			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.26	-0.25	-0.57	-0.55	0.16	-0.27	-0.14	-0.25
Gasoline	-0.02	0.01	-0.03	-0.03	0.03	0.02	-0.01	0.03
Distillates	-0.05	0.12	-0.30	-0.22	0.06	0.08	0.02	0.16
Residual Fuel Oil	-0.11	0.14	-0.03	0.01	-0.02	0.12	-0.01	0.09
Other Products	-0.48	0.00	-0.17	-0.65	-0.32	0.01	-0.01	-0.32
Total Products	-0.66	0.28	-0.52	-0.89	-0.25	0.22	-0.01	-0.04
Other Oils ¹	-0.43	0.00	-0.10	-0.53	-0.17	0.03	-0.01	-0.14
Total Oil	-0.82	0.04	-1.19	-1.97	-0.26	-0.01	-0.16	-0.43

includes feedstocks, NGLs and other hydrocarbons

North American crude stocks increased in December but fell in Europe and OECD Pacific. The increase in North America is surprising given extremely high refinery crude runs and the suspension of Iraqi exports. Crude stocks on the US Gulf Coast and Mid-continent regions are extremely low, distorting pricing signals. The build in crude is more than offset by major draws in other oils and products. Despite a smaller than average fourth quarter stock draw, OECD industry stocks remain below comparable 1996 figures. On a days-of-forward-demand basis, North American crude oil stocks are 5.6 days lower than comparable 1997 figures, with Europe down 0.7 days and OECD Pacific down 8.1 days. Product stocks are better positioned, but still lower than comparable historical figures.

Due to a seasonal drop in demand and unusually high crude runs maximising distillate yields, gasoline stocks across OECD regions remained unchanged. Consequently, on a comparable basis, motor gasoline stocks are at their lowest point in 5 years. The situation is similar for middle distillates; buoyed by crude runs and imports but offset by increased seasonal demand and fuel switching into oil. The distillate situation is generally positive from a supply perspective, in that we are nearing the end of peak winter demand.

Revisions versus 19 January 2000 Oil Market Report

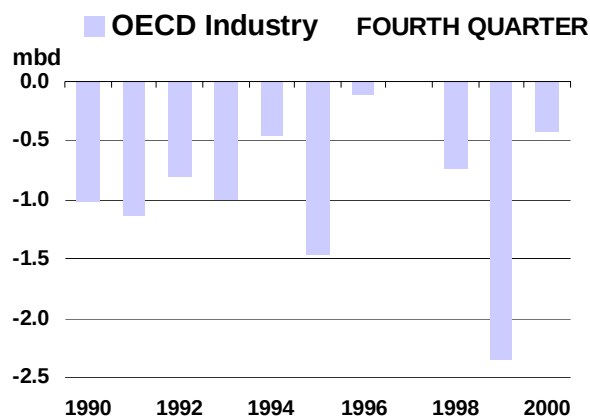
(million barrels)

	North America		Europe		Pacific		OECD	
	Oct 00	Nov 00	Oct 00	Nov 00	Oct 00	Nov 00	Oct 00	Nov 00
Crude Oil	0.3	-10.6	-3.7	-7.2	0.0	-7.6	-3.4	-25.4
Gasoline	-0.5	1.2	0.8	-0.7	0.0	-0.6	0.3	0.0
Distillates	-0.1	2.9	2.2	1.7	0.0	-0.6	2.1	4.0
Residual Fuel Oil	0.2	0.3	0.3	2.7	0.0	0.4	0.4	3.3
Other Products	-0.7	4.3	0.6	2.0	0.0	-2.1	-0.1	4.2
Total Products	-1.1	8.6	3.9	5.8	0.0	-2.9	2.8	11.5
Other Oils ¹	4.6	16.6	0.1	0.0	0.0	-0.4	4.7	16.2
Total Oil	3.7	14.7	0.3	-1.4	0.0	-10.9	4.0	2.3

1 Other Oils includes NGLs, Feedstocks and other hydrocarbons

Preliminary estimates for OECD total oil stocks by reporting Governments and Agencies have been revised upward for November by 2.3 million barrels and for October by 4.0 million barrels. These upward revisions mask a downward revision to crude oil stocks, some 25.4 million barrels, or 0.73 mb/d in November alone. This downward revision in preliminary crude oil stock estimates is simply astonishing, and occurs across all OECD regions.

The downward adjustment in crude oil stocks is offset by increases in product stocks, notably other oils and products. This too is surprising, given an increase in seasonal demand for propane and a reduction in NGL supply accompanying high natural gas prices. Abnormally high natural gas and electricity prices, and their impact on fuel substitution and crude demand, has caught everyone by surprise and models may not have had sufficient time to catch up with this new reality. In a tight, volatile market, adjustments of this magnitude are disconcerting, especially given the 7.7 million barrel downward revision in preliminary October estimates already reflected in last month's report. The scope and frequency of these adjustments makes it extremely difficult to assess market developments.



OECD Industry Stock Changes: Effects for November (million barrels per day)

	November			
	North America	Europe	Pacific	Total
Crude Oil	-0.36	-0.11	-0.25	-0.73
Gasoline	0.06	-0.05	-0.02	-0.01
Distillates	0.10	-0.02	-0.02	0.06
Residual Fuel Oil	0.00	0.08	0.01	0.10
Other Products	0.17	0.05	-0.07	0.14
Total Products	0.33	0.06	-0.10	0.29
Other Oils ¹	0.40	-0.01	-0.01	0.38
Total Oil	0.36	-0.06	-0.36	-0.06

¹includes feedstocks, NGLs and other hydrocarbons

Preliminary Stocks at the End of December

OECD industry stocks of total oil closed out the month of December at 2.52 billion barrels, up 47.4 million barrels over stock levels a year earlier and 207.4 million barrels lower than December 1998. Crude oil stocks, at 868 million barrels, have narrowed the deficit with 1999, but remain some 77 million barrels below 1998. Combined government and industry total oil stocks in the OECD stood at 3.7 billion barrels. OECD North America, OECD Europe and OECD Pacific combined stocks stood at 1690, 1280, and 750 million barrels.

Year-on-Year Industry Stock Comparisons for December 2000

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	21.0	-11.4	-17.6	-8.0	Total Oil	0.1	0.3	-1.6	-0.2
Total Products	8.6	25.8	12.1	46.5	Versus 2 years ago	-6.6	-2.3	-2.6	-4.6
Other Oils ¹	-3.1	7.0	5.0	9.0	Versus 3 years ago	-5.6	-0.7	-8.1	-4.7
Total Oil	26.4	21.5	-0.5	47.4	Total Products	-0.2	1.0	0.6	0.3
Versus 1998	-130.6	-61.1	-15.6	-207.4	Versus 2 years ago	-4.8	-1.1	1.1	-2.6
Versus 1997	-57.9	-12.3	-55.0	-125.3	Versus 3 years ago	-3.7	0.3	-1.3	-2.1

¹includes feedstocks, NGLs and other hydrocarbons

Regional Stock Developments

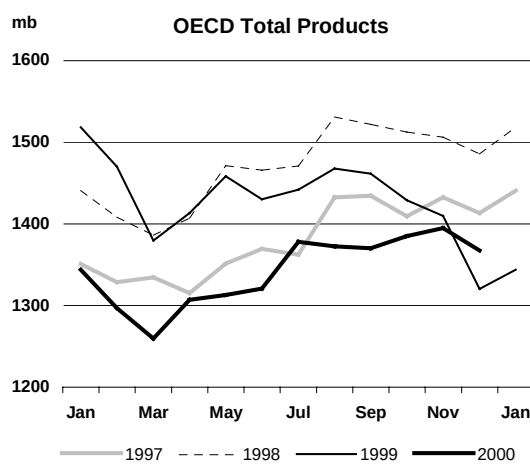
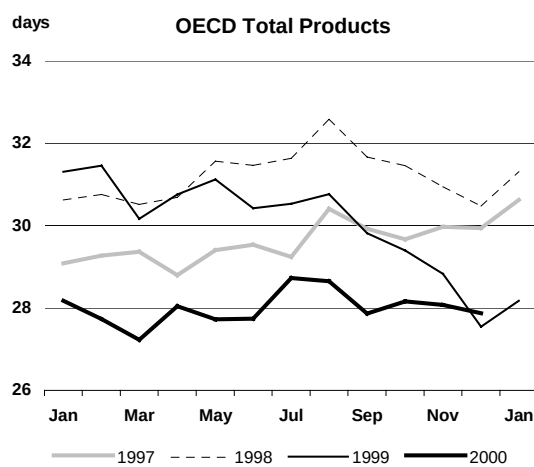
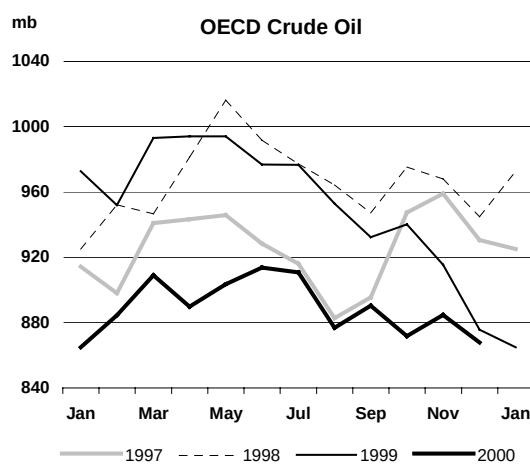
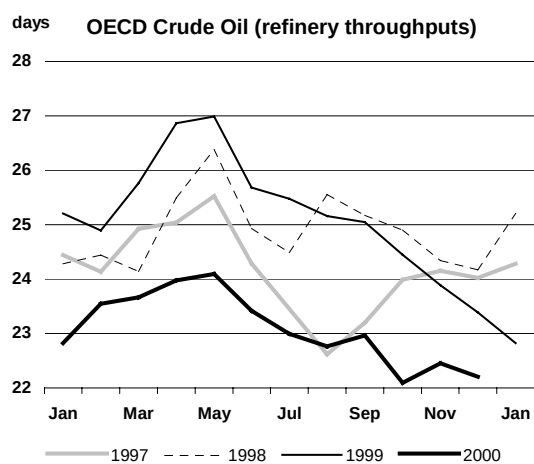
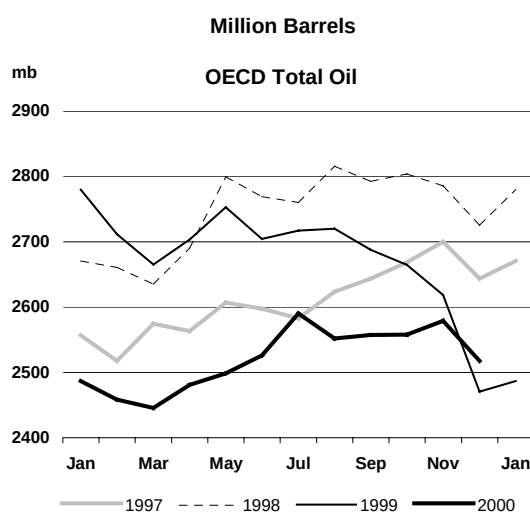
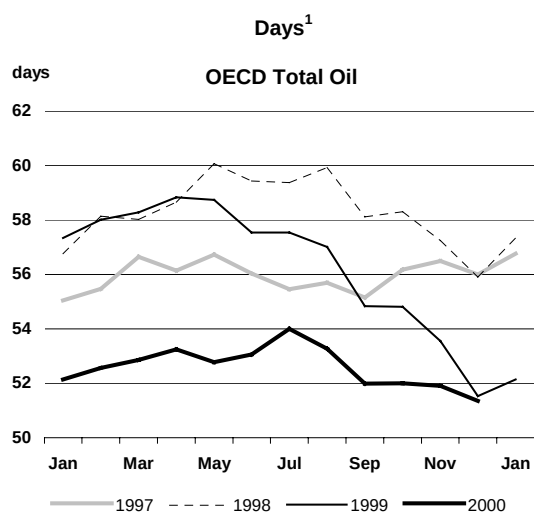
Total oil stocks in North America fell by 0.8 mb/d in December after trending sideways since June. A major reduction in other oils and products stocks, partly offset by a surge in crude stocks, accounts for the bulk of this decline. The contra-seasonal build in crude oil stocks is surprising given high crude runs and the removal of Iraqi crude from the market. The reduction in product stocks, however, follows seasonal patterns as demand for liquids, especially propane, picks up to meet heating requirements. This trend is exacerbated by high natural gas prices, which encourages NGLs to left in the gas stream.

Crude stocks in the **United States** are building despite unseasonably high refinery throughputs. This build is disproportionately concentrated on the US East and West Coasts with reductions in the Mid-continent and on the US Gulf Coast. The tight USGC and Mid-continent balances are reflected in unusually wide WTI-Brent differentials, which have surged to record levels. Wide WTI-WTS differentials suggest that there is sufficient sour crude on offer in these markets, and that sweet is in short supply. Notwithstanding, gasoline stocks are trending upwards in response to increased imports, seasonally adjusted demand and high refinery runs, whereas distillate stocks are falling in response to seasonal heating demand and fuel switching into oil. This leaves North American industry total oil stocks at 1153 million barrels or roughly 27 million barrels above the previous year.

European crude oil stocks continued to trend sideways, declining in December. Closing industry stocks of crude oil, at 312 million barrels, were 11 million barrels lower than last year's level. Total product stocks have risen by 25.8 million barrels on a year-on-year basis in response to increased refinery throughputs and weakening demand. Europe has experienced a relatively mild winter, a fact that has eased what was feared to be a tight heating oil market heading into peak seasonal demand. Distillate stocks in **France, Italy**, and the **Netherlands** have been building, but have fallen slightly in **Germany** and the **United Kingdom**. Total oil stocks are growing to more comfortable levels, reflecting generally weaker European demand.

OECD Pacific total oil stocks plummeted in December, falling a surprising 1.2 mb/d. This stock draw follows a significant downward revision to a preliminary November estimate of 0.36 mb/d. These downward adjustments are spread almost equally between crude oil and products and are focused in **Korea**. While declining, **Japanese** stocks are following seasonal patterns whereas Korean stocks of crude oil and products are plunging contra-seasonally. Throughputs remain high, drawing on crude stocks, while the largest decrease in product stocks has been in residual fuel oil.

Total OECD End of Month Industry Stocks (in days of forward demand and millions barrels)



1. Days of total and product forward demand are based on average demand over the next three months. Days of crude oil forward demand are based on throughputs for the next month.

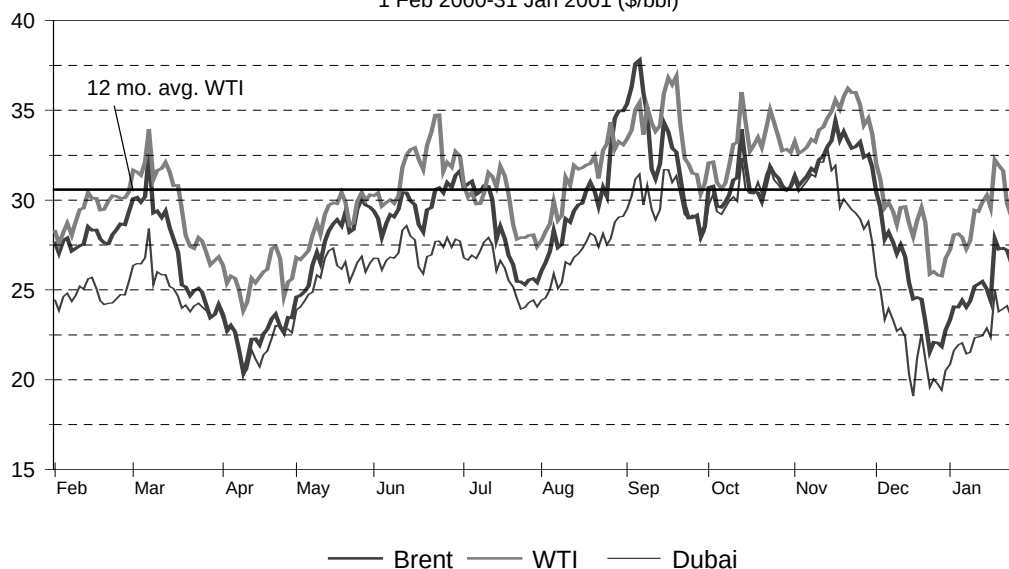
PRICES AND REFINERY ACTIVITY

Summary

- **Crude oil prices** rose steadily throughout January, reversing December's steep decline. Continued uncertainty over Iraqi exports and OPEC's decision to reduce output still further supported prices across the board. But the gains were sharpest in the US, due to strong refinery demand and tight crude oil inventories in the Mid-continent, home of the delivery point of the NYMEX WTI contract. Spot WTI prices jumped 75 cents per barrel on average last month, boosting front-month NYMEX prices by 67 cents.
- **Price differentials** between Brent and WTI crudes widened further in January due to the strength of the US light, sweet crude market, exceeding December's already record levels. Differentials between US sweet and sour grades also continued to widen. But low competition from erratic Iraqi exports compounded by OPEC cuts – both actual and expected – helped boost Middle East and Mediterranean crude prices, reducing their discount to Brent. Lower Asian refinery demand dramatically weakened Far Eastern crude prices relative to Brent.
- **Product prices** rose for the “light end of the barrel” – gasoline and naphtha – as refiners started refocusing on gasoline in anticipation of the driving season. But prices fell sharply for comparatively heavier products such as jet fuel, kerosene, gasoil and high sulphur fuel oil. The gains in gasoline prices were among the steepest in New York Harbour, turning the US East Coast into a magnet for product imports.
- **Refining margins** in the major centres were generally lower in January. Product prices fell, while crude prices bounced back. Rotterdam margins suffered from weak product prices resulting from the impact of mild weather, while strong Urals and Dubai crude prices lowered Mediterranean and Singapore margins. In contrast, US Gulf Coast margins gained, supporting a high throughput level in January.
- **Refinery throughput** in OECD countries averaged 39.4 mb/d for December, a decrease of 280 kb/d, or 0.7%, from the previous month. US throughput posted the largest gain, of 203 kb/d, and Japanese throughput was up 125 kb/d. However, European throughput fell by 570 kb/d, causing a reduction of OECD total throughput. Refinery utilisation rates averaged 91.6%.

Spot Crude Prices

1 Feb 2000-31 Jan 2001 (\$/bbl)



Crude Oil Prices and CIF Import Costs

Spot Crude Prices and Differentials

Heavier than usual refinery activity in the US gave local crude markets a boost in January as Iraqi export disruptions continued and OPEC announced its first production cuts since 1999. Several refiners shut down processing units for planned maintenance, but preliminary data suggest that refinery crude oil runs, which hovered around 5.7%, or 820,000 b/d, above year-earlier levels in December, remained higher than is typical in January. Such robust refining demand helped draw down crude oil inventories on the US Gulf Coast and in the Mid-continent, where stocks fell to unprecedented low levels. Spot WTI prices soared 75 cents on average in January, as crude oil stocks sank to record lows around the NYMEX delivery point of Cushing, Oklahoma. On the US Gulf Coast, where most first-quarter refinery maintenance takes place, Light Louisiana Sweet posted a lesser gain of 60 cents, swinging from a 9 cent premium over WTI to a 5 cent discount.

Even though Iraqi disruptions and OPEC cuts affect mostly sour grades, US sour crude prices posted much smaller gains throughout January than did sweet ones. West Texas Sour prices averaged only 13 cents above December, bringing the grade's discount to LLS to \$3.47 from \$3.01 in December. Not since February 1991, in the midst of the Gulf War, had the differential between the two grades been so wide. WTS' discount to WTI increased even more, to \$3.52, from \$2.92 in December. Those record sweet/sour gaps reflect in part refiners' all-out effort to gear up gasoline production, a goal that can be better achieved by using sweet than sour grades. Maintenance work performed on upgrading refinery units – rather than crude distillation units – gave refiners yet another reason to favour sweet grades, in a bid to maintain gasoline yields despite the shutdowns.

Spot Crude Oil Prices and Differentials

(monthly and weekly averages, \$/bbl)

	Nov	Dec	Jan	Change	Week Ending:					
					22 Dec	29 Dec	05 Jan	12 Jan	19 Jan	26 Jan
WTI	34.40	28.55	29.30	0.75	27.21	26.27	27.84	28.74	30.70	31.13
Brent Dated	32.48	25.42	25.53	0.11	22.68	22.30	23.96	24.88	25.77	27.26
Urals (del. Mediterranean)	31.11	23.88	24.46	0.59	21.29	21.29	23.05	24.00	24.82	26.10
Dubai	30.44	21.83	22.73	0.90	20.61	19.96	21.61	22.03	23.40	23.95
Tapis	32.59	28.05	26.05	-1.99	26.52	24.90	25.95	25.91	26.18	26.18
Brent minus Dubai	2.04	3.59	2.80		2.08	2.34	2.35	2.85	2.36	3.31
WTI minus Brent	1.92	3.13	3.77		4.53	3.97	3.88	3.86	4.93	3.87
Tapis minus Brent	0.11	2.63	0.52		3.84	2.61	1.99	1.03	0.42	-1.09
Brent 1 st month minus 2nd month	0.59	-0.39	0.08		-0.73	-0.68	-0.55	0.07	0.38	0.40
WTI 1 st month minus 2nd month	0.97	0.58	1.22		0.47	0.60	0.70	1.17	1.84	1.80

Prices in other markets rose less than in the US. January Brent prices were comparatively stable, while Asian grades traded sharply lower amid mounting talk of refinery run cuts in Europe and the Far East. Dated Brent prices rose only 11 cents a barrel on average, while the gains in Brent futures prices fell far short of retracing December's big drop. As a result, Brent's discount to WTI continued to widen in January. The Dated Brent-spot WTI spread stretched to \$3.77 on average, from \$3.13 in December, while Nigerian sweet grade Forcados' discount to coastal LLS widened to \$3.81 from an already gaping \$3.27. Normally, differentials of this magnitude would swamp the US market, as all available ships would be steaming westward to take advantage of broad arbitrage opportunities. This year, however, the wide spread was partly offset by counter-balancing factors. A Brent rally in late January had more to do with squeeze plays than market fundamentals. Meanwhile, price gains for Asian benchmarks were partly curbed by the dampening effect on refiner demand of worsening refining economics. Although it edged up throughout January, Indonesian Minas averaged \$1.03 below December prices, while Malaysian Tapis shed \$2.

The Shifting Dynamics of Transatlantic Arbitrage

Differentials between monthly price averages for US WTI and UK Brent soared to all-time highs. Crude oil inventories in the Mid-continent region of the US, the delivery point of the NYMEX WTI futures contract, sank to all-time lows. The stage was set, one would think, for record-high transatlantic imports of Brent-related grades into the US. Not so fast.

The exceptionally steep premium of the US market – average spot WTI prices jumped to an unprecedented \$3.77 per barrel over dated Brent in January – did attract large West African and North Sea flows, the bulk of which is due to reach US shores in February and early March. WTI prices – along with Mid-continent inventories, which preliminary estimates peg at an average of 58 million barrels – were unquestionably out of line with historical patterns. But so were other counterbalancing market parameters. As a result, depleted crude oil stocks in the Mid-continent – as well as on the Gulf Coast – might take longer than usual to build to more normal levels.

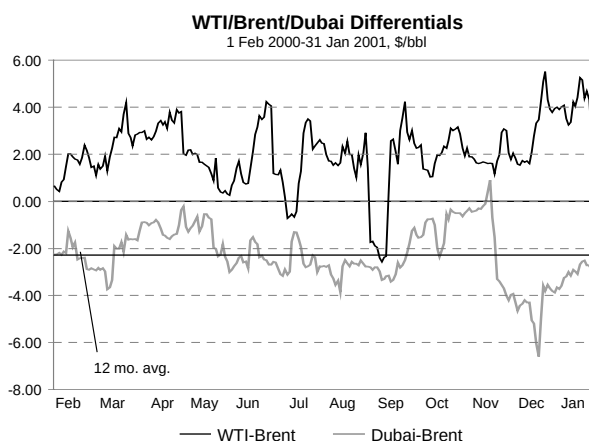
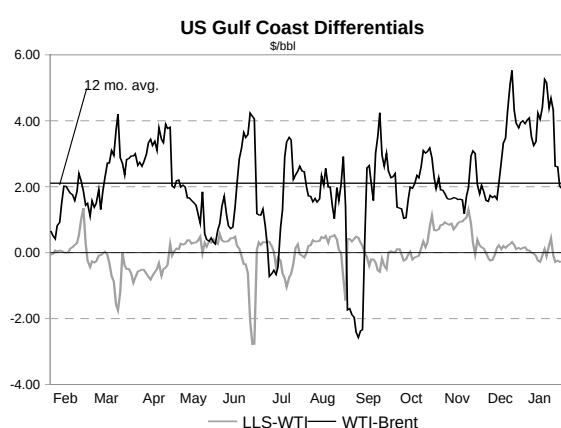
Among factors that offset the deep Brent/WTI spread, the steep premium of prompt futures over later barrels – backwardation – was particularly potent. At no time in January did the front-month NYMEX WTI contract trade at less than \$1.10 per barrel over the third-month one. On several trading days the spread exceeded \$2 per barrel and at one point it stretched to \$3.29, averaging \$1.80 for the month. The steeper the backwardation, the more reluctant traders and end-users are to rebuild inventories, as holding barrels in storage subjects their owners to punitive paper losses.

Freight rates – until they started falling briskly in February – were exceptionally high in January. The cost of shipping one barrel of crude in an 80,000-ton tanker from the North Sea to the US East Coast hovered around \$3-\$3.50, close to three times the rate usually assumed when assessing the financial feasibility of moving North Sea grades across the Atlantic. It cost more than \$1.50 a barrel to ship West African crude oil to the US in larger, 130,000-ton tankers. Other routes were not much cheaper. Freight costs from the Arab Gulf and West Africa to Singapore using 260,000-ton Very Large Crude Carriers ran around 80 cents and \$1.90 per barrel. Tanker rates soared last year as demand rose on OPEC output hikes, economic growth and low stock levels, while vessels grew scarce on low shipbuilding rates, heavy scrapping, and tighter requirements from refiners after the sinking of the tanker Erika off the coast of France in December 1999. More recently freight costs have been easing again, pulled lower by OPEC's new round of production cuts, falling refining margins in Europe and Asia and refinery maintenance turnarounds in the US Gulf Coast.

Overall US crude stocks, which preliminary US estimates pegged at 282.6 million barrels near the end of January, were 3.1 million barrels below last year's already tight levels. Midwest stocks were further depleted by this year's heavier-than-normal refinery runs in the district, where low seasonal temperatures typically bar maintenance shutdowns in the winter. There were also pipeline and synthetic crude production problems in western Canada, which caused a shortfall of onshore crude imports.

Throughputs were especially heavy on Enbridge Pipeline Co.'s Line 9 crude oil pipeline from Montreal to the Lake Huron refining centre of Sarnia, Ontario, reaching around 240,000 barrels a day in recent weeks, or near full capacity. Those shipments, consisting mostly of North Sea grades, supported North Sea crude prices, thus narrowing trading opportunities with US Gulf Coast terminals. Since restarting in April 1999, the previously idled pipeline has pulled away increasing amounts of North Sea crude that would otherwise have found its way to the US Gulf Coast. North Sea or West African grades typically cost about 35 cents per barrel less to ship to Sarnia via Line 9 than through US Gulf Coast terminals.

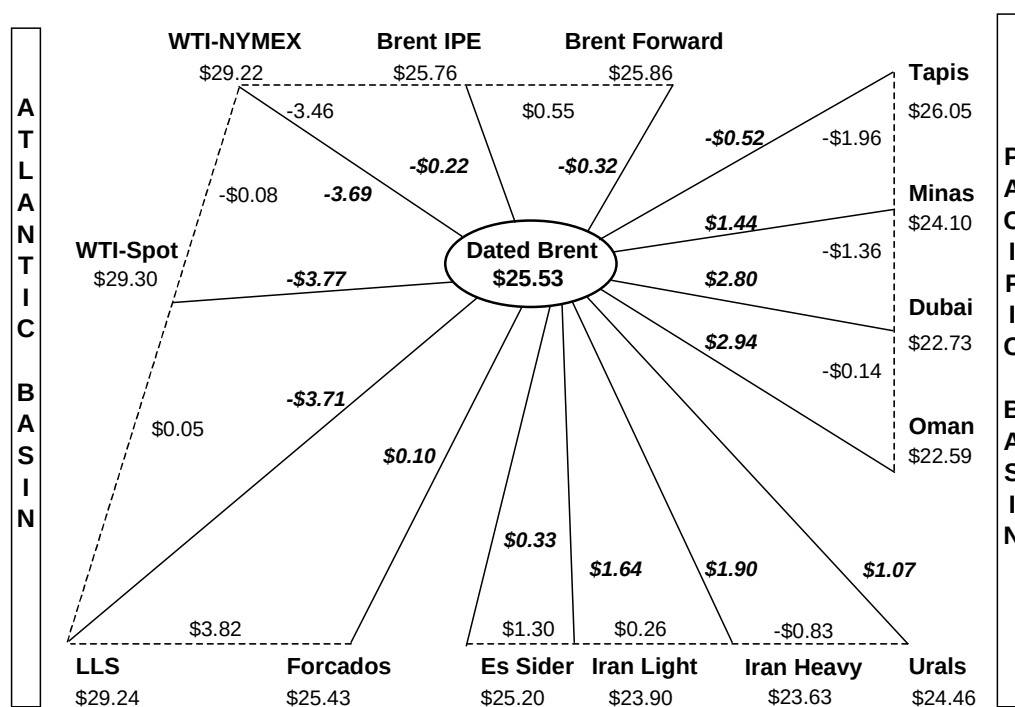
Middle East and Mediterranean grades benefited from the sporadic character of Iraqi exports and from concerns over OPEC crude oil output. Dubai got the biggest boost, up 90 cents on the month on average. While the grade's discount to Dated Brent was thus cut by 79 cents to \$2.80, it remained far too wide to justify moving incremental barrels of Brent-linked North Sea or West African grades eastward to Asia. Russian Urals, a close competitor of Iraqi Kirkuk, gained 58 cents, while Iran Light and Heavy grades advanced by 62 cents and 59 cents. Both Urals and Mediterranean grades appeared to come under downward pressure late last month, though, as Iraqi exports regained momentum.



Crude Futures

On an average basis, crude oil futures markets trailed spot markets in January. A gain of 75 cents per barrel for spot WTI translated into only a 67 cent advance for the front-month contract at the NYMEX, leaving paper barrels at an 8 cent discount to physical ones, compared to parity in December. Front-month IPE Brent's premium to Dated Brent narrowed by 43 cents to just .22 cents, as a .31 cent price drop for the futures contract compounded an 11 cent gain for physical barrels.

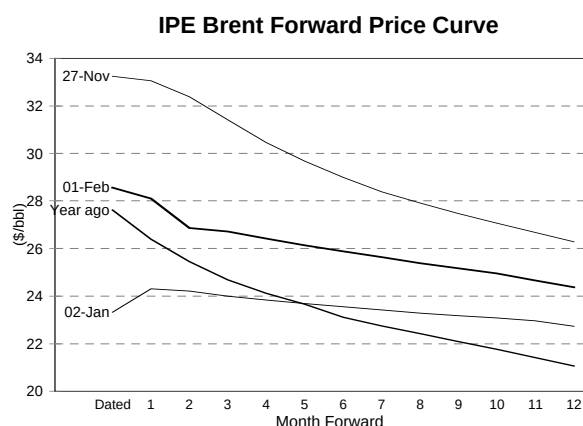
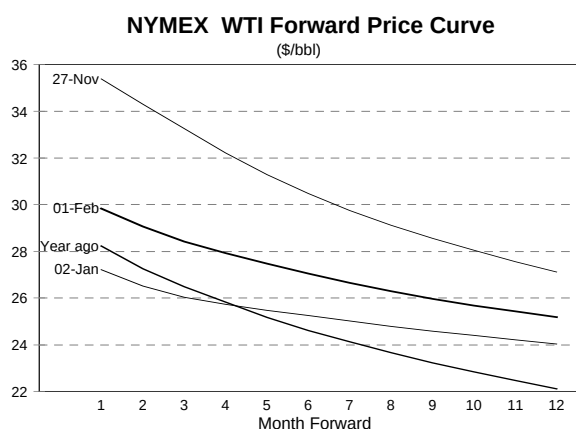
Average Spot, Paper Crude Oil Prices and Differentials - January 2000



The fact that spot prices rose faster than futures suggests that recent shifts in paper prices were driven more by market fundamentals than investor speculation, a point seemingly confirmed by the persistently low crude trading volumes on the NYMEX. More than a month after many speculators left the futures markets ahead of the end of the tax year, by early February they had yet to rebuild substantial positions in the crude oil paper market.

Despite relatively muted activity, futures markets in January were anything but soft. From 2 January to 1 February, front-month WTI gained \$2.61 per barrel on the NYMEX, while IPE Brent jumped even higher, up \$3.80. Moreover, reflecting the persistent realities of low stocks, especially on the US Gulf Coast and in the Mid-continent, both the WTI and the Brent forward price curves grew considerably steeper over the month. From early January to early February, front-month WTI's premium to the twelfth-month contract soared by nearly 50%, from \$3.18 to \$4.63. Due to a late-

month rally in Brent futures, backwardation deepened even more on the IPE. There the 12-month spread more than doubled, from \$1.56 per barrel to \$3.72. The steeper the backwardation, the less financial incentives market participants have to build up stocks, and the more prices tend to remain volatile.



Steep as it may have been, however, this January's crude futures rally pales in comparison to the gains of crude futures markets at the same time last year. Despite their recent gains, both the NYMEX WTI and the IPE Brent futures price curves -- while still above last year's -- were much closer to the year-ago curves in early February than they had been in early January. Both curves are also notably flatter than last year's.

Delivered Crude Prices

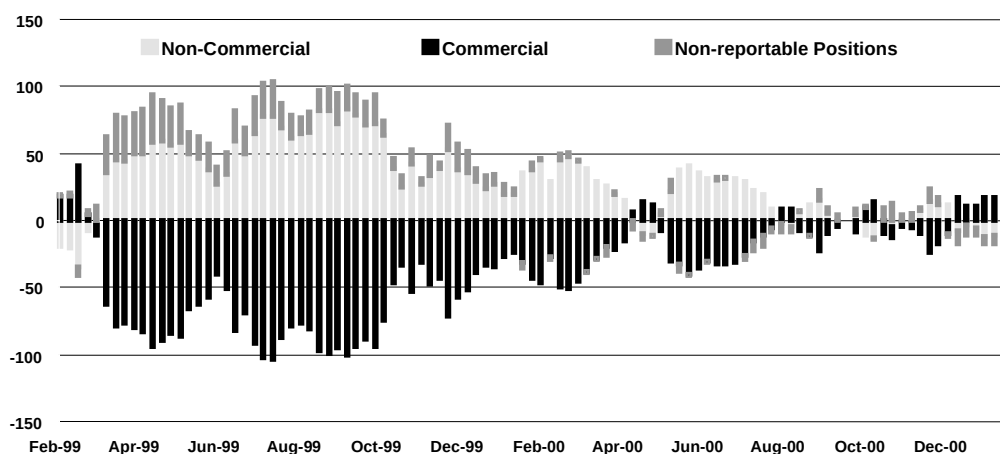
CIF crude import costs into IEA Member countries exceeded \$30 per barrel for the third consecutive month in November, averaging \$30.93 per barrel. The CIF costs remained high in all three OECD regions. These were the highest crude import costs since the fourth quarter of 1990 when tensions were rising in the Middle East following Iraq's invasion of Kuwait. On top of high FOB crude prices, rising ocean-freight transportation costs contributed to the rising CIF costs. Rates for 130KMT tankers from the UK to the US Gulf Coast averaged \$1.98 per barrel in November, an increase of 250% year-on-year. Similarly, the average rate for 250KWT tankers from the Arabian Gulf to the Far East increased by 222% to \$4.39. The December CIF averages are expected to fall due to weakness in crude spot markets.

Weighted-Average CIF¹ Crude Import Cost by Area**

	\$/ bbl			
	Total IEA	IEA Europe	IEA North America	IEA Pacific
Jun 00	28.80	28.98	28.65	28.73
Jul 00	28.47	27.78	28.56	29.90
Aug 00	28.41	28.35	28.23	28.97
Sep 00	30.82	31.01	30.72	30.53
Oct 00	30.52	30.21	29.96	32.30
Nov 00*	30.93	30.24	29.53	32.59

* preliminary, based on partial submissions
 ** CIF = cost, insurance and freight

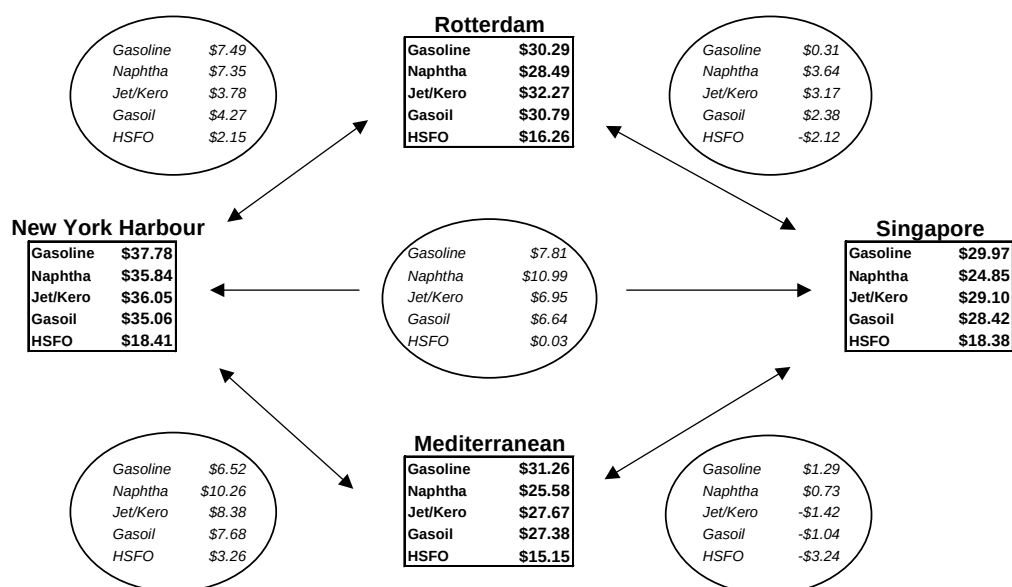
Volume and Distribution of WTI Positions on the NYMEX ('000)



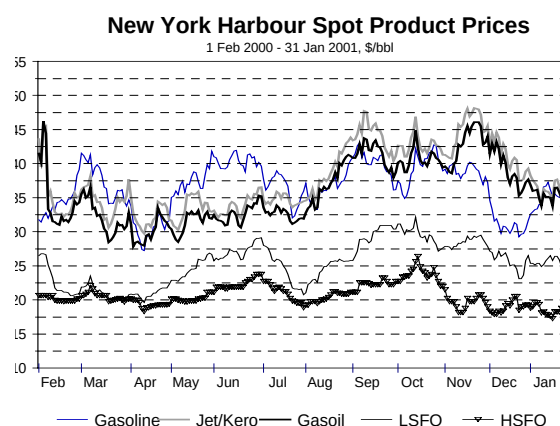
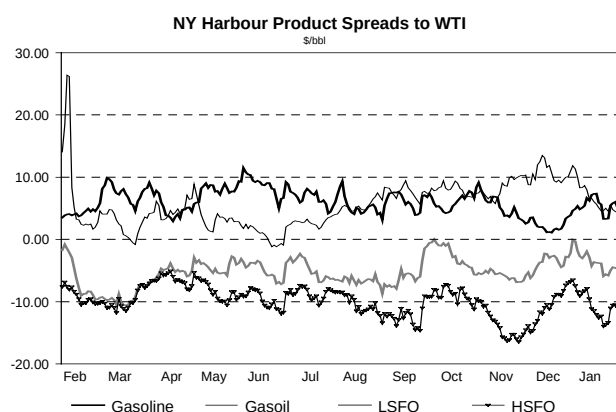
Spot Product Prices

In most spot markets heavier refined products, from jet and kerosene down to high-sulphur fuel oil, saw prices fall sharply, while lighter products, such as gasoline and naphtha, rallied. To a large extent the shift conforms to seasonal cycles: distillates normally lose value as the heating season winds down, while gasoline prices increase ahead of the driving season. This year, however, various factors both reinforced and complicated that seasonal pattern.

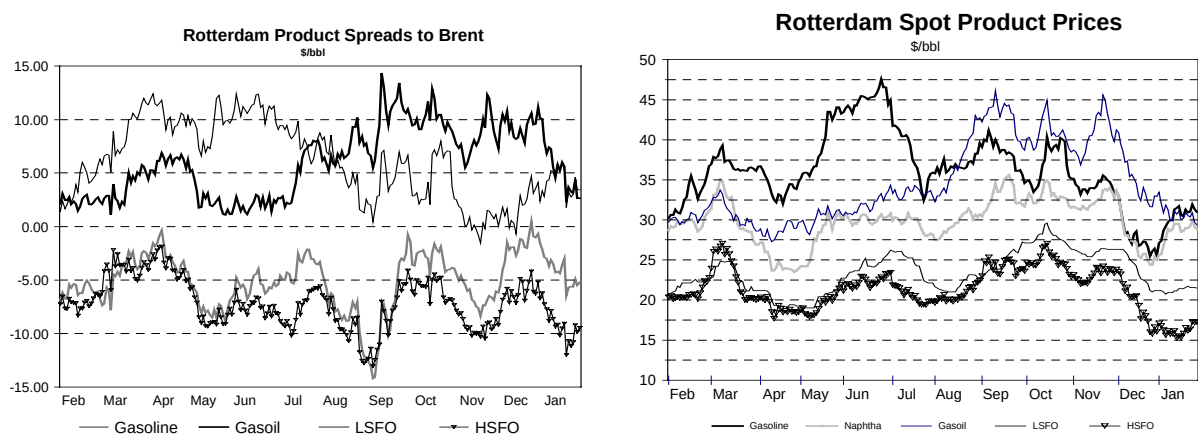
Monthly Average Spot Product Prices and Differentials - January 2000



On the one hand, due in part to shifts in crude differentials, Asian and European refiners had to digest a heavier, more sour feedstock diet than normal. Due to record-high Brent/Dubai spreads, Asian refiners cut back on light, sweet crude imports from the North Sea and West Africa, relying more instead on Mideast sour and heavy sweet regional grades. As a result, Asian yields of residual fuel oil and, to a lesser extent, distillates, rose at the expense of lighter products. Accordingly, January gasoline and naphtha prices remained roughly flat on average in Singapore, while residual prices fell 9%, jet fuel and kerosene 10% and gasoil 4%.



Nowhere did the prices of heavier products fall faster than in the Mediterranean and Northwest Europe, thanks in part to warmer weather and jet fuel imports from the Middle East. Heavy sulphur fuel oil prices fell 28% in the Mediterranean and 16% in Rotterdam, while jet fuel/kerosene shed 15% in both markets. Gasoil retreated 18% in the Mediterranean and 12% in Rotterdam. By contrast, gasoline prices rose 10% in the Mediterranean and 9% in Northwest Europe, with naphtha up by 6% and 5%.

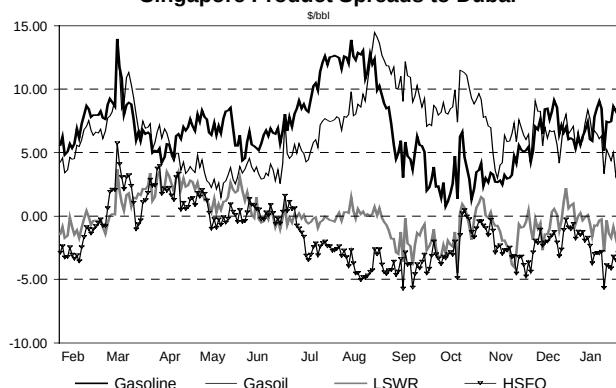
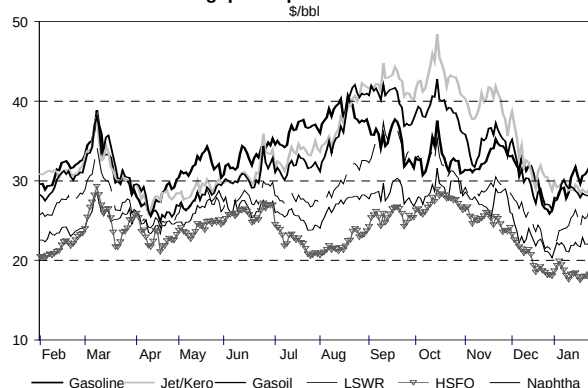


Gasoline rose particularly steeply in New York Harbour, up 18% on concerns over low stocks and expectations of lower domestic production this quarter. The rally seems early for the season and may be short-lived. Record-high products imports, drawn in by the steep premium of US East Coast gasoline prices over those in foreign markets, have already caused US stocks to spring back up. High imports could be offset by lower domestic supplies due to maintenance work on crude distillation and upgrading units this quarter at numerous US refineries. Gasoil prices fell 10% on milder weather, while drops in residual fuel prices were limited to 3% by vigorous natural gas substitution demand.

Spot Product Prices

(monthly and weekly averages, \$/bbl)

	Nov	Dec	Jan	Jan-Dec	% Chg	Week ending					Nov	Dec	Jan
						29 Dec	05 Jan	12 Jan	19 Jan	26 Jan			
Rotterdam, Barges FOB						Differential to Brent							
Premium Unleaded (Cargo)	34.25	27.83	30.29	2.46	8.8%	25.99	28.10	30.49	30.94	31.07	1.77	2.41	4.75
Regular Unleaded	32.98	27.47	29.63	2.17	7.9%	25.53	27.66	29.98	30.12	30.25	0.50	2.05	4.10
Naphtha	32.43	27.01	28.49	1.48	5.5%	25.20	26.45	29.08	28.87	29.04	-0.05	1.59	2.96
Jet/Kerosene	43.35	37.76	32.27	-5.49	-14.5%	34.60	33.32	32.05	31.97	32.27	10.87	12.34	6.74
Gasoil	40.84	34.91	30.79	-4.11	-11.8%	32.94	32.05	30.60	30.42	30.62	8.36	9.49	5.26
Fuel Oil 1.0%S	26.05	23.72	21.27	-2.45	-10.3%	21.19	21.03	20.99	21.42	21.62	-6.43	-1.70	-4.26
Fuel Oil 3.5%S	23.17	19.38	16.26	-3.11	-16.1%	16.34	16.46	15.85	15.58	16.38	-9.31	-6.05	-9.27
Mediterranean – Basis Italy, Cargoes FOB						Differential to Urals							
Premium 0.15 g/l	35.34	28.30	31.26	2.96	10.5%	26.17	28.79	31.51	32.02	32.16	4.23	4.43	6.80
Naphtha	30.47	24.20	25.58	1.39	5.7%	22.22	23.51	26.19	26.06	26.25	-0.64	0.32	1.12
Jet/Kerosene	40.67	32.74	27.67	-5.07	-15.5%	29.38	28.11	27.43	27.59	27.94	9.56	8.87	3.21
Gasoil	40.40	33.52	27.38	-6.14	-18.3%	29.36	28.28	26.83	26.74	27.65	9.29	9.64	2.92
Fuel Oil 1.0%S	25.57	23.36	20.77	-2.59	-11.1%	20.96	20.84	20.63	20.67	20.83	-5.54	-0.52	-3.69
Fuel Oil 3.5%S	20.95	19.32	15.15	-4.17	-21.6%	15.37	15.65	15.29	14.53	14.74	-10.16	-4.56	-9.32
NY Harbour, Barges						Differential to WTI							
Premium Unleaded 93	39.43	32.08	37.78	5.70	17.8%	32.00	34.78	38.49	39.52	38.64	5.03	3.52	8.48
Regular Unleaded 87	38.84	30.95	34.82	3.87	12.5%	31.03	33.02	35.69	35.65	35.18	4.44	2.40	5.52
Jet/Kerosene	45.09	40.94	36.05	-4.89	-12.0%	39.06	37.42	35.56	35.93	36.73	10.70	12.39	6.75
No.2 (Heating Oil)	43.11	39.45	35.47	-3.98	-10.1%	37.85	36.68	35.31	35.47	36.14	8.71	10.89	6.17
Fuel Oil 1.0%S (Cargo)	28.49	25.62	25.41	-0.22	-0.9%	26.10	25.31	25.46	26.21	25.71	-5.90	-2.93	-3.89
Fuel Oil 3.0%S (Cargo)	19.67	18.94	18.41	-0.53	-2.8%	19.25	19.25	18.28	17.71	18.42	-14.72	-9.62	-10.89
Singapore, Cargoes						Differential to Dubai							
Gasoline Unleaded 95	32.84	29.98	29.97	-0.01	-0.0%	26.10	28.17	29.41	30.68	30.88	2.40	8.15	7.24
Naphtha	28.89	24.75	24.85	0.10	0.4%	21.31	23.06	24.71	25.33	25.46	-1.55	2.92	2.12
Jet/Kerosene	39.47	32.18	29.10	-3.08	-9.6%	29.23	29.53	29.23	29.06	28.68	9.03	10.34	6.37
Gasoil	34.78	29.53	28.42	-1.11	-3.8%	26.65	28.36	29.41	28.37	28.27	4.34	7.70	5.69
LSWR (0.3%S)	27.57	22.61	21.90	-0.70	-3.1%	20.61	21.93	21.55	21.97	22.33	-2.86	0.77	-0.83
HSFO (3.5%S 180cst)	26.07	21.16	19.78	-1.38	-6.5%	19.23	20.51	19.54	19.32	19.47	-4.37	-0.67	-2.95
HSFO (3.5%S 380cst)	25.09	20.17	18.38	-1.79	-8.9%	18.11	19.33	18.22	17.96	18.00	-5.35	-1.66	-4.35

Singapore Product Spreads to Dubai**Singapore Spot Product Prices**

End-User Product Prices

End-user product prices, shown in Table 9 at the end of the Report, were generally down in January. Prices were the weakest in Europe due to the effects of a mild winter. Gasoline prices fell by around 5% in Europe, while they rose in Canada and the US. Japanese gasoline prices remained unchanged. European diesel prices decreased by around 6%. Diesel prices also lost ground in North America. Prices of heating oil and fuel oil fell drastically across Europe. German heating oil prices fell by 16% in a month, while Germany's fuel oil prices decreased by 19%. In the UK, heating oil prices were down 16% and fuel prices declined by 13%. Spain posted the largest drops, 19% for heating oil and 21% for fuel oil. Japanese kerosene prices also decreased due to the warmer-than-average winter. Meanwhile, heating oil prices in the US increased by 3.5% over December.

Mid-Month End-User Product Price Changes January 2001 versus December 2000

Local Currency Including Taxes (%)

	Gasoline ¹	Automotive Diesel ³	Domestic Heating Oil	HFO for Industry ⁵
US	1.8	-3.2	3.5 ²	na
Canada	3.1	-0.4	na	na
France	-4.0	-7.5	-9.3	-17.1
Germany	-5.0	-6.6	-16.1	-18.5
Italy	-5.2	-6.8	-10.0	-17.9
Spain	-7.2	-6.6	-19.2	-20.8
UK	-4.6	-3.8	-15.5	-12.8
Japan	0.0	0.0	-0.2	0.0

1 premium leaded gasoline for France, Italy, Spain, the UK; regular unleaded gasoline for Canada, Germany, Japan and the US

2 previous month's data

3 VAT excluded where it is refundable: Heavy Fuel Oil for Industry, Automotive Diesel for Industry

4 kerosene

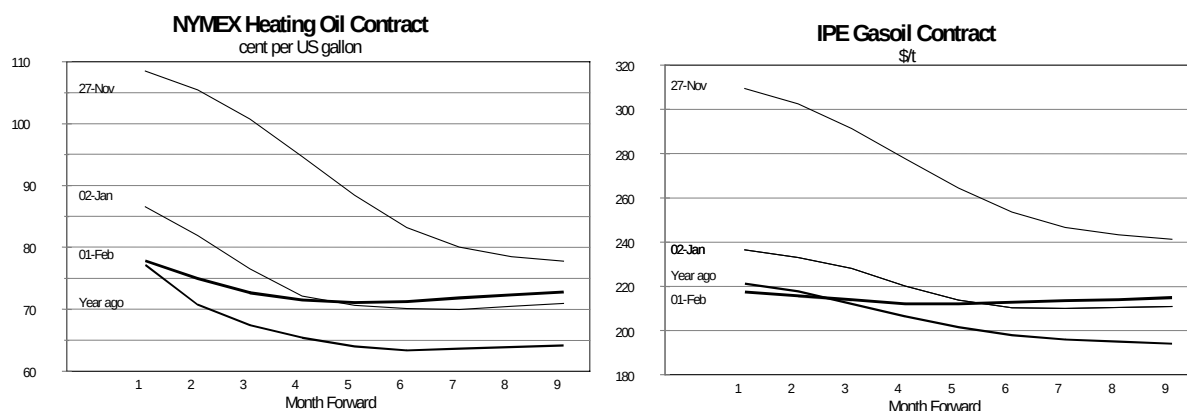
5 high sulphur fuel oil price for France, Spain, the UK and Japan; low sulphur fuel oil price for Germany and Italy - details are shown in Table 9 at the back of the Report

Product Futures

Distillate futures prices followed spot prices lower on both the London and New York exchanges, with the forward price curve flattening seasonally in both markets. On the NYMEX, front-month heating oil prices fell by 9.5% from 2 January to 1 February, in line with a 10% drop in average spot heating oil prices in New York Harbour in January from December. And a 12% decline in Rotterdam spot gasoil prices last month was echoed in an 8% fall in IPE front-month gasoil futures from early January to early February.

In contrast with a month earlier, when front-month NYMEX heating oil still traded at a steep premium to year-ago levels, by 1 February the same contract had fallen close to parity with a year earlier. While contracts for later delivery traded at a steeper premium to year-ago prices, the NYMEX heating oil forward price curve also had grown much flatter than both the year-earlier and the month-earlier curves. By 1 February, front-month heating oil's premium over the ninth-month contract had narrowed by nearly 70%, to 5.03 cents per gallon from 15.64 cents on 2 January.

In a further indication of seasonally softening fundamentals, backwardation vanished altogether on the IPE gasoil market. As of 1 February nearby contracts actually traded at a discount to year-ago levels for the first time this winter. Meanwhile the front-to-ninth-month spread shrank by 90%, down to \$2.50 a metric tonne on 1 February, from \$25.50 on 2 January



Refining Margins in January

Refining margins in the major centres, with the exception of the US Gulf Coast, were down in January. Product prices fell, while crude prices bounced back in the middle of the month. Rotterdam margins suffered from weak product prices resulting from the mild winter, while Mediterranean margins fell due to high Urals crude prices. Strong Dubai crude prices and high tanker transportation costs lowered Singapore margins. In contrast, US Gulf Coast margins gained, supported by strong local product markets. Hydroskimming margins in Northwest Europe and the Mediterranean turned negative. Meanwhile, cracking margins remained in positive territory in all four refining centres and retained healthy differentials over hydroskimming margins.

Refining Margins in Major Refining Centres

(monthly and weekly averages, \$/bbl)

	Nov	Dec	Jan	Change	Week Ending:					
					22 Dec	29 Dec	05 Jan	12 Jan	19 Jan	26 Jan
NW Europe										
Brent (Hydroskimming)	-0.69	1.71	-0.67	-2.39	2.40	2.45	0.74	-0.23	-1.11	-2.03
Brent (Cracking)	0.77	2.54	0.88	-1.66	3.27	3.34	1.97	1.39	0.55	-0.36
Mediterranean										
Urals (Hydroskimming)	0.80	3.18	-0.55	-3.73	3.46	2.56	0.83	-0.21	-1.12	-1.99
Urals (Cracking)	2.48	4.10	1.08	-3.02	4.39	3.51	2.11	1.45	0.62	-0.21
US Gulf Coast										
Brent (Cracking)	-0.90	0.55	4.60	4.05	1.86	4.83	5.59	5.39	4.94	3.81
WTI (Cracking)	1.09	1.38	4.65	3.26	1.38	4.49	4.96	5.92	3.92	3.75
Singapore										
Dubai (Hydroskimming)	-1.16	2.71	0.59	-2.12	2.46	2.08	1.78	1.36	-0.20	-0.72
Dubai (Cracking)	0.56	4.78	3.02	-1.76	4.29	3.73	3.69	3.89	2.44	1.93

For the purposes of this Report, refining margins are calculated on the basis of an "average" refinery that is running a "typical" crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

Unlike the other refining centres, margins on the **US Gulf Coast** gained, supported by strong local product markets. Both WTI and Brent cracking margins surged by more than \$4.50 per barrel over the previous month. Brent margins caught up with WTI margins as weak Brent crude prices relative to WTI offset high tanker transportation costs. Thanks to wide margins, January US throughput remained high.

Rotterdam margins lost ground in January due to weak local product markets resulting from mild winter weather. Hydroskimming margins decreased by \$2.39 per barrel over the previous month, while cracking margins fell by \$1.66. **Mediterranean** margins suffered the most among the major refining centres. Both hydroskimming and cracking margins fell by more than \$3 per barrel over December. Urals crude prices were strong in the absence of Iraqi exports out of the Turkish port of Ceyhan. The monthly average differential between Brent and Urals decreased to \$1.07 per barrel in January from \$1.55 in December.

Singapore margins also suffered. Against the background of weak product markets, landed Dubai crude prices rose due to OPEC production cuts and high ocean-freight transportation costs. As a result, margins fell \$2.12 for hydroskimming and \$1.76 for cracking.

OECD Refinery Throughput in December

Preliminary data suggest that aggregate refinery throughput in OECD countries averaged 39.4 mb/d for December, a decrease of 280 kb/d, or 0.7%, from the previous month. Throughput increased in North America and the Pacific, but decreased in Europe. US throughput posted the largest gain of 203 kb/d, while Japanese throughput was up 125 kb/d. European throughput fell by 570 kb/d, contributing to the overall decline in OECD total throughput. Utilisation rates in OECD countries averaged 91.6%, a decrease of 0.6 percentage points from November.

Refinery Crude Throughput and Utilisation in OECD Countries

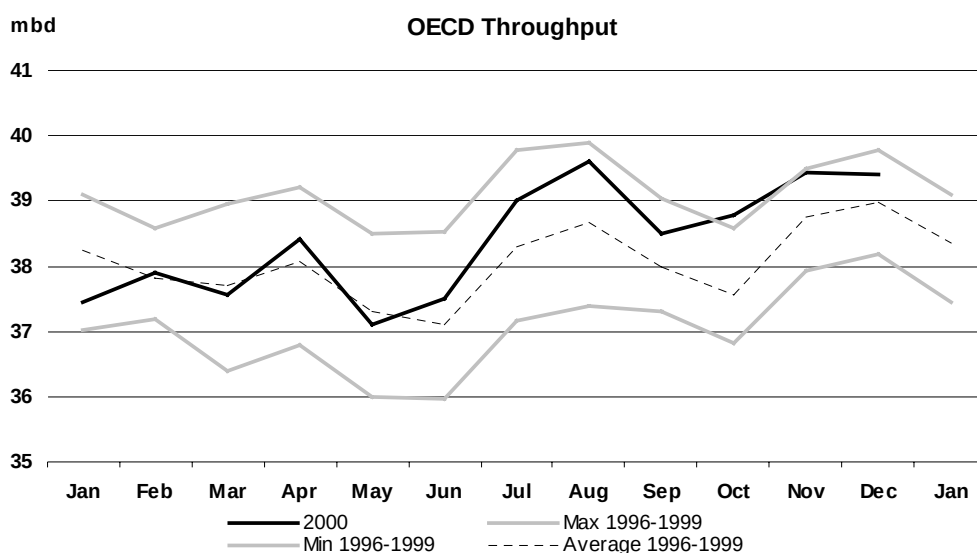
	million barrels per day						Change from Dec 99		Utilisation rate ²	
	Jul 00	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00	mb/d	%	Dec 00	Dec 99
OECD North America										
US*	15.83	15.64	15.41	15.04	15.03	15.23	0.820	5.7	92.3	88.4
Canada	1.72	1.69	1.76	1.63	1.69	1.64	0.041	2.6	88.7	86.5
Mexico	1.06	1.14	1.12	1.05	1.12	1.15	0.012	1.1	74.4	73.6
Total	18.61	18.47	18.29	17.71	17.83	18.02	0.873	5.1	90.6	87.1
OECD Europe										
France	1.78	1.89	1.67	1.75	1.85	1.79	0.097	5.7	103.2	97.6
Germany	2.31	2.27	2.21	2.27	2.18	2.21	-0.083	-3.6	97.7	101.4
Italy	1.51	1.78	1.81	1.83	1.86	1.71	-0.050	-2.9	84.3	86.8
Netherlands	1.17	1.17	1.02	1.24	1.18	1.05	-0.061	-5.5	86.6	91.6
Spain	1.10	1.19	1.10	1.19	1.22	1.15	0.044	4.0	90.4	86.9
UK	1.59	1.65	1.66	1.74	1.66	1.69	0.054	3.3	97.0	93.9
Other OECD Europe	3.88	4.09	3.79	4.00	4.06	3.84	-0.056	-1.4	88.1	89.3
Total	13.33	14.03	13.26	14.01	14.01	13.44	-0.055	-0.4	92.0	92.3
OECD Pacific										
Japan	4.06	4.25	4.02	3.94	4.42	4.55	0.160	3.6	86.8	81.9
Korea	2.43	2.29	2.32	2.51	2.61	2.58	-0.062	-2.4	104.8	107.3
Other OECD Pacific	0.82	0.78	0.84	0.82	0.81	0.81	-0.056	-6.4	98.4	105.1
Total	7.31	7.33	7.18	7.27	7.84	7.94	0.042	0.5	93.1	91.4
OECD Total	39.25	39.82	38.73	38.99	39.68	39.40	0.859	2.2	91.6	89.7

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$50

North American throughput rose by 188 kb/d from November. US throughput increased by 203 kb/d to 15.2 mb/d, posting the highest throughput level for the month. Refineries in the US continued to operate at close to capacity, supported by wide refining margins. Canadian throughput fell by 49 kb/d, while Mexican throughput increased by 34 kb/d, with utilisation rates standing at 89% and 74% respectively. Canadian throughput volumes from July to November last year have been revised upwards.



European throughput decreased by 570 kb/d, or 4.1%, from the previous month. In December, refineries cut their crude runs in the face of weak demand resulting from mild winter. In addition, margins started falling during the month in both Northwest Europe and the Mediterranean. Throughput in France, Italy, the Netherlands and Spain fell, while that of Germany and the UK rose. Despite the 570 kb/d loss in throughput, European utilisation rates averaged as high as 92% for the month of December.

Throughput in OECD **Pacific** rose by 103 kb/d over the previous month. Following seasonal patterns, Japanese throughput increased by 125 kb/d, or 2.8%, to 4.55 mb/d in December, with refinery utilisation rates rising from 84% to 87%. Korean throughput decreased by 25 kb/d to 2.58 mb/d, which is still above the country's sustainable capacity. Australian throughput fell by 26 kb/d, while New Zealand throughput rose by 28 kb/d.

The US Energy Department's weekly statistics suggest that US throughput averaged 15.02 mb/d for the four weeks ending 26 January, a drop of 213 kb/d from the month of December. Utilisation rates averaged 92% over the period. European throughput is estimated to have decreased by 92 kb/d from December to 13.35 mb/d in January. Japanese throughput is expected to have risen slightly by 26 kb/d to 4.57 mb/d.

Downstream Industry Developments

In late January, BP said it would sell its 7% stake in Lukoil, Russia's largest oil company, which it acquired through the merger with Arco. Arco bought the stake for \$340 million in 1995 and 1996. BP will sell the stake because it prefers to hold larger stakes that give it more control over company operation. Currently BP has no representation on Lukoil's board despite its 7% ownership. BP also owns 10% of another Russian oil company, Sidanko, and a 25% interest in the giant Kovykta gas field in Siberia. Meanwhile, Lukoil in late December released its first financial results in accordance with US generally accepted accounting principles. Lukoil intends to list on the New York Stock Exchange and has been taking steps to comply with rules and regulations of the Stock Exchange. BP will continue to operate its joint venture with Lukoil, LukArco, which has shares in several oil and gas projects in the Caspian region.

Kuwait National Petroleum Company (KNPC) awarded a contract to Foster Wheeler to manage the reconstruction of Mina al-Ahmadi refinery that was partly destroyed by an explosion in June last year. The reconstruction is scheduled to start in February, with the entire plant resuming operation in 28 months. Foster Wheel will represent KNPC's interest during the period. One crude distillation unit restarted in October last year and another unit is expected to resume operation in February.

In mid-January, US independent refiner Premcor announced that it would close its 80 kb/d Blue Island refinery in Illinois at the end of the month. The company will continue to operate its petroleum product storage facility adjacent to the refinery site. Premcor said that the refinery would not generate a return sufficient to justify the additional investment to meet the requirements of the next wave of low-sulphur, cleaner-burning fuels. The company, headquartered in Saint Louis, Missouri, operates three refineries (excluding the Blue Island refinery) in the Central US, with a combined crude oil throughput capacity of 485 kb/d. Premcor markets gasoline, diesel fuel, and other petroleum products on a wholesale unbranded basis.

Russian oil company Sibneft plans to invest \$52 million in its Omsk refinery to install a new alkylation unit and replace a catalytic reforming unit in 2001. The investment will increase throughput to 262 kb/d from an estimated 246 kb/d in 2000. The Omsk refinery is situated in Western Siberia near the border with Kazakhstan. With the new alkylation unit scheduled to be operational in September 2001, the Omsk refinery will become the first in Russia to produce the much-needed high-octane A-98 grade gasoline. The company will market the premium gasoline in Moscow and Western Siberia.

In India, the 540 kb/d Jamnagar refinery owned by Reliance Petroleum was shut down for safety inspection after a powerful earthquake struck western India on Friday, 26 January. The plant restarted its operation two to three days later. The company said it did not see any problem in meeting its commitments of petroleum product deliveries. The refinery is located within 100 miles of the epicentre.

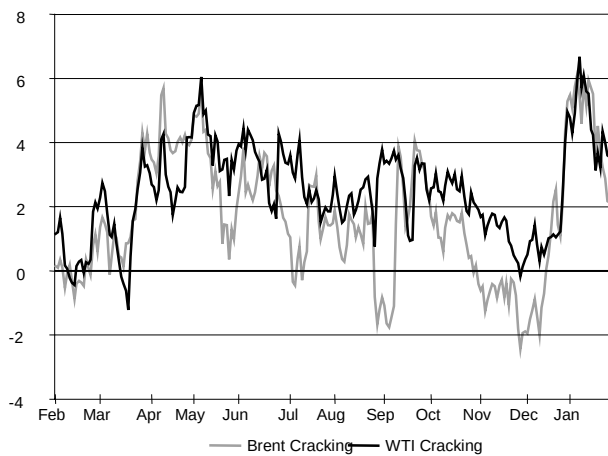
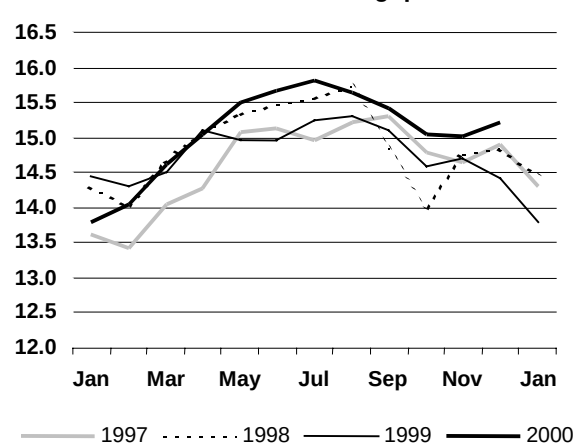
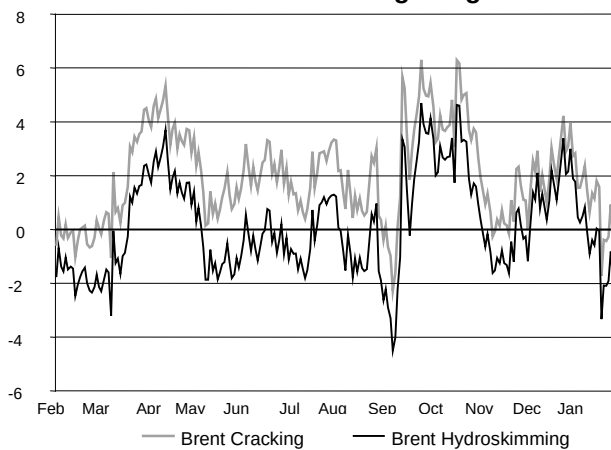
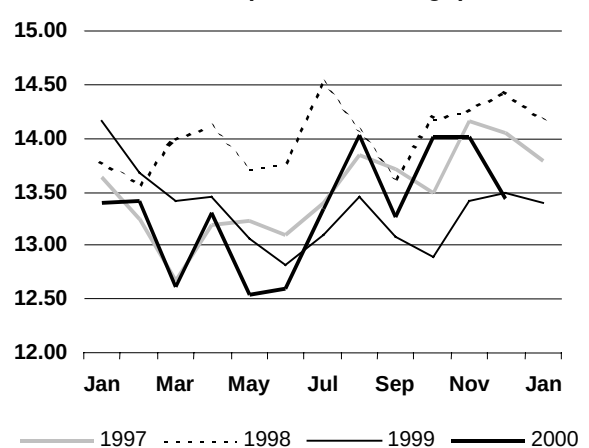
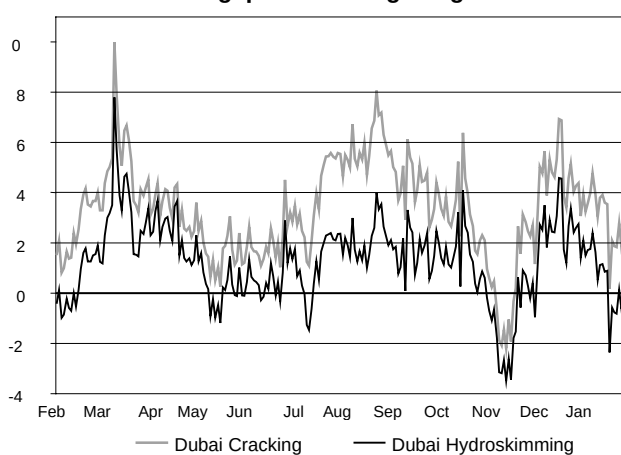
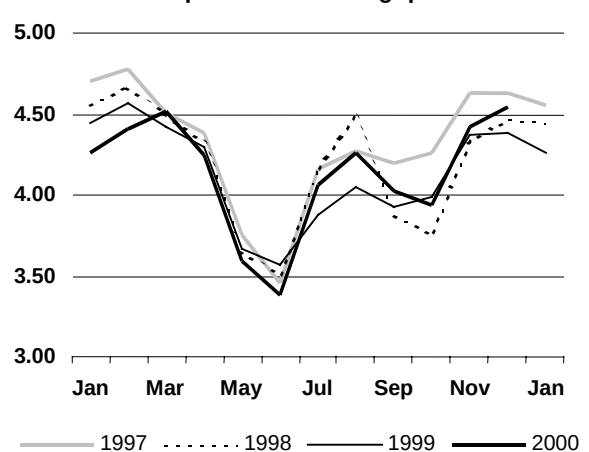
US Gulf Coast Refining Margins**US 50 Crude Throughput****Rotterdam Refining Margins****OECD Europe Crude Throughput****Singapore Refining Margins****Japan Crude Throughput**

Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	22.7	23.1	23.6	23.5	24.1	24.3	23.9	23.6	23.7	24.3	24.4	24.0	24.3	23.9	24.5	24.8	24.4
Europe	15.0	15.3	15.8	14.4	14.7	15.6	15.1	15.1	14.5	15.0	15.4	15.0	15.3	14.6	15.1	15.7	15.2
Pacific	9.0	8.4	9.4	7.9	8.2	9.1	8.6	9.3	8.0	8.3	8.8	8.6	9.5	8.1	8.4	9.1	8.8
Total OECD	46.7	46.8	48.7	45.7	47.0	49.0	47.6	47.9	46.3	47.6	48.6	47.6	49.1	46.6	48.0	49.6	48.3
NON-OECD DEMAND																	
FSU	3.8	3.7	3.6	3.3	3.4	3.7	3.5	3.6	3.4	3.5	3.7	3.5	3.7	3.4	3.3	3.5	3.5
Europe	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	4.2	4.2	4.4	4.6	4.3	4.6	4.5	4.7	4.5	5.1	4.8	4.8	4.9	5.0	5.0	5.3	5.0
Other Asia	6.7	6.7	7.0	7.1	7.1	7.1	7.1	7.1	7.3	7.3	7.3	7.2	7.4	7.5	7.5	7.6	7.5
Latin America	4.7	4.8	4.6	4.8	4.9	4.8	4.8	4.7	4.8	4.9	4.9	4.8	4.8	5.0	5.0	5.0	4.9
Middle East	4.0	4.2	4.3	4.4	4.4	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.6
Africa	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4
Total Non-OECD	26.5	26.7	27.0	27.2	27.1	27.5	27.2	27.5	27.6	28.2	28.1	27.9	28.4	28.6	28.7	29.1	28.7
Total Demand¹	73.1	73.5	75.8	72.9	74.0	76.5	74.8	75.5	73.9	75.9	76.8	75.5	77.5	75.2	76.7	78.7	77.0
OECD SUPPLY																	
North America	14.6	14.5	14.1	13.9	13.9	14.1	14.0	14.3	14.4	14.3	14.2	14.3	14.5	14.6	14.6	14.8	14.6
Europe	6.7	6.7	6.8	6.5	6.7	7.1	6.8	7.1	6.6	6.6	6.9	6.8	6.9	6.6	6.5	6.9	6.7
Pacific	0.7	0.7	0.6	0.6	0.7	0.7	0.7	0.9	0.9	0.8	0.8	0.9	0.8	0.8	0.8	0.8	0.8
Total OECD	22.1	21.9	21.5	20.9	21.3	22.0	21.4	22.3	21.8	21.7	21.9	21.9	22.2	22.0	21.9	22.6	22.2
NON-OECD SUPPLY																	
FSU	7.2	7.3	7.4	7.4	7.5	7.6	7.5	7.7	7.8	8.0	8.2	7.9	8.2	8.3	8.4	8.4	8.3
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Other Asia	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Latin America	3.4	3.6	3.8	3.8	3.8	3.8	3.8	3.7	3.7	3.8	3.9	3.8	3.9	3.9	3.9	3.9	3.9
Middle East	1.9	1.9	1.9	1.9	1.9	2.0	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.7	2.8	2.7	2.7	2.8	2.9	2.8	2.9	2.9	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	20.9	21.2	21.5	21.5	21.6	21.8	21.6	21.9	22.0	22.4	22.7	22.2	22.7	22.8	22.8	22.9	22.8
Processing Gains ²	1.6	1.6	1.7	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8
Total Non-OPEC	44.5	44.7	44.6	44.0	44.6	45.5	44.7	45.9	45.5	45.8	46.4	45.9	46.7	46.5	46.5	47.2	46.7
OPEC																	
Crude	27.2	28.0	27.8	26.3	26.2	26.1	26.6	26.5	27.8	28.4	29.0	27.9					
NGLs	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.0
Total OPEC	29.9	30.8	30.6	29.1	29.1	29.0	29.4	29.3	30.7	31.3	31.9	30.8					
Total Supply³	74.4	75.5	75.3	73.1	73.6	74.5	74.1	75.2	76.2	77.1	78.2	76.7					
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.3	0.2	-0.7	0.4	-0.2	-2.4	-0.7	-0.3	0.9	0.3	-0.4	0.1					
Government	0.0	0.1	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.1	-0.4	-0.1					
Total	0.3	0.3	-0.7	0.4	-0.3	-2.5	-0.8	-0.3	0.9	0.4	-0.8	0.0					
Floating Storage/Oil in Transit	0.1	0.1	0.0	0.1	-0.1	-0.1	-0.1	0.0	0.1	0.0	0.3	0.1					
Miscellaneous to balance ⁴	0.9	1.6	0.2	-0.3	0.0	0.6	0.1	0.1	1.3	0.8	2.0	1.1					
Total Stock Ch. & Misc	1.3	2.0	-0.5	0.2	-0.4	-2.0	-0.7	-0.2	2.3	1.2	1.5	1.2					
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	25.9	26.0	28.3	26.1	26.7	28.1	27.3	26.7	25.5	27.2	27.5	26.7	27.8	25.7	27.2	28.4	27.3
Total Demand ex. FSU	69.3	69.8	72.1	69.6	70.6	72.8	71.3	71.9	70.5	72.4	73.1	72.0	73.8	71.8	73.4	75.2	73.5
Total demand exc. FSU (% ch) ⁶	3.1	0.7	3.7	1.8	1.5	1.7	2.2	-0.3	1.2	2.6	0.3	0.9	2.7	1.9	1.3	2.9	2.2

¹ measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel and includes crude for direct burning, oil from non-conventional sources and other sources of supply

² net of volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ includes changes in non-reported stocks in OECD and non-OECD areas

⁵ equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	-	-	-	-	-0.1	-	-	-	-	-	-0.2	-0.1	0.2	-0.2	-0.2	-0.2	-0.1
Europe	-	-	-	-	-	-	-	-	-	-	-0.3	-0.1	-0.1	-0.1	-	-0.2	-0.1
Pacific	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-	-	-0.1	-
Total OECD	-	-	-	-	-	-	-	-	-	-	-0.6	-0.2	0.1	-0.2	-0.2	-0.5	-0.3
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	0.1	-	0.1	0.1	-	0.1	-	-	-	0.1
Europe	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-
Latin America	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-	-0.1
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	0.1	-	-0.1	0.1	0.1	-	-	-0.1	-
Total Demand	-	-	-	-	-0.1	-	-	0.1	0.1	0.1	-0.5	-0.1	0.1	-0.2	-0.2	-0.6	-0.3
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	0.1	-	-0.1	-	-0.2	-	-	-	-0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	0.1	0.1	-	-0.1	-	-0.2	-0.1	-0.1	-	-0.1
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-
Total Non-OECD	0.1	-	-	-	-	-	-	-	-	0.1	-	-	-	0.1	-	0.1	-
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	0.1	-	-	0.1	0.1	0.1	-0.1	-	-0.2	-0.1	-	-	-0.1
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-0.1	0.1	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-0.1	0.1	-	-	-	-	-	-
Total Supply	-	-	-	-	-	-	-	0.1	0.1	-	-0.1	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-0.1	-	-	-	-	-	-	-	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-
Miscellaneous to balance	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-	-	-	-	-
Total Stock Ch. & Misc	-	-	-	-	-	-	-	0.1	-	-0.1	0.5	0.1	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	-	-	-	-	-0.1	-	-	-0.4	-0.1	0.3	-0.2	-0.2	-0.7	-0.2
Total Demand ex. FSU	-	-	-	-	-	-	-	-	0.1	-	-0.6	-0.1	-	-0.3	-0.2	-0.6	-0.3

When submitting their monthly oil statistics, IEA Member countries periodically update data for earlier years. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	July			August			September			Third Quarter			October		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
North America															
LPG	2.77	2.69	-2.7	2.79	2.83	1.6	3.01	2.81	-6.6	2.85	2.78	-2.6	3.14	3.11	-1.1
Naphtha	0.38	0.41	9.2	0.34	0.35	2.4	0.33	0.43	30.1	0.35	0.40	13.4	0.39	0.38	-4.1
Motor Gasoline	10.23	9.86	-3.7	9.85	10.10	2.6	9.57	9.68	1.1	9.89	9.88	-0.1	9.77	9.63	-1.4
Jet/Kerosene	1.91	2.03	6.0	2.01	2.08	3.7	1.92	2.03	5.4	1.95	2.05	5.0	1.99	2.02	1.3
Gasoil	4.24	4.15	-2.1	4.23	4.58	8.4	4.29	4.61	7.3	4.25	4.45	4.5	4.62	4.64	0.4
Residual Fuel Oil	1.49	1.70	14.0	1.72	1.68	-2.6	1.50	1.68	12.3	1.57	1.68	7.3	1.43	1.88	31.0
Other Products	3.10	3.07	-0.9	3.49	3.20	-8.3	3.27	3.04	-6.8	3.28	3.10	-5.5	2.87	2.61	-8.9
Total	24.12	23.91	-0.9	24.42	24.83	1.6	23.88	24.27	1.6	24.15	24.34	0.8	24.21	24.26	0.2
Europe															
LPG	0.74	0.79	6.8	0.76	0.87	14.8	0.80	0.84	4.7	0.77	0.83	8.8	0.88	0.86	-2.0
Naphtha	1.13	1.09	-4.2	1.13	1.24	9.9	1.11	1.09	-1.4	1.12	1.14	1.5	1.16	1.14	-2.0
Motor Gasoline	3.41	3.15	-7.8	3.26	3.24	-0.6	3.21	3.09	-3.9	3.30	3.16	-4.2	3.09	2.99	-3.2
Jet/Kerosene	1.15	1.16	0.7	1.13	1.23	8.4	1.17	1.23	5.7	1.15	1.21	4.9	1.10	1.15	4.8
Gasoil	4.84	5.08	4.8	4.89	5.47	12.0	5.41	5.66	4.7	5.04	5.40	7.1	5.66	5.93	4.7
Residual Fuel Oil	1.90	1.88	-1.2	1.81	1.95	7.7	1.93	1.93	-0.2	1.88	1.92	2.0	1.93	1.84	-4.4
Other Products	1.41	1.33	-6.2	1.34	1.34	-0.6	1.52	1.41	-7.0	1.42	1.36	-4.7	1.24	1.39	11.7
Total	14.59	14.46	-0.9	14.33	15.35	7.1	15.15	15.25	0.7	14.68	15.02	2.3	15.06	15.30	1.6
Pacific															
LPG	0.83	0.82	-1.4	0.77	0.82	5.4	0.83	0.82	-1.5	0.81	0.82	0.7	0.79	0.83	5.2
Naphtha	1.37	1.45	6.1	1.45	1.50	3.6	1.44	1.40	-2.8	1.42	1.45	2.3	1.41	1.36	-3.0
Motor Gasoline	1.59	1.57	-1.4	1.67	1.73	3.5	1.55	1.55	0.2	1.60	1.62	0.8	1.48	1.44	-2.1
Jet/Kerosene	0.66	0.63	-3.5	0.71	0.73	3.4	0.81	0.94	15.8	0.72	0.77	5.8	0.87	0.84	-4.2
Gasoil	1.80	1.74	-3.7	1.77	1.83	3.8	1.86	1.85	-0.3	1.81	1.81	-0.1	1.86	1.77	-4.6
Residual Fuel Oil	1.14	1.14	0.3	1.14	1.23	8.1	1.22	1.16	-4.5	1.16	1.18	1.2	1.15	1.12	-2.7
Other Products	0.60	0.63	6.4	0.63	0.66	4.7	0.66	0.67	1.7	0.63	0.65	4.2	0.57	0.57	-1.2
Total	7.99	7.99	0.0	8.14	8.50	4.5	8.36	8.39	0.3	8.16	8.29	1.6	8.12	7.93	-2.4
OECD															
LPG	4.34	4.30	-0.8	4.32	4.52	4.6	4.65	4.48	-3.7	4.43	4.43	0.0	4.81	4.80	-0.2
Naphtha	2.88	2.95	2.5	2.92	3.10	5.9	2.87	2.91	1.5	2.89	2.99	3.3	2.96	2.88	-2.8
Motor Gasoline	15.24	14.57	-4.4	14.78	15.07	2.0	14.33	14.32	-0.1	14.79	14.66	-0.9	14.34	14.07	-1.9
Jet/Kerosene	3.72	3.82	2.7	3.85	4.04	5.0	3.90	4.19	7.6	3.82	4.02	5.1	3.96	4.00	1.0
Gasoil	10.89	10.97	0.7	10.88	11.89	9.3	11.56	12.13	4.9	11.11	11.66	4.9	12.14	12.34	1.6
Residual Fuel Oil	4.53	4.72	4.1	4.67	4.86	4.0	4.64	4.77	2.7	4.61	4.78	3.6	4.51	4.84	7.3
Other Products	5.11	5.03	-1.5	5.46	5.19	-4.9	5.44	5.12	-5.8	5.33	5.11	-4.1	4.68	4.56	-2.5
Total	46.70	46.36	-0.7	46.89	48.67	3.8	47.39	47.91	1.1	46.99	47.65	1.4	47.39	47.49	0.2

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	August			September			Third Quarter			October			November		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
United States²															
LPG	2.09	2.06	-1.4	2.29	2.02	-11.7	2.15	2.01	-6.6	2.32	2.23	-3.9	2.12	2.10	-0.8
Naphtha	0.25	0.27	9.2	0.23	0.34	47.6	0.25	0.31	24.3	0.31	0.31	-0.6	0.25	0.34	37.2
Motor Gasoline	8.58	8.76	2.1	8.31	8.42	1.3	8.61	8.58	-0.3	8.54	8.36	-2.1	8.24	8.30	0.7
Jet/Kerosene	1.79	1.85	3.3	1.70	1.80	5.9	1.73	1.82	5.3	1.78	1.81	1.6	1.74	1.75	1.1
Gasoil	3.44	3.69	7.5	3.43	3.73	8.6	3.45	3.59	4.2	3.75	3.72	-0.8	3.61	3.74	3.7
Residual Fuel Oil	1.00	0.88	-12.0	0.76	0.85	12.7	0.84	0.90	8.0	0.72	1.03	43.1	0.76	0.84	9.6
Other Products	2.95	2.71	-8.3	2.77	2.53	-8.6	2.78	2.61	-6.2	2.45	2.23	-9.0	2.38	2.00	-16.1
Total	20.09	20.22	0.6	19.49	19.69	1.1	19.80	19.82	0.1	19.87	19.69	-0.9	19.09	19.06	-0.1
Japan³															
LPG	0.49	0.53	6.8	0.53	0.53	-0.6	0.52	0.52	0.1	0.50	0.50	-1.4	0.60	0.62	3.4
Naphtha	0.85	0.85	-0.7	0.80	0.79	-1.3	0.80	0.83	3.3	0.77	0.79	3.2	0.87	0.84	-3.5
Motor Gasoline	1.12	1.16	3.9	1.00	1.04	3.5	1.05	1.08	3.2	0.95	0.95	-0.6	0.98	0.98	0.7
Jet/Kerosene	0.44	0.47	7.6	0.48	0.56	17.4	0.45	0.49	8.9	0.55	0.55	0.5	0.76	0.79	3.4
Diesel	0.70	0.70	0.2	0.73	0.71	-2.3	0.72	0.70	-2.1	0.72	0.68	-4.9	0.73	0.71	-2.1
Other Gasoil	0.46	0.49	6.7	0.49	0.53	8.3	0.47	0.49	4.1	0.47	0.48	2.7	0.56	0.54	-2.5
Residual Fuel Oil	0.68	0.72	5.8	0.76	0.70	-7.3	0.69	0.70	1.0	0.66	0.60	-8.2	0.72	0.65	-10.0
Direct use of Crude Oil	0.20	0.23	16.3	0.17	0.19	13.8	0.18	0.21	18.3	0.11	0.11	-3.9	0.17	0.08	-55.4
Other Products	0.34	0.34	-0.5	0.39	0.36	-7.7	0.36	0.35	-1.6	0.36	0.34	-4.9	0.34	0.36	5.6
Total	5.28	5.48	3.9	5.36	5.43	1.3	5.24	5.38	2.6	5.09	5.00	-1.7	5.73	5.58	-2.7
Germany															
LPG	0.08	0.09	11.1	0.08	0.09	14.1	0.08	0.10	14.6	0.07	0.06	-14.1	0.08	0.06	-23.4
Naphtha	0.35	0.42	19.4	0.35	0.35	-0.2	0.35	0.38	8.5	0.40	0.37	-6.8	0.40	0.41	1.5
Motor Gasoline	0.71	0.68	-4.3	0.71	0.69	-2.4	0.71	0.68	-3.3	0.71	0.65	-8.1	0.69	0.66	-4.0
Jet/Kerosene	0.16	0.17	4.7	0.16	0.17	6.9	0.16	0.17	3.7	0.15	0.17	9.0	0.15	0.15	-0.3
Diesel	0.49	0.56	14.5	0.51	0.57	11.0	0.50	0.55	10.3	0.49	0.54	10.8	0.55	0.58	5.2
Other Gasoil	0.64	0.84	32.5	0.72	0.81	12.5	0.59	0.74	25.8	0.80	0.66	-17.0	0.81	0.65	-20.2
Residual Fuel Oil	0.12	0.17	40.8	0.13	0.16	26.5	0.13	0.17	32.1	0.15	0.17	12.3	0.15	0.17	14.1
Other Products	0.21	0.16	-22.5	0.23	0.15	-34.3	0.22	0.15	-31.6	0.17	0.17	-2.1	0.15	0.17	13.7
Total	2.75	3.08	12.2	2.89	3.00	3.7	2.75	2.95	7.3	2.94	2.79	-5.1	2.98	2.85	-4.5
Italy															
LPG	0.08	0.09	21.8	0.09	0.10	7.9	0.08	0.09	17.8	0.10	0.11	7.0	0.12	0.11	-5.9
Naphtha	0.08	0.10	22.7	0.11	0.09	-12.6	0.09	0.10	7.4	0.10	0.11	8.9	0.11	0.11	-4.2
Motor Gasoline	0.44	0.44	-0.6	0.45	0.42	-5.9	0.45	0.43	-5.4	0.43	0.41	-5.9	0.43	0.40	-8.3
Jet/Kerosene	0.09	0.09	4.2	0.09	0.10	8.2	0.09	0.09	6.0	0.07	0.08	12.1	0.07	0.07	6.8
Diesel	0.29	0.33	16.4	0.40	0.39	-2.1	0.35	0.37	5.5	0.39	0.40	2.8	0.40	0.39	-1.2
Other Gasoil	0.14	0.12	-16.3	0.15	0.18	17.0	0.15	0.14	-1.3	0.20	0.20	-0.4	0.23	0.21	-8.8
Residual Fuel Oil	0.43	0.46	6.9	0.47	0.46	-2.3	0.45	0.45	-1.5	0.41	0.35	-14.6	0.46	0.34	-26.4
Other Products	0.13	0.14	11.9	0.18	0.15	-13.8	0.15	0.14	-5.0	0.14	0.16	12.9	0.11	0.14	23.7
Total	1.67	1.77	6.3	1.93	1.89	-2.3	1.80	1.81	0.2	1.85	1.82	-1.7	1.94	1.77	-8.5
France															
LPG	0.08	0.07	-2.2	0.09	0.09	-3.2	0.08	0.08	-2.9	0.11	0.12	1.6	0.14	0.14	0.0
Naphtha	0.18	0.19	5.6	0.17	0.17	-1.0	0.18	0.19	3.3	0.16	0.16	-3.7	0.19	0.19	-0.6
Motor Gasoline	0.36	0.35	-2.9	0.34	0.31	-11.1	0.36	0.33	-7.5	0.32	0.31	-2.1	0.32	0.29	-7.9
Jet/Kerosene	0.14	0.17	15.0	0.14	0.15	3.7	0.14	0.15	6.5	0.13	0.14	3.9	0.14	0.13	-6.9
Diesel	0.51	0.54	6.3	0.57	0.54	-5.2	0.55	0.55	0.0	0.56	0.52	-6.3	0.56	0.57	0.8
Other Gasoil	0.34	0.37	8.6	0.36	0.23	-34.9	0.35	0.31	-10.2	0.42	0.68	61.3	0.48	0.42	-12.9
Residual Fuel Oil	0.12	0.11	-8.9	0.13	0.12	-10.9	0.13	0.11	-8.3	0.15	0.14	-0.9	0.18	0.15	-16.0
Other Products	0.14	0.14	-1.4	0.17	0.18	1.5	0.16	0.16	0.3	0.16	0.16	1.8	0.14	0.12	-11.6
Total	1.88	1.95	3.6	1.98	1.77	-10.3	1.95	1.89	-3.1	2.01	2.22	10.9	2.14	2.01	-6.5
United Kingdom															
LPG	0.12	0.13	10.0	0.12	0.12	-5.4	0.12	0.11	-7.9	0.14	0.12	-20.2	0.17	0.12	-28.7
Naphtha	0.09	0.06	-32.5	0.09	0.07	-30.7	0.09	0.06	-32.6	0.09	0.10	9.4	0.06	0.09	57.6
Motor Gasoline	0.49	0.50	1.2	0.50	0.49	-3.3	0.50	0.49	-1.6	0.49	0.50	2.2	0.53	0.54	2.0
Jet/Kerosene	0.29	0.33	14.0	0.29	0.34	17.3	0.28	0.32	12.8	0.29	0.33	11.6	0.29	0.31	4.4
Diesel	0.30	0.31	4.4	0.31	0.32	3.6	0.31	0.31	2.1	0.32	0.32	-1.6	0.33	0.33	-1.9
Other Gasoil	0.17	0.18	4.6	0.17	0.19	8.2	0.17	0.18	6.5	0.17	0.19	12.8	0.18	0.19	2.3
Residual Fuel Oil	0.08	0.07	-14.7	0.09	0.08	-9.6	0.08	0.07	-12.0	0.09	0.07	-19.7	0.09	0.09	1.9
Other Products	0.16	0.15	-2.3	0.15	0.17	14.2	0.16	0.16	-2.7	0.14	0.16	12.2	0.17	0.15	-10.5
Total	1.71	1.74	1.9	1.74	1.77	2.1	1.72	1.71	-0.4	1.73	1.77	2.3	1.82	1.81	-0.5
Canada															
LPG	0.29	0.34	18.7	0.28	0.34	21.2	0.28	0.33	17.3	0.38	0.43	12.4	0.38	0.46	21.1
Naphtha	0.08	0.07	-13.0	0.09	0.08	-5.0	0.09	0.08	-6.7	0.05	0.08	52.7	0.07	0.08	8.6
Motor Gasoline	0.70	0.72	2.9	0.68	0.66	-2.9	0.70	0.69	-0.5	0.65	0.65	0.4	0.65	0.65	0.5
Jet/Kerosene	0.11	0.13	9.4	0.13	0.13	2.6	0.12	0.13	3.4	0.11	0.11	-7.6	0.12	0.11	-6.8
Diesel	0.18	0.18	0.0	0.20	0.18	-8.4	0.18	0.18	-3.0	0.18	0.20	6.9	0.18	0.18	2.7
Other Gasoil	0.26	0.31	19.7	0.31	0.33	7.6	0.27	0.30	10.9	0.31	0.33	5.2	0.36	0.36	1.5
Residual Fuel Oil	0.13	0.12	-12.7	0.14	0.19	34.9	0.13	0.14	7.6	0.11	0.17	49.3	0.14	0.18	25.0
Other Products	0.31	0.31	-2.3	0.32	0.29	-8.6	0.32	0.30	-3.6	0.26	0.27	1.7	0.25	0.26	2.6
Total	2.08	2.18	4.9	2.14	2.21	3.1	2.09	2.16	3.2	2.06	2.22	7.5	2.15	2.29	6.2

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	3Q01	Nov 00	Dec 00	Jan 01
OPEC											
Crude Oil											
Saudi Arabia	7.52	8.00		8.17	8.45				8.60	8.40	8.35
Iran	3.50	3.69		3.72	3.83				3.80	3.87	3.85
Iraq	2.52	2.57		2.79	2.40				2.90	1.32	1.70
UAE	2.07	2.24		2.23	2.35				2.34	2.36	2.37
Kuwait	1.65	1.77		1.85	1.88				1.88	1.88	1.88
Neutral Zone	0.59	0.63		0.63	0.67				0.68	0.68	0.68
Qatar	0.63	0.69		0.69	0.73				0.74	0.73	0.74
Nigeria	1.95	2.04		2.04	2.15				2.17	2.16	2.18
Libya	1.38	1.41		1.43	1.45				1.45	1.46	1.45
Algeria	0.76	0.81		0.82	0.85				0.85	0.85	0.85
Venezuela	2.79	2.89		2.92	2.99				3.00	3.03	3.03
Indonesia	1.27	1.20		1.14	1.25				1.25	1.26	1.26
Total Crude Oil	26.61	27.92		28.41	28.98				29.64	27.98	28.33
Total NGLs ¹	2.82	2.88	3.00	2.89	2.91	2.95	2.98	3.01	2.91	2.91	2.95
Total OPEC	29.43	30.80		31.30	31.89				32.54	30.88	31.28
NON-OPEC²											
OECD											
North America	14.00	14.30	14.64	14.30	14.19	14.49	14.64	14.64	14.28	14.13	14.30
United States	8.10	8.12	8.14	8.09	8.09	8.10	8.14	8.10	8.14	7.94	8.00
Mexico	3.35	3.45	3.72	3.51	3.38	3.64	3.74	3.72	3.39	3.48	3.59
Canada	2.56	2.73	2.79	2.71	2.72	2.75	2.76	2.82	2.76	2.70	2.71
Europe	6.76	6.77	6.69	6.57	6.86	6.85	6.56	6.46	6.95	6.94	6.89
UK	2.93	2.70	2.61	2.58	2.63	2.69	2.42	2.60	2.68	2.67	2.69
Norway	3.14	3.32	3.32	3.25	3.45	3.39	3.40	3.10	3.50	3.50	3.43
Others	0.69	0.75	0.76	0.74	0.78	0.77	0.75	0.75	0.78	0.77	0.77
Pacific	0.67	0.85	0.83	0.84	0.85	0.84	0.82	0.84	0.87	0.87	0.86
Australia	0.61	0.79	0.77	0.77	0.79	0.78	0.76	0.78	0.81	0.81	0.79
Others	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.07	0.06	0.06
Total OECD	21.43	21.92	22.16	21.71	21.90	22.17	22.00	21.93	22.10	21.94	22.04
NON-OECD											
Former USSR	7.49	7.94	8.32	8.02	8.22	8.23	8.27	8.36	8.24	8.24	8.21
Russia	6.16	6.50	6.77	6.60	6.70	6.69	6.72	6.81	6.72	6.70	6.68
Others	1.34	1.44	1.55	1.43	1.52	1.54	1.55	1.55	1.53	1.53	1.53
Asia	5.42	5.51	5.51	5.52	5.56	5.54	5.51	5.50	5.55	5.57	5.54
China	3.19	3.23	3.21	3.22	3.22	3.21	3.21	3.20	3.21	3.22	3.22
Malaysia	0.70	0.71	0.71	0.72	0.72	0.71	0.71	0.71	0.72	0.72	0.71
India	0.75	0.73	0.72	0.74	0.75	0.73	0.72	0.71	0.75	0.74	0.74
Others	0.79	0.84	0.88	0.84	0.87	0.88	0.88	0.88	0.88	0.88	0.88
Europe	0.19	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Latin America	3.78	3.77	3.89	3.77	3.89	3.88	3.90	3.89	3.93	3.94	3.89
Brazil	1.36	1.50	1.66	1.49	1.63	1.61	1.66	1.68	1.63	1.68	1.62
Argentina	0.85	0.82	0.79	0.81	0.80	0.80	0.79	0.79	0.81	0.80	0.80
Colombia	0.83	0.70	0.65	0.68	0.67	0.68	0.66	0.64	0.71	0.71	0.69
Ecuador	0.38	0.39	0.43	0.43	0.42	0.43	0.43	0.43	0.43	0.39	0.43
Others	0.36	0.36	0.36	0.37	0.36	0.36	0.36	0.36	0.36	0.36	0.36
Middle East³	1.93	2.00	2.03	2.01	2.04	2.05	2.04	2.02	2.06	2.03	2.05
Oman	0.91	0.96	1.00	0.98	1.01	1.01	1.01	1.00	1.03	1.00	1.01
Syria	0.57	0.55	0.52	0.54	0.54	0.53	0.52	0.52	0.54	0.53	0.53
Yemen	0.41	0.45	0.46	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.79	2.85	2.88	2.85	2.83	2.86	2.87	2.88	2.82	2.85	2.86
Egypt	0.85	0.81	0.78	0.80	0.80	0.79	0.78	0.78	0.80	0.80	0.79
Angola	0.75	0.74	0.73	0.74	0.72	0.73	0.73	0.73	0.72	0.72	0.73
Gabon	0.33	0.31	0.29	0.31	0.30	0.30	0.30	0.29	0.30	0.30	0.30
Others	0.85	0.99	1.08	1.00	1.01	1.04	1.06	1.08	1.00	1.03	1.04
Total Non-OECD	21.60	22.24	22.80	22.35	22.72	22.74	22.77	22.84	22.79	22.80	22.73
Processing Gains ⁴	1.67	1.72	1.77	1.70	1.74	1.79	1.75	1.75	1.74	1.74	1.79
TOTAL NON-OPEC	44.69	45.88	46.73	45.75	46.35	46.69	46.52	46.51	46.63	46.48	46.56
TOTAL SUPPLY	74.12	76.67		77.05	78.24				79.17	77.37	77.85

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	3Q01	Nov-00	Dec-00	Jan-01
United States											
Alaska	1050	970	942	906	987	987	937	902	987	1010	996
California	857	835	811	835	834	811	819	811	831	832	799
Texas	1231	1228	1195	1241	1219	1209	1200	1191	1219	1213	1213
Federal Gulf of Mexico ²	1349	1396	1572	1409	1453	1521	1551	1580	1451	1477	1506
Other US Lower 48	1390	1378	1327	1379	1366	1351	1335	1319	1368	1363	1355
NGLs ³	1834	1913	1880	1931	1812	1812	1892	1887	1876	1643	1721
Other Hydrocarbons	386	397	409	385	412	410	409	409	404	407	412
Total	8096	8118	8137	8086	8085	8101	8143	8099	8136	7945	8004
Canada	243	254	263	254	255	258	261	264	253	256	257
Alberta Light/Medium/Heavy	784	767	749	764	764	757	752	747	763	760	760
Alberta Bitumen	244	266	289	268	285	287	289	290	296	283	286
Saskatchewan	374	417	432	420	430	431	432	433	430	430	431
Other Crude	187	227	255	215	225	226	233	266	217	223	226
NGLs	649	732	712	712	711	705	700	715	727	680	680
Synthetic Crudes	323	319	363	327	305	341	355	373	323	325	330
Total	2560	2729	2802	2706	2719	2748	2760	2824	2756	2701	2712
Mexico											
Crude	2906	3012	3275	3069	2956	3200	3300	3275	2965	3043	3150
NGLs	439	438	440	439	425	440	440	440	420	441	440
Total	3345	3450	3715	3508	3381	3640	3740	3715	3385	3484	3590
UK Offshore⁴											
Brent Fields	414	336	282	324	272	299	267	287	272	276	285
Forties Fields	904	773	766	732	732	768	668	774	732	769	776
Ninian Fields	154	140	128	117	144	138	120	129	153	141	139
Flotta Fields	201	178	159	162	182	173	150	161	176	180	176
Other Fields	928	984	1003	989	986	1004	947	1024	996	983	995
NGLs	238	223	222	187	254	253	210	175	287	260	260
Total	2839	2634	2560	2512	2570	2636	2362	2548	2616	2610	2631
Norway⁴											
Ekofisk-Ula Area	452	461	439	447	471	461	445	428	460	488	464
Oseberg-Troll Area	672	731	715	724	753	736	733	657	759	746	742
Statfjord-Gullfaks Area	1017	926	883	906	931	898	925	820	950	974	917
Haltenbanken Area	695	766	779	785	820	808	799	726	831	808	812
Sleipner-Frigg Area	179	316	318	297	327	316	310	297	327	319	318
NGLs	121	121	184	93	150	174	184	173	168	163	172
Total	3136	3320	3317	3252	3453	3394	3397	3101	3494	3499	3425
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	346	403	421	389	419	421	414	425	426	423	423
UK Onshore	88	65	54	64	61	58	56	53	60	61	59
Italy	82	74	74	70	82	72	72	72	72	72	72
Turkey	59	53	50	54	53	52	51	50	54	53	53
Other	150	164	160	174	167	164	161	158	169	166	165
NGLs (excl. North Sea)	24	27	28	22	30	32	25	24	34	32	32
Non-Conventional Oils	31	33	25	35	27	26	25	25	25	27	26
Total	780	820	813	807	839	825	803	807	840	834	829
Australia											
Gippsland Basin	210	182	169	174	174	172	170	168	174	174	172
Cooper-Eromanga Basin	25	25	25	27	27	26	25	25	27	27	26
Carnarvon Basin	248	324	347	305	337	343	336	348	349	351	338
Other Crude	51	186	155	192	176	162	151	158	182	182	184
NGLs	72	75	74	75	73	72	75	77	75	75	72
Total	606	792	770	773	786	774	758	775	806	808	792
Other OECD Pacific											
New Zealand	42	36	36	36	38	37	36	36	39	38	37
Japan	8	7	7	7	7	7	7	6	7	7	7
NGLs	14	16	15	16	16	15	15	15	16	16	15
Synthetic Fuels	4	3	3	3	3	3	3	3	3	3	3
Total	67	62	60	62	63	62	61	59	65	64	62
OECD	9	8	8	6	8	8	8	8	8	8	8
Crude Oil	17286	17618	17809	17475	17671	17888	17683	17605	17732	17864	17874
NGLs	3400	3553	3563	3482	3479	3512	3549	3514	3612	3318	3400
Non-Conventional Oils	743	752	800	749	746	780	793	810	755	763	771
Total	21430	21923	22173	21706	21896	22180	22024	21929	22098	21944	22045

¹ subcategories refer to crude oil only unless otherwise noted

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Aug2000	Sep2000	Oct2000	Nov2000	Dec2000*	Dec1997	Dec1998	Dec1999	1Q2000	2Q2000	3Q2000	4Q2000
North America												
Crude	392	386	381	393	401	403	413	380	0.15	-0.06	-0.02	0.16
Gasoline	223	225	217	228	228	240	248	223	0.14	0.02	-0.13	0.03
Middle Distillate	185	188	190	195	194	223	241	199	-0.34	0.14	0.08	0.06
Residual Fuel Oil	46	47	45	48	45	50	55	43	0.01	0.02	0.01	-0.02
Total Products ³	633	640	624	637	617	664	717	608	-0.30	0.54	0.11	-0.25
Total ⁴	1177	1176	1158	1178	1153	1211	1283	1126	-0.19	0.60	0.14	-0.26
Europe												
Crude	317	336	320	319	312	333	346	323	0.24	-0.05	-0.04	-0.27
Gasoline	119	122	126	123	123	127	136	127	-0.02	-0.08	0.04	0.02
Middle Distillate	317	336	320	319	312	333	346	323	0.24	-0.05	-0.04	-0.27
Residual Fuel Oil	83	78	85	84	88	87	88	83	-0.04	-0.03	0.02	0.12
Total Products ³	539	528	541	540	548	544	581	523	-0.09	-0.07	0.18	0.23
Total ⁴	923	928	928	926	927	940	989	906	0.19	-0.11	0.12	-0.01
Pacific												
Crude	167	168	171	173	155	195	186	173	-0.02	0.17	-0.19	-0.14
Gasoline	24	26	27	25	24	23	22	25	0.02	-0.01	0.00	-0.01
Middle Distillate	167	168	171	173	155	195	186	173	-0.02	0.17	-0.19	-0.14
Residual Fuel Oil	24	24	26	25	24	26	24	21	0.01	0.00	0.02	-0.01
Total Products ³	200	203	219	218	202	205	187	190	-0.30	0.20	0.25	-0.01
Total ⁴	451	453	472	475	438	493	454	438	-0.31	0.39	0.07	-0.16
Total												
Crude	877	890	872	885	868	931	945	876	0.37	0.05	-0.25	-0.25
Gasoline	366	372	370	376	375	390	405	375	0.14	-0.07	-0.10	0.03
Middle Distillate	877	890	872	885	868	931	945	876	0.37	0.05	-0.25	-0.25
Residual Fuel Oil	153	149	156	157	157	163	166	147	-0.02	-0.01	0.05	0.09
Total Products ³	1372	1371	1385	1395	1367	1413	1486	1321	-0.69	0.67	0.54	-0.04
Total ⁴	2552	2557	2558	2579	2518	2643	2725	2470	-0.32	0.88	0.34	-0.42

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Aug2000	Sep2000	Oct2000	Nov2000	Dec2000*	Dec1997	Dec1998	Dec1999	1Q2000	2Q2000	3Q2000	4Q2000
North America												
Crude	571	570	564	548	536	563	571	567	0.02	-0.01	0.02	-0.38
Products ⁷	0	2	2	2	2	0	0	0	0.00	0.00	0.02	0.01
Europe												
Crude	140	139	137	136	136	124	147	149	-0.07	-0.05	-0.03	-0.03
Products	213	213	214	215	215	205	215	197	0.05	0.05	0.07	0.02
Pacific												
Crude	314	312	312	312	312	315	315	315	0.00	-0.01	-0.02	-0.01
Total												
Crude	1025	1021	1013	996	984	1002	1033	1031	0.00	0.00	0.00	-0.38
Products	213	215	216	217	217	205	215	197	0.05	0.05	0.09	0.03
Total ⁴	1238	1237	1231	1214	1202	1207	1249	1228	0.00	-0.02	0.05	-0.38

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 The US government controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	July			August			September			October			November		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
United States															
Crude	331.9	283.1	-14.7	315.2	290.5	-7.8	303.5	280.2	-7.7	304.1	280.8	-7.6	298.3	289.2	-3.1
Motor Gasoline	204.4	209.7	2.6	200.6	195.3	-2.6	207.2	197.2	-4.8	204.1	188.3	-7.8	205.5	199.0	-3.2
Middle Distillate	188.8	159.2	-15.7	193.2	157.4	-18.5	199.8	160.1	-19.9	189.0	161.8	-14.4	189.0	166.6	-11.8
Residual Fuel Oil	44.4	35.4	-20.3	38.7	37.3	-3.7	40.8	37.9	-7.0	40.5	35.0	-13.6	40.4	38.9	-3.6
Other Products	157.0	148.8	-5.2	157.8	151.5	-4.0	150.2	151.3	0.8	138.1	142.8	3.4	132.2	136.9	3.5
Total Products	594.6	553.0	-7.0	590.2	541.4	-8.3	598.0	546.5	-8.6	571.7	527.9	-7.7	567.1	541.4	-4.5
Other ²	141.5	135.6	-4.2	141.4	134.2	-5.0	137.9	132.9	-3.6	137.0	135.3	-1.3	136.0	130.8	-3.8
Total	1068.0	971.8	-9.0	1046.8	966.1	-7.7	1039.4	959.6	-7.7	1012.8	944.0	-6.8	1001.4	961.4	-4.0
Japan															
Crude	136.4	132.4	-3.0	142.8	122.2	-14.5	138.1	116.3	-15.8	134.8	124.0	-8.0	132.0	123.8	-6.3
Motor Gasoline	13.3	13.5	1.7	12.8	13.6	6.5	12.5	13.3	6.3	13.0	13.8	6.0	14.4	14.1	-1.8
Middle Distillate	48.3	47.9	-0.8	52.5	53.9	2.7	54.5	52.4	-3.9	58.8	57.1	-3.0	62.1	55.9	-10.1
Residual Fuel Oil	10.3	9.4	-7.9	11.5	9.7	-15.8	9.2	9.5	2.8	9.4	10.2	8.2	9.5	10.1	6.6
Other Products	47.9	48.6	1.4	52.6	52.6	-0.1	52.3	51.2	-2.0	56.4	55.2	-2.1	53.4	55.3	3.5
Total Products	119.8	119.5	-0.2	129.4	129.8	0.3	128.5	126.4	-1.7	137.6	136.2	-1.0	139.4	135.4	-2.9
Other ²	73.9	73.3	-0.9	73.6	73.3	-0.5	70.2	71.6	2.1	70.9	70.1	-1.1	72.7	73.6	1.3
Total	330.1	325.1	-1.5	345.9	325.3	-6.0	336.7	314.3	-6.7	343.3	330.3	-3.8	344.2	332.8	-3.3
Germany															
Crude	27.1	19.7	-27.4	24.6	19.0	-22.9	24.0	18.8	-21.8	19.7	18.1	-8.3	19.6	20.0	2.3
Motor Gasoline	8.7	12.4	42.8	10.3	10.3	-0.3	10.5	11.0	5.4	10.9	12.4	14.2	12.2	11.1	-8.4
Middle Distillate	24.8	17.6	-29.1	23.1	14.8	-35.8	22.1	17.4	-21.3	21.1	17.9	-15.0	18.3	16.8	-8.1
Residual Fuel Oil	8.8	10.2	15.7	8.8	9.6	8.5	9.5	9.5	-0.1	9.2	9.5	4.1	8.5	9.0	5.6
Other Products	12.7	12.9	2.0	13.1	13.3	1.2	12.6	12.9	2.0	12.7	12.7	-0.3	13.2	13.1	-0.4
Total Products	55.0	53.1	-3.4	55.4	48.0	-13.3	54.7	50.8	-7.2	53.9	52.6	-2.4	52.2	50.1	-4.0
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	82.1	72.8	-11.3	80.1	67.0	-16.3	78.7	69.6	-11.6	73.6	70.7	-4.0	71.8	70.1	-2.3
Italy															
Crude	40.4	37.8	-6.5	38.2	39.7	4.0	37.9	41.8	10.4	39.7	37.8	-4.7	36.8	37.8	2.8
Motor Gasoline	27.1	23.6	-12.9	29.0	22.8	-21.4	31.5	24.4	-22.5	29.9	26.0	-13.1	31.6	26.0	-17.5
Middle Distillate	30.5	31.3	2.7	33.1	32.0	-3.4	30.6	32.5	5.9	29.9	34.2	14.3	28.7	34.2	18.9
Residual Fuel Oil	15.4	15.5	0.9	17.7	16.5	-6.7	17.2	15.0	-12.9	17.4	18.7	7.2	18.3	18.7	1.9
Other Products	8.4	12.8	51.6	9.2	12.7	38.0	8.7	13.0	50.5	8.9	13.9	56.8	9.2	13.9	50.9
Total Products	81.4	83.2	2.2	89.0	84.0	-5.6	88.0	84.9	-3.5	86.1	92.8	7.7	87.8	92.8	5.6
Other ²	5.8	11.6	100.9	6.9	11.5	67.0	6.4	11.8	85.6	7.9	11.5	45.4	8.4	11.5	37.4
Total	127.6	132.6	3.9	134.1	135.2	0.8	132.3	138.6	4.7	133.7	142.1	6.3	133.0	142.1	6.8
France															
Crude	39.5	39.6	0.1	38.3	36.3	-5.2	40.3	36.5	-9.4	39.9	37.9	-5.1	38.3	36.7	-4.2
Motor Gasoline	15.7	12.8	-18.7	15.9	13.3	-16.0	14.6	13.3	-8.7	13.1	15.2	16.0	13.7	14.2	3.8
Middle Distillate	42.7	34.3	-19.7	45.5	33.7	-26.0	41.4	36.5	-11.8	36.7	29.4	-20.0	36.4	33.4	-8.3
Residual Fuel Oil	6.6	7.8	19.0	8.0	9.0	12.0	7.2	7.6	6.6	7.2	7.7	7.1	7.0	7.5	6.1
Other Products	8.8	8.8	-0.1	8.7	9.3	6.3	8.5	8.7	2.4	8.5	9.5	11.3	8.8	9.8	11.4
Total Products	73.8	63.7	-13.7	78.1	65.3	-16.5	71.6	66.2	-7.6	65.6	61.8	-5.7	65.9	64.9	-1.6
Other ²	12.3	12.4	1.2	12.8	13.0	1.7	11.5	13.0	12.9	12.8	12.8	0.0	13.1	12.3	-6.8
Total	125.6	115.7	-7.9	129.2	114.6	-11.3	123.5	115.7	-6.3	118.2	112.5	-4.9	117.4	113.8	-3.0
United Kingdom															
Crude	35.8	37.7	5.3	41.5	34.9	-15.9	37.8	33.6	-11.1	40.6	33.1	-18.6	40.3	34.6	-14.4
Motor Gasoline	10.9	8.5	-21.9	12.1	8.5	-30.1	11.4	10.4	-8.7	11.5	10.0	-12.7	11.5	8.3	-28.1
Middle Distillate	20.5	21.2	3.4	20.0	20.6	3.0	21.3	17.0	-20.3	18.3	20.5	12.2	17.8	21.0	17.9
Residual Fuel Oil	5.6	5.6	0.1	5.5	5.6	1.8	5.5	5.0	-8.2	5.4	5.5	1.5	5.8	5.6	-3.3
Other Products	13.1	15.5	18.0	13.4	15.6	16.9	13.1	16.2	23.9	13.1	15.9	21.7	13.1	15.7	20.2
Total Products	50.0	50.7	1.4	51.0	50.4	-1.4	51.3	48.6	-5.1	48.3	51.9	7.6	48.2	50.6	5.0
Other ²	13.5	14.1	4.9	12.2	12.9	5.5	12.7	13.4	5.6	13.5	13.9	3.0	11.6	14.1	22.1
Total	99.3	102.5	3.3	104.8	98.2	-6.3	101.8	95.7	-6.0	102.3	98.9	-3.4	100.1	99.3	-0.8
Canada³															
Crude	65.2	70.7	8.5	63.6	73.0	14.8	68.1	68.7	0.8	71.6	68.4	-4.5	71.3	68.4	-4.1
Motor Gasoline	15.2	15.6	2.9	16.2	14.6	-10.1	16.0	15.6	-2.1	16.1	15.6	-3.1	16.7	15.6	-6.7
Middle Distillate	21.7	20.1	-7.1	21.5	18.7	-13.1	20.0	20.0	0.0	19.3	20.0	3.7	19.9	20.0	0.4
Residual Fuel Oil	4.7	4.1	-11.6	4.6	4.1	-10.7	4.4	4.1	-6.7	4.3	4.1	-3.7	3.8	4.1	8.6
Other Products	20.5	21.1	3.2	20.4	20.8	2.0	20.0	21.3	6.5	19.3	21.3	10.3	19.4	21.3	9.4
Total Products	62.0	61.0	-1.6	62.7	58.1	-7.3	60.3	61.0	1.1	58.9	61.0	3.4	59.9	61.0	1.8
Other ²	16.2	16.1	-0.8	17.6	17.6	0.1	19.3	17.6	-8.8	19.0	17.6	-7.2	17.0	17.6	3.9
Total	143.4	147.8	3.1	143.8	148.7	3.4	147.8	147.3	-0.3	149.5	147.0	-1.7	148.1	147.0	-0.8

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following are estimated: Canada October to November 2000 partially; Italy November 2000

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End December 1999		End March 2000		End June 2000		End September 2000		End December 2000 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	141.0	67	141.3	68	143.1	66	147.3	-	-	-
Mexico	37.4	18	37.3	18	38.3	19	47.3	-	-	-
United States	1492.9	78	1477.6	77	1528.7	77	1531.5	-	-	-
Total ⁴	1693.4	72	1678.3	71	1732.2	71	1748.1	72	1690.3	70
Pacific										
Australia	37.0	43	37.6	43	41.2	49	43.9	-	-	-
Japan	628.7	105	606.0	122	631.6	117	626.8	-	-	-
Korea ⁵	76.3	33	71.6	35	77.4	40	83.0	-	-	-
New Zealand	11.5	80	9.7	77	10.1	77	11.3	-	-	-
Total	753.4	81	724.9	90	760.3	92	765.1	87	749.8	79
Europe⁶										
Austria	19.6	81	19.7	81	18.0	72	16.8	-	-	-
Belgium	25.8	43	27.7	51	27.4	53	27.6	-	-	-
Czech Republic	15.1	94	14.6	79	14.6	86	14.9	-	-	-
Denmark	18.3	85	18.0	85	17.7	86	17.2	-	-	-
Finland	23.2	113	22.0	110	20.4	100	23.4	-	-	-
France	160.3	76	165.8	88	169.7	90	168.4	-	-	-
Germany	289.6	110	286.0	107	280.6	95	277.6	-	-	-
Greece	23.9	54	22.7	61	24.6	70	23.2	-	-	-
Hungary	21.2	151	23.5	160	21.1	137	21.5	-	-	-
Ireland	10.8	62	9.4	57	8.5	54	8.2	-	-	-
Italy	130.4	70	136.3	77	134.6	74	138.6	-	-	-
Luxembourg	0.6	14	0.9	19	0.9	17	0.7	-	-	-
Netherlands	96.0	118	94.2	109	106.4	123	110.0	-	-	-
Norway	52.5	258	57.1	284	45.5	216	49.0	-	-	-
Poland	12.2	32	24.9	62	22.7	52	24.5	-	-	-
Portugal	21.9	66	21.7	70	21.1	63	23.3	-	-	-
Spain	106.4	73	107.6	76	110.1	78	112.7	-	-	-
Sweden	33.4	82	32.5	98	33.8	102	37.8	-	-	-
Switzerland	40.9	160	39.1	161	39.1	143	39.2	-	-	-
Turkey	48.9	81	49.6	79	52.7	74	50.5	-	-	-
United Kingdom	101.2	57	103.0	63	96.4	56	95.7	-	-	-
Total	1252.1	83	1276.4	88	1265.9	84	1280.8	83	1279.7	83
Total OECD	3699.0	77	3679.6	80	3758.4	79	3794.0	78	3719.8	76
DAYS OF IEA Net Imports⁷	-	110	-	110	-	112	-	113	-	-

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net

imports used for the calculation of IEA Emergency Reserves

3 end September 2000 and end December 2000 forward demand figures are IEA Secretariat forecasts

4 Total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
4Q1997	3850	1207	2643	82	26	56
1Q1998	3840	1205	2635	85	27	58
2Q1998	3997	1228	2769	86	26	59
3Q1998	4031	1238	2793	84	26	58
4Q1998	3974	1249	2725	82	26	56
1Q1999	3913	1248	2665	86	27	58
2Q1999	3954	1250	2704	84	27	58
3Q1999	3927	1240	2687	80	25	55
4Q1999	3699	1228	2470	77	26	52
1Q2000	3680	1234	2446	80	27	53
2Q2000	3758	1232	2526	79	26	53
3Q2000	3794	1237	2557	78	25	53
4Q2000	3720	1202	2518	76	24	51

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 3Q2000 and 4Q2000 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	4Q99	1Q00	2Q00	3Q00	4Q00	Aug 00	Sep 00	Oct 00	Nov00	Dec00	Jan01
CRUDE OIL PRICES														
<i>IEA CIF Average Import*</i>	12.52	17.26		23.48	26.82	26.40	29.20		28.41	30.82	30.52	30.93		
<i>FOB Spot</i>														
Brent (Dated)	12.76	17.86	28.37	24.06	26.94	26.70	30.24	29.59	29.98	32.57	30.86	32.48	25.42	25.53
WTI (1st month)	14.40	19.25	30.33	24.57	28.87	28.83	31.63	31.98	31.30	33.89	32.99	34.40	28.55	29.30
Urals (Del. Med.)	11.83	17.18	26.52	23.62	26.15	25.02	27.15	27.78	27.28	29.92	28.36	31.11	23.88	24.46
Dubai (1st month)	12.18	17.20	26.17	22.70	24.42	25.05	27.61	27.59	26.96	29.97	30.50	30.44	21.83	22.73
OPEC Basket*	12.28	17.47	27.57	23.42	26.11	26.32	29.24	28.59	28.30	31.48	30.42	31.22	24.13	24.41
PRODUCT PRICES¹														
<i>Rotterdam, Barges FOB</i>														
Unleaded Premium ²	17.56	21.81	35.78	28.21	32.90	39.48	37.70	33.04	36.90	38.32	37.04	34.25	27.83	30.29
Regular Unleaded	16.54	20.80	34.23	27.25	31.91	36.91	36.12	31.98	35.03	37.00	35.49	32.98	27.47	29.63
Naphtha	14.64	18.68	29.56	24.75	29.19	27.54	30.71	30.79	29.56	33.07	32.94	32.43	27.01	28.49
Jet/Kerosene	17.16	22.04	36.99	29.56	33.23	33.23	39.79	41.72	39.13	44.09	44.05	43.35	37.76	32.27
Gasoil	16.19	20.06	34.28	26.75	30.23	30.27	37.77	38.83	37.14	42.75	40.74	40.84	34.91	30.79
Fuel Oil 1.0%S	11.73	14.75	23.20	19.81	21.76	21.46	23.75	25.85	21.94	24.87	27.77	26.05	23.72	21.27
Fuel Oil 3.5%S	10.20	14.41	21.45	19.81	21.28	20.26	21.80	22.49	20.67	24.20	24.91	23.17	19.38	16.26
Gross Product Worth ³	15.19	19.25	32.02	25.42	29.22	30.72	34.16	33.97	33.17	37.12	36.75	35.28	29.88	28.33
Brent Cracking Margin	1.34	0.30	1.93	0.19	0.80	2.45	2.07	2.40	1.23	2.97	3.88	0.77	2.54	0.88
<i>Mediterranean - Basis Italy, Cargoes FOB</i>														
Premium 0.15 g/l	17.86	22.75	36.89	29.13	33.75	40.22	39.35	34.25	38.62	39.76	39.11	35.34	28.30	31.26
Naphtha	13.54	17.66	27.94	23.88	27.92	26.12	29.03	28.67	27.92	31.28	31.34	30.47	24.20	25.58
Jet/Kerosene	14.99	20.55	34.81	28.31	31.91	31.06	37.76	38.52	36.91	42.14	42.14	40.67	32.74	27.67
Gasoil	14.83	19.05	33.75	26.24	29.73	29.03	37.63	38.61	36.74	42.68	41.90	40.40	33.52	27.38
Fuel Oil 1.0%S	10.96	14.11	23.25	18.50	22.12	21.83	23.45	25.60	21.33	25.61	27.87	25.57	23.36	20.77
Fuel Oil 3.5%S	9.14	13.20	20.20	18.40	20.34	18.70	20.29	21.46	18.75	22.65	24.10	20.95	19.32	15.15
Gross Product Worth ⁴	14.25	18.51	30.93	24.78	28.38	29.33	33.25	32.75	32.17	36.14	36.12	33.87	28.28	25.84
Urals Cracking Margin	2.07	1.00	4.11	0.86	1.93	4.02	5.81	4.69	4.61	5.94	7.48	2.48	4.10	1.08
<i>NYHarbour, Barges</i>														
Premium Unleaded 93	19.59	24.48	38.35	29.57	35.49	39.47	41.21	37.25	39.55	42.87	40.24	39.43	32.08	37.78
Regular Unleaded 87	17.80	22.71	35.96	28.38	33.77	36.05	37.64	36.38	36.57	40.11	39.35	38.84	30.95	34.82
Jet/Kerosene	18.03	21.74	38.11	28.57	37.25	33.16	39.10	42.92	38.67	44.01	42.72	45.09	40.94	36.05
No.2 (Heating Oil)	16.43	20.45	36.41	26.55	35.55	31.80	37.15	41.14	37.27	41.46	40.88	43.11	39.45	39.45
Fuel Oil 1.0%S (Cargo)	12.32	15.47	25.03	19.40	21.90	24.21	26.12	27.88	24.51	29.42	29.52	28.49	25.62	25.41
Fuel Oil 3.0%S (Cargo)	10.25	13.96	20.65	18.49	19.99	20.59	21.22	20.79	20.35	22.28	23.75	19.67	18.94	18.41
Gross Product Worth ⁵	16.75	20.67	33.54	25.39	30.74	33.39	35.30	34.73	34.73	37.84	36.57	36.58	31.03	35.04
WTI Cracking Margin	1.25	0.32	2.11	-0.28	0.76	3.46	2.56	1.65	2.33	2.86	2.48	1.09	1.38	4.65
<i>Singapore, Cargoes</i>														
Gasoline ⁶	17.19	21.01	32.52	25.33	30.66	31.00	36.52	31.90	38.41	35.01	32.87	32.84	29.98	29.97
Naphtha	14.84	19.39	28.28	25.17	27.03	26.82	30.81	28.46	30.12	34.68	31.74	28.89	24.75	24.85
Jet/Kerosene	16.36	21.43	34.27	27.60	31.59	29.41	37.79	38.29	37.87	42.24	43.23	39.47	32.18	29.10
Gasoil	15.47	19.13	32.41	24.59	30.31	28.47	36.40	34.45	37.36	40.07	39.04	34.78	29.53	28.42
LSWR (0.3%S) ⁷	10.98	15.50	25.70	21.03	23.62	25.92	26.92	26.36	27.05	28.46	28.89	27.58	22.61	21.90
HSFO (3.5%S 180cst)	10.65	15.70	24.47	21.79	23.21	25.31	24.27	25.11	23.03	26.57	28.10	26.07	21.16	19.78
HSFO (3.5%S 380cst)	10.09	15.14	23.58	21.39	22.48	24.34	23.33	24.16	22.16	25.53	27.24	25.09	20.17	18.38
Gross Product Worth ⁸	14.65	18.74	30.03	24.01	28.25	27.99	32.91	30.96	33.46	34.90	34.09	31.63	27.16	26.31
Dubai Cracking Margin	1.01	0.95	3.27	0.75	3.25	2.36	4.69	2.77	5.90	4.30	2.96	0.56	4.78	3.02

* IEA CIF Average Import price for Nov is an estimate and OPEC Basket for January is the weekly average for Jan18-Jan25

1 product prices are mean values and are converted to \$/bbl using following conversion factors.

Rotterdam: 8.35 bbl/MT for premium leaded gasoline, 8.46 bbl/MT for regular unleaded gasoline, 8.82 bbl/MT for naphtha, 7.88 bbl/MT for jet fuel, 7.46 bbl/MT for gasoil, 6.49 bbl/MT for 1.0%S LSFO and 6.31 bbl/MT for 3.5%S HSFO. Singapore: 6.46 bbl/MT for 3.5%S HSFO.

2 as of January 2000, Premium 0.15 g/l prices will be substituted by Unleaded Premium prices.

3 calculated using Brent cracking yield of a typical refinery in Rotterdam.

4 calculated using Urals cracking yield of a typical refinery in the Mediterranean.

5 calculated using WTI cracking yield of a typical refinery in US Gulf Coast.

6 changed from regular 0.15 g/l to unleaded 95 as of 2 February 1995.

7 as from 1 April 1996 mixed/cracked LSWR fob Indonesia

8 calculated using Dubai cracking yield of a typical refinery in Singapore.

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
January 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	6.576	4.776	-4.0	-11.3	-3.2	1.7	0.943	0.258	0.4	-7.3	-10.2	-5.6
Germany	1.855	1.356	-5.0	-14.6	-0.7	-2.3	0.892	0.240	-0.7	-10.7	-7.9	-9.3
Italy	2009	1342	-5.2	-12.2	2.8	9.6	0.976	0.324	-1.0	-8.2	-4.5	1.8
Spain	131.0	79.9	-7.2	-14.6	5.0	11.8	0.741	0.289	-3.1	-10.8	-2.5	3.8
UK	0.752	0.584	-4.6	-15.6	-0.3	-1.2	1.000	0.223	-13.5	-23.4	-19.1	-19.8
Japan	110.3	59.1	0.0	0.0	7.2	15.8	0.944	0.438	-4.0	-4.0	-3.4	4.3
Canada	0.732	0.305	3.1	4.7	11.9	19.6	0.487	0.284	4.4	6.0	7.8	15.2
USA	0.400	0.101	1.8	2.4	16.3	23.0	0.400	0.299	1.8	2.4	16.3	23.0
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.581	2.571	-7.5	-15.5	4.1	9.8	0.657	0.288	-3.3	-11.7	-3.3	2.0
Germany	1.338	0.740	-6.6	-13.7	4.6	10.9	0.644	0.288	-2.4	-9.8	-2.9	3.0
Italy	1455	739	-6.8	-13.0	6.3	16.1	0.707	0.348	-2.6	-9.0	-1.3	7.8
Spain	104.00	44.90	-6.6	-11.0	12.9	25.1	0.588	0.334	-2.4	-7.0	4.8	16.2
UK	0.712	0.502	-3.8	-11.8	2.7	9.9	0.947	0.279	-12.7	-20.0	-16.7	-10.8
Japan	89.3	36.4	0.0	0.0	7.6	12.8	0.764	0.453	-4.0	-4.0	-3.1	1.6
Canada	0.745	0.246	-0.4	-1.6	15.9	21.4	0.496	0.332	0.9	-0.3	11.6	17.0
USA	0.394	0.118	-3.2	-4.5	10.7	15.5	0.394	0.276	-3.2	-4.5	10.7	15.5
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2803.2	663.2	-9.3	-10.1	3.4	24.4	402.2	307.0	-5.2	-6.0	-4.0	15.5
Germany	673.6	212.9	-16.1	-19.5	5.2	6.6	324.0	221.6	-12.4	-15.9	-2.4	-1.0
Italy	1581000	960898	-10.0	-19.1	1.4	13.2	768.2	301.3	-6.0	-15.5	-5.8	5.2
Spain	65378	22115	-19.2	-23.7	9.0	12.0	369.6	244.6	-15.6	-20.3	1.2	4.0
UK	205.55	40.09	-15.5	-17.8	7.1	8.5	273.3	220.0	-23.3	-25.4	-13.2	-12.0
Japan ⁴	50715	2415	-0.2	-0.2	12.6	12.6	433.8	413.2	-4.2	-4.2	1.4	1.4
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	403.7	-	3.5	-	40.5	-	403.7	-	3.5	-	40.5	-
HFO FOR INDUSTRY^{3, 6} (Price per Metric Ton)												
France	1113.8	121.8	-17.1	-18.8	4.6	5.2	159.8	142.3	-13.3	-15.1	-2.9	-2.3
Germany	315.2	35.0	-18.5	-20.3	4.0	4.5	151.6	134.8	-14.8	-16.7	-3.5	-3.0
Italy	410000	60777	-17.9	-20.3	19.0	23.1	199.2	169.7	-14.1	-16.7	10.5	14.3
Spain	30184	2235	-20.8	-22.1	5.1	5.5	170.6	158.0	-17.3	-18.6	-2.4	-2.0
UK	120.70	26.77	-12.8	-15.9	3.3	4.2	160.5	124.9	-20.9	-23.7	-16.2	-15.4
Japan	27079	1289	0.0	0.0	25.6	25.6	231.6	220.6	-4.0	-4.0	13.2	13.2
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

The monthly Oil Market Report is published on the responsibility of the Executive Director and Secretariat of the International Energy Agency. Although some of the data are supplied by Member Governments, largely on the basis of information received from oil companies, neither governments nor companies necessarily share the Secretariat's views or conclusions as expressed therein. ©OECD/IEA2001

14 March 2001

HIGHLIGHTS

- The initial fourth quarter 2000 OECD stock estimate has been revised upwards by 45 million barrels, wiping out the moderate stock draw originally reported. The preliminary estimate for January OECD industry stocks suggests a decline of 10 million barrels, or 0.32 mb/d. So far, this winter's stock draw has been lower than average.
- High oil prices and a weaker world economy continue to slow growth in oil demand. Products demand for 2000 has been revised downwards by 100 kb/d and 2001 growth has been reduced by 110 kb/d, to 1.41 mb/d. A January 2001 rebound in OECD demand partly reflects short-term switching from natural gas to oil in the US. Y2K-related stock movements a year ago make December demand look weaker than it was, but overstate demand in January.
- World oil production in February fell by 0.7 mb/d to 77.25 mb/d, almost entirely due to lower OPEC supply. Output from OPEC, excluding Iraq, decreased by 1.02 mb/d to 25.75 mb/d, 550 kb/d above the latest target of 25.2 mb/d. However, Iraqi production increased by 320 kb/d.
- After the first week of February, crude prices fell steadily until early March, when talk of expected OPEC production cuts put a floor under prices. The bearish mood was caused by pessimism regarding oil demand growth, which coincided with a weak physical crude market.
- In the same period, despite refinery turnarounds and run cuts in the US and Europe, lower demand brought product prices down. US Gulf Coast refining margins fell sharply, but in the other main centres, crude costs decreased faster than product prices, so margins strengthened.
- OECD trade data confirm that increasing volumes of sweet African crude are being bid away from Europe and North America by Far East refiners coping with tightening product quality standards.

Next Issue: 12 April 2001

Letter from the Editor

Trade Section

The IEA has extensive databases on OECD trade in crude oil and petroleum products which detail monthly imports to and exports from 29 OECD countries. These databases separately track five types of refinery feedstocks (including crude oil), fifteen categories of finished petroleum products, about eighty import origins and nearly seventy export destinations. Until now, the IEA has published summarised information from these databases on a quarterly basis. From this edition onwards, more detailed trade information will be made available in a regular Trade section as well as in six new additions to the Tables section at the back of this Report - Tables 10, 11, 12a, 12b, 12c and 12d.

The Agency also has databases for IEA countries which record monthly data on crude imports of over one hundred separately-identified crude streams; a "stream" refers to exports of a certain quality or grade of oil from a single geographical source. The Report will begin to make the information available for selected crude streams, though on a regionally aggregated basis, in order to respect the confidentiality of individual country submissions.

With this issue of the Report, trade will become a regular monthly feature. The IEA wishes to make its trade data more widely available and accessible in increasing detail, in the spirit of promoting greater market transparency.

Best regards,

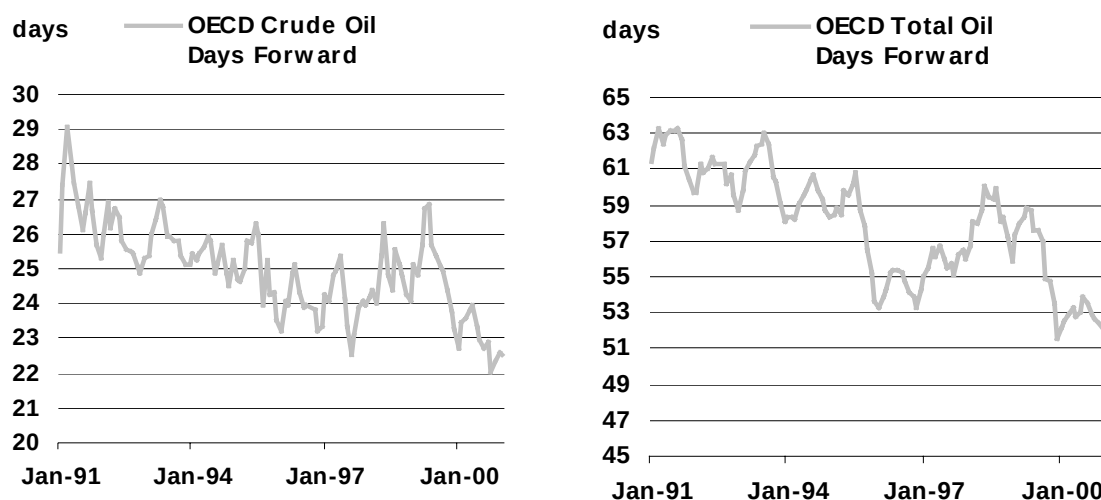
Klaus Rehaag
Editor – Monthly Oil Market Report

A MATTER OF PERSPECTIVE

Oil stock data are available weekly in the US, and monthly elsewhere in OECD countries. Initial estimates are later revised, based on more complete data and resubmissions. Historically, preliminary industry stock level estimates have often been subject to major revisions, and this month is no exception: a 36.2 million barrel upward revision to initial December estimates. This revision corresponds to a 1.2 mb/d contra-seasonal build in crude and product stocks which effectively wipes out last month's reported 0.43 mb/d fourth quarter stock draw. Year-end tax-induced policies may account for some of this revision, but from a market transparency perspective, the magnitude of this revision is alarming.

Preliminary January estimates suggest a stock draw of 0.32 mb/d. Crude stocks normally draw in the fourth and first quarter of the year to meet peak global demand. With the December revisions, the data so far this winter suggest a more modest draw than average. Yet, it would be misleading and premature to conclude that supply is running ahead of demand or that markets are in imminent danger of weakness.

Oil demand growth for 2001 has been revised downwards again in this report by 110 kb/d. This adjustment follows previous revisions and lowers our original growth estimate for 2001 by 460 kb/d. Demand has weakened due to a milder than anticipated winter, a sluggish North American economy, and price effects.



While it could be argued that sluggish demand and a modest fourth quarter stock draw are indicative of impending market weakness, it is also true that OECD industry stocks remain low by historical standards, and they are not building. On a days-of-forward demand basis, OECD crude and total oil (crude and product) stock coverage is at its lowest since 1991. And the full effects of the production cuts in February 2001 have not yet been felt in the market.

Prices and stocks are leading indicators of market fundamentals. Despite having moved off their highs, prices remain strong, and days-of-forward demand stock coverage low, suggesting relative strength in the markets.

Uncertainties abound. At what point will Iraq fully return to the market? Have we seen the worst of the effects, on oil demand, of the economic slowdown in the North American economy? With higher than average gasoline prices, and a downturn in consumer confidence, will motorists be as inclined to take long distance vacations and as many shorter excursions this year?

Understandably, producers are concerned about prices and over-supplying the market. On the other hand, stocks are low and demand is fragile. A possible consequence of the current price environment is that fundamentals may impose their own discipline.



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

INTERNATIONAL ENERGY AGENCY



The IEA is Seeking an Administrator on Oil Security

The International Energy Agency (IEA) is seeking an Administrator for the Emergency Planning and Preparations Division of the Office of Oil Markets and Emergency Preparedness. The primary responsibilities of the position are to:

- Design and improve emergency response systems and strategies of the IEA and implement them in actual oil supply disruptions.
- Analyse specific oil, industry or market situations including oil stock, transport and refining systems from the viewpoint of emergency response.
- Draft reports and documentation for the IEA Standing Group on Emergency Questions and the Industry Advisory Board and its Sub-Committees, and participate in and report to meetings of these bodies.
- Prepare and participate in the review of IEA Member and non-Member countries' emergency response programmes and policies. Monitor the implementation of recommendations.
- Prepare for and participate in the periodic testing and training in IEA emergency procedures; maintain liaison with the national emergency organisations of Member countries and oil industry experts.
- Develop and maintain contacts with other parts of the Secretariat and with members of administrations and oil companies involved in IEA emergency response activities. Represent the IEA on emergency response issues at international workshops, training sessions and conferences. Participate in the development and the organisation of such events by the IEA.
- Act as Desk Officer for one or more IEA member countries, maintaining contact with officials of those countries, undertaking reviews of their emergency response policies and programmes.

The ideal candidate will have: an advanced university degree in economics, engineering or other relevant disciplines; a thorough knowledge of the economics, structure and operation of the international supply system for crude oil and oil products, including refining and transport; analytical abilities of political and/or technical issues applied in a policy context. The ability to work in a team is essential, as are excellent verbal and written communications skills in English and a working knowledge of French would be an advantage.

Nationals of OECD member countries* are eligible to apply.

Annual salary starts at FRF 330,000 to FRF 400,000 tax free, depending on qualifications and experience, plus allowances according to personal circumstances. Applications including CV, specifying the reference EPPD A2/3 should be faxed or emailed by 20 April 2001 to:

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Additional recruitment information can be found on our website, www.iea.org
Only short-listed candidates will receive an acknowledgement.

The OECD is an equal opportunity employer and encourages applications from female candidates.

* Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States.

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DEMAND

Summary

- Softening demand for petroleum products is increasingly apparent across most key regional markets. Final figures for OECD demand in December and the latest data from other countries indicate that global products demand in the fourth quarter fell short of even the most recent, downward-revised estimates. Steep drops in December translated into a net overall loss of 160 kb/d in global fourth-quarter products demand compared to the same period a year earlier. In part, the deterioration of oil markets late last year reverses the abnormal gains of 1999, when Y2K concerns caused substantial precautionary stockbuilding across the globe. It also reflects the toll taken on demand by the economic slowdown in the US and elsewhere, as well as the effect of sustained high prices.
- Preliminary data from selected OECD member countries point to a fragile rebound in demand in January. For the OECD alone, products demand is now estimated to have gained 1.95 mb/d year-on-year in January, after having declined by 1.48 mb/d year-on-year in December. Such a rebound, if confirmed by final submissions from OECD countries and data from other countries, seems unsustainable. Part of the January advance merely reverses the temporary 725 kb/d year-on-year drop in OECD demand that had followed Y2K stockbuilding in January of last year, and thus will remain a one-off gain. Exceptionally high natural gas prices and gas delivery problems in January also continued to boost North American distillate and residual fuel demand, but gas prices have since begun to ease. In Germany, gasoil demand alone jumped by nearly 275 kb/d year-on-year as homeowners apparently took advantage of a dip in prices to replenish some of their tanks.

Global Demand from 1999 to 2001

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q99	75.8	3.1	2.3	-
2Q99	72.9	1.2	0.9	-
3Q99	74.1	1.3	0.9	0.1
4Q99	76.5	1.5	1.1	-
1Q00	75.5	-0.4	-0.3	-
2Q00	73.9	1.3	0.9	-
3Q00	75.9	2.5	1.8	-
4Q00	76.4	-0.2	-0.2	-0.4
1Q01	77.3	2.5	1.9	-0.2
2Q01	75.0	1.6	1.2	-0.2
3Q01	76.7	1.0	0.8	-
4Q01	78.2	2.4	1.8	-0.5
1999	74.8	1.8	1.3	-
2000	75.4	0.8	0.6	-0.1
2001	76.8	1.9	1.4	-0.2

* year-on-year change

- Demand growth in non-OECD countries appears to be faltering. In emerging economies, some of which depend heavily on US imports to balance their payments, demand faces the twin challenge of high prices and the fallout of the US economic slowdown. After weakening in November, Chinese deliveries fell to an estimated 4.56 mb/d in December, down more than 400 kb/d month-on-month and nearly 265 kb/d less than a year earlier. Gasoline demand continued to fall in Latin America, due in part to reduced government subsidies. Diesel consumption tumbled in South Asian markets, where that product accounts for a very large part of oil demand. In India, in particular, diesel deliveries could remain low for months, as high oil prices have increased the appeal of trains, with controlled freight costs, as an alternative to trucks for commercial transportation.

Global Oil Demand by Region

(million barrels per day)

	Demand (mb/d)	Annual Change (mb/d)			Annual Change (%)		
		1999	2000	2001	1999	2000	2001
North America	24.01	0.75	0.14	0.33	3.2	0.6	1.4
Europe	15.72	-0.18	-0.13	0.19	-1.1	-0.8	1.2
OECD Pacific	8.60	0.22	-0.03	0.14	2.6	-0.4	1.6
China	4.79	0.30	0.30	0.24	7.3	6.6	5.0
Other Asia	7.22	0.31	0.16	0.21	4.5	2.3	2.8
<i>Subtotal Asia</i>	20.60	0.83	0.42	0.59	4.3	2.1	2.8
FSU	3.52	-0.23	0.02	-0.05	-6.1	0.7	-1.4
Middle East	4.40	0.13	0.10	0.17	3.1	2.3	3.9
Africa	2.34	-0.02	0.01	0.05	-0.7	0.5	2.2
Latin America	4.80	0.02	0.02	0.13	0.4	0.3	2.7
<i>World</i>	75.39	1.29	0.58	1.41	1.8	0.8	1.9

- In light of the larger-than-expected losses in fourth-quarter demand, as well as the fragile economic backdrop to oil consumption this year, this Report cuts the assessment of oil demand growth in 2001 by 110,000 b/d, to 1.41 mb/d. This latest reduction in the Agency's oil demand projection is roughly consistent with conclusions drawn by most industry forecasters.

OECD*Fragile Rebound In January Demand*

Early submissions from selected OECD member countries suggest slightly stronger oil demand in January than was previously expected. January OECD oil demand estimates have been revised upward roughly 200 kb/d since last month, to 48.18 mb/d. But this gain is more than offset by a much larger, 641 kb/d downward revision for December OECD demand, which final submissions from member countries now peg at 49.77 mb/d. The trend in demand thus appears consistent with other indicators that point to a slowdown in the US economy at the end of last year, as well as slower growth in Europe and recession threats in Japan. Despite lower oil intensities and presumably lower demand elasticity in the "new" economy, the latest data now show that OECD oil demand in December fell 1.48 mb/d short of that a year earlier, bringing the quarterly average down 0.2% on the year. That leaves the December-to-January seasonal decline in demand at 1.6 mb/d, about two thirds the norm.

IEA Member countries are no longer submitting estimates of crude and petroleum product demand and stocks to the Agency with data through to the current month. That temporary measure, adopted last fall, has been discontinued.

The rebound of January OECD demand stretches across all three of the OECD regions, though it is far from evenly spread among those regions, and differences between individual member countries are substantial. Moreover, preliminary submissions by Member countries have been consistently revised down in recent months. So while they do brighten the global picture, the pockets of demand strength revealed in preliminary estimates seem unlikely to signal a turnaround from the weakening trend evidenced in the fourth quarter of last year.

In OECD Pacific, the January rebound in products demand was by far the greatest in Japan, at around 9.4% based on preliminary government data. Japan also experienced the region's steepest drop in December, when oil deliveries fell by 8%. Both moves appear to reflect the distortions caused in the previous year by Y2K concerns, when demand soared 5.5% in December, only to fall back 11% in January. In a country such as New Zealand, where oil deliveries displayed no visible Y2K effect, demand fell consistently in December and January, down 11.1% and 5%. Based on slightly more conservative estimates than those provided by member countries, OECD Pacific products demand now appears to have risen 6.9% in January, almost exactly reversing a 6.7% decline in December.

North American products demand in January grew roughly in line with Asian demand, up by an estimated 5%, but that gain followed a much stronger performance at the end of last year. Indeed, North American demand as a whole managed to increase in December, if only by 0.6%. There too, patterns ranged widely from country to country, with increases in deliveries rising from south to north. Mexico reported a 3.5% bounce in demand in January, following a 6.5% drop in December. In

the US, the EIA estimated that demand grew by a robust 8.1%, extending a mild December advance of 0.7%. Slightly more conservative assessments for January have been used in this Report. Canada experienced vigorous demand growth in both December and January, up 6.6% and 7.7%.

Whether such North American growth rates can survive a seasonal decline in natural gas prices appears doubtful. Also unclear are the effects of the economic slowdown – the extent of which is still uncertain – on both consumer and industrial demand. Already, weekly reports from the US EIA up to 2 March suggest a substantial slowdown in demand growth from January.

Preliminary January data from France, Germany and Italy suggest that OECD oil demand was by far the weakest in Europe. Far from recovering in January, Italian demand appears to have fallen even more rapidly than in December, when it declined by 3%. In the absence of a UK submission for January, the Agency pencils in a 2.1% drop in that country, where demand declined rapidly in the fourth quarter despite the absence of a Y2K effect in the previous year. Overall, oil demand appears to have grown only 1.9% in the four largest European economies in January. Not only does that gain fail to offset a 6.7% drop in December, but it stems almost entirely from a reported 9.7% advance in Germany, on the back of large but probably unsustainable consumer buying of heating oil.

Preliminary Inland Deliveries – January 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	Mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	Mb/d	% pa
United States ³	7.97	4.9	1.68	4.5	2.63	4.3	1.48	13.9	1.09	46.9	5.48	8.7	20.32	8.1
Canada	0.62	4.7	0.11	-9.3	0.38	5.0	0.15	3.4	0.15	44.6	0.23	16.5	1.63	7.7
Mexico	0.54	7.6	0.06	17.3	0.27	7.9	0.00	-100.0	0.49	5.2	0.38	-6.9	1.74	3.5
Japan	0.89	3.6	1.09	24.0	0.61	-1.8	0.61	13.4	0.59	7.3	1.80	8.3	5.59	9.4
Korea	0.18	15.5	0.05	4.3	0.33	-0.3	0.42	5.7	0.37	4.5	0.99	4.7	2.34	4.4
France	0.28	-1.9	0.12	6.1	0.54	7.7	0.53	12.0	0.07	-41.8	0.50	-3.5	2.04	1.1
Germany	0.55	0.5	0.14	4.4	0.46	11.8	0.77	40.9	0.12	3.3	0.39	-15.5	2.43	9.7
Italy	0.36	4.1	0.08	6.0	0.35	10.5	0.16	-9.0	0.26	-19.9	0.48	-5.0	1.68	-3.0
Total	11.39	4.7	3.32	9.9	5.58	4.8	4.13	15.1	3.12	13.4	10.23	1.1	37.76	7.0

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, UK PIA, Italy Ministry of Industry, Statistics Canada, Mexico Pemex, Korea PEDCO

Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated

Preliminary figures for inland delivery of petroleum products in eight large OECD markets during January show a total 37.76 mb/d, up 7% from last year's post-Y2K depressed levels. However, Y2K distortions do not fully account for the rebound in demand growth from December, when deliveries of all products except diesel and residual fuel oil fell far short of year-earlier levels. Vigorous heating demand in Germany and the US and extraordinary power generation demand in North America resulted in double-digit gains in aggregate demand growth for residual fuel oil and 'other gasoil'.

Essentially all of a 13.4% gain in residual fuel oil deliveries stems from the US, where deliveries soared 46.9% to 1.09 mb/d. Canada showed a similar growth rate, albeit from a much lower base. Steep declines in France and Italy, where residual fuel demand is being displaced by natural gas and LNG, were more than offset by the strength of North American demand and smaller gains elsewhere.

An even steeper increase in 'other gasoil' demand – up 15.1% — reflects primarily vigorous demand in the US and a dramatic increase in German deliveries. Inland deliveries of diesel grew briskly in Europe but inched down in Japan and Korea, averaging 4.8% higher overall. Jet deliveries bounced back up nearly 10% after a drop in the previous month, mostly on account of a 24% jump in the very large Japanese market, compounded by a 4.3% increase in the US.

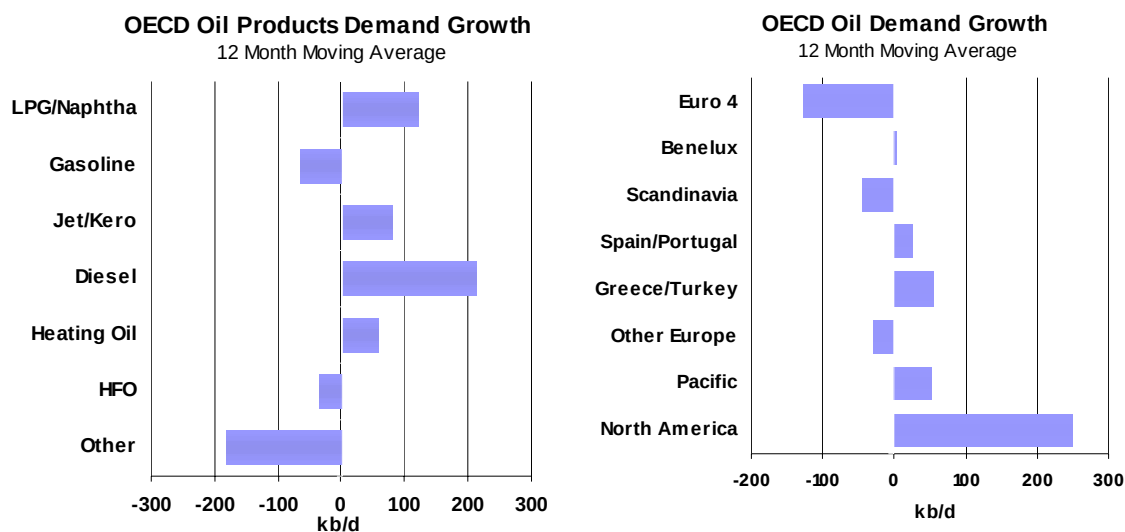
Demand gains for the lighter end of the barrel, while substantial, were smaller, reflecting slow growth in Europe. A 4.9% gain in the vast US market, reversing a drop of similar proportions in December, brought aggregate demand growth for that product to 4.7% in January.

Moving Annual Average Change in Oil Demand – January 2000

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-2.2%	12.3%	-0.1%	2.3%	4.5%	3.8%	6.5%	-5.1%	0.5%	103
Canada	19.2%	-4.0%	0.4%	2.0%	0.3%	8.6%	9.6%	-1.2%	4.9%	101
Mexico*	1.3%	-44.1%	3.9%	2.8%	3.6%	3.6%	3.9%	-6.7%	2.2%	43
Japan	0.7%	1.2%	2.1%	3.4%	-3.1%	4.4%	-5.6%	-5.4%	-0.1%	-7
Korea	8.0%	4.2%	-1.9%	-7.5%	5.9%	-4.5%	3.5%	-43.1%	2.5%	53
France	-4.1%	0.5%	-4.6%	4.1%	1.1%	-2.9%	-15.2%	2.3%	-2.0%	-40
Germany	0.9%	-0.2%	-4.0%	4.8%	7.1%	-5.1%	15.7%	-22.3%	-1.3%	-37
Italy	7.2%	14.2%	-4.5%	-1.2%	5.3%	-0.7%	-7.4%	0.3%	-0.8%	-14
UK*	-12.4%	-11.1%	-1.6%	6.0%	1.0%	1.0%	-19.1%	-2.5%	-2.0%	-35
Total	0.6%	2.4%	-0.3%	2.1%	3.1%	1.0%	0.4%	-4.8%	0.4%	156
kb/d	27	60	-40	76	169	39	15	-190	156	

* near-month data are estimated

After tipping into decline in December, the twelve-month moving averages of demand growth for the nine largest markets shown above bounced back into shallow positive territory in January. The turnaround partly reflects the fact that the average does no longer include data for January 2000, when demand plunged following Y2K precautionary stock building in December 1999, but takes into account instead this January's stronger deliveries. It is all the more remarkable that the moving average for gasoline remains negative, due to persistent and substantial contraction of demand across European markets, as well as milder year-on-year declines in South Korea and the US. Diesel demand growth – considered a fair indicator of economic conditions – continues to slow down, to 3.1% growth in January from 3.5% in December and 4.1% in November. However, that signal was muddled by a rebound in jet demand, also considered a leading indicator of economic growth. After slowing down in December, annual average LPG growth came to a near halt in January, down to only 0.6% from 3.4% two months earlier.

**North America**

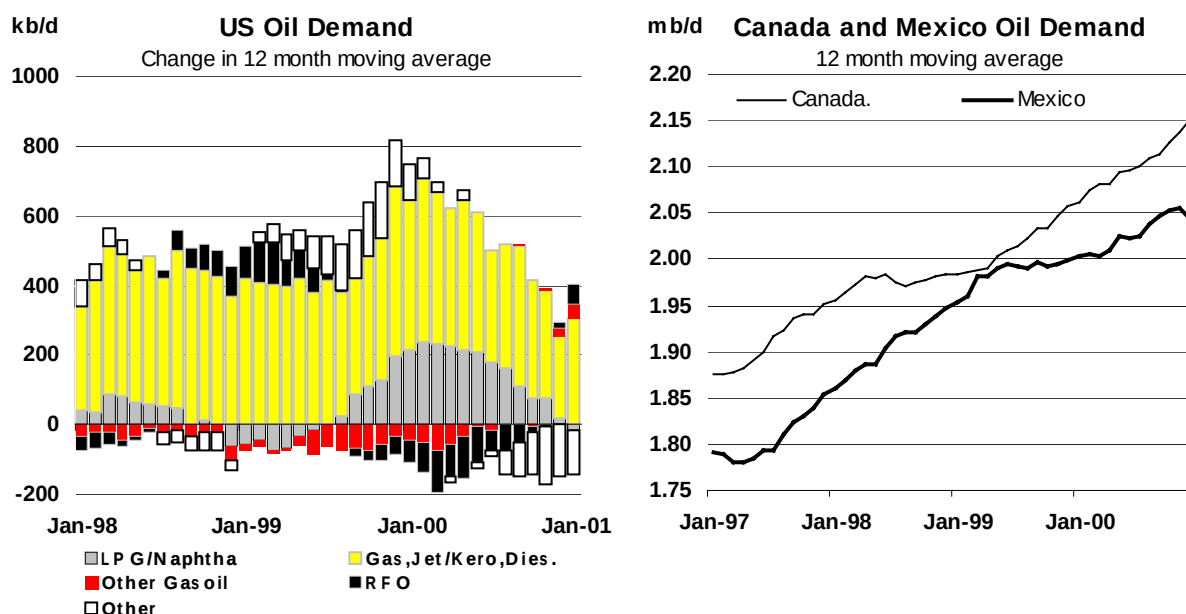
Ironically, while concerns about an economic slowdown have focused on the US, North American products demand growth, though not as strong as previously expected, has not weakened as much in the fourth-quarter as those of other regional economies. Even as oil products demand in OECD Europe and OECD Pacific fell year-on-year in the fourth quarter and 2000 as a whole, North American demand, despite a slight contraction in the US, maintained rampant growth in both the quarterly and the full-year periods. Compared with prior estimates, December demand for the US, Canada and Mexico has been revised down only 70,000 b/d, compared to 410,000 b/d for OECD Europe and roughly 160,000 for OECD Pacific. In January 2001, preliminary figures suggest that products demand in North America remained stronger than in other OECD countries.

The US itself did not perform as strongly as its neighbours in the fourth quarter. US products demand in that period fell to 19.80 mb/d from 19.83 mb/d a year earlier. Compounded as it was by an even bigger year-on-year drop in the first quarter, to 19.11 mb/d from 19.21 mb/d, the latest fall resulted in average US product demand slipping slightly in 2000 to 19.51 mb/d, from 19.52 mb/d in 1999. However, US demand bounced back vigorously in January.

Several exceptional factors distorted the performance of products demand in the US, and in North America as a whole, in the fourth quarter of last year and in January. As the impact of those factors fades, slower products demand growth is expected in the remainder of 2001 than in January.

Foremost among them was the impact of Y2K "insurance" demand in late 1999. Precautionary buying in North America was most evident in the US, where oil demand soared 5.6% in December, only to fall 1.4% in January 2000. Ripple effects from that one-off distortion were clearly seen in recent demand growth patterns, on the one hand depressing US demand growth in December, and on the other hand symmetrically inflating January growth rates. Apart from a smaller incremental boost in December, Y2K effects should no longer inflate US products demand this year.

Additionally, exceptionally high US natural gas prices, coupled with gas delivery problems, were a key but temporary factor behind the very strong demand growth exhibited by North America for distillates and residual fuel oil both late last year and early this year. In the US alone, gas-starved power generators helped raise residual fuel demand 29% in December and an estimated 40% in January. In Canada, demand for the fuel soared 12.5% and 30%, respectively. Heating oil demand also gained on high natural gas prices, up in December by 23% in the US and 10.1% in Canada and up 11% and 4.5% in January. While still very high, natural gas prices have since begun to decline seasonally, as withdrawals from storage began moving closer to normal. Weekly US DOE reports for February already point to a 10-percentage-point drop in annual growth for residual fuel demand from January, albeit to still unusually high levels. Admittedly, increased power use for air-conditioning could again boost residual and distillate fuel demand in the summer in some US markets. But even in the event of another natural gas rally or renewed gas delivery problems, the year-on-year impact on North American products demand growth from such factors should fade.

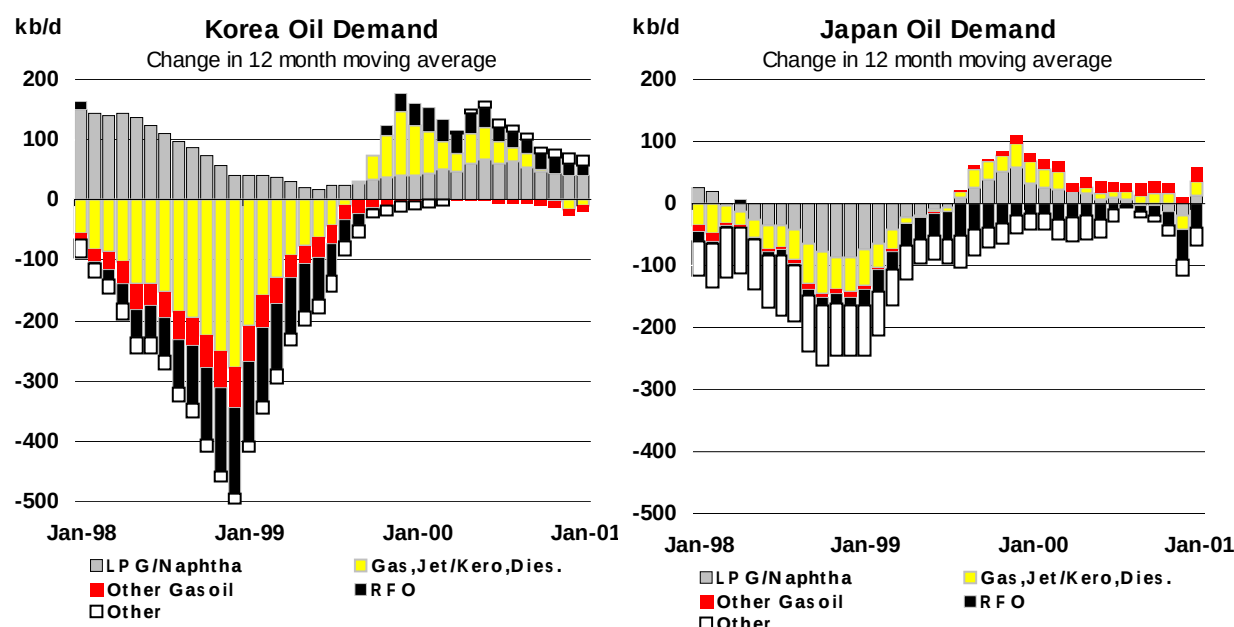


Meanwhile, the current US economic woes, whose full extent has yet to be assessed, should undermine North American products demand in more ways than one. Already the slowdown has begun eroding industrial oil demand, to a degree that will only become clearer in coming months. Significant slowdowns in car manufacturing in the Midwest will take a toll on power and residual fuel demand, as well as diesel demand. Lower car production in turn will slow down smelters and further erode oil deliveries. In Mexico, high North American natural gas prices have already curtailed output at manufacturing plants, in turn undermining domestic demand for oil.

No less significant might be the effect of lower consumer confidence on summer gasoline demand. High prices did little to deter overall driving demand in last year's context of economic expansion and soaring stock market valuations, though it did shift demand from premium grades to less expensive ones. High prices might not have the same effect in this year's altogether different economic climate. Preliminary figures show January gasoline demand up by a vigorous 7% in Mexico, 5% in the US and 4% in Canada. But the gains, which come on the heels of a 3.2% decline in December US demand and a smaller 0.9% drop in Canada and Mexico, stem in part from Y2K distortions that were apparent in all three markets. Consumers worrying about their falling stock portfolios, job security or heating bills might well choose to travel closer to home and for shorter periods than otherwise, come the summer driving season.

Pacific

A slow-down in demand growth in December and a speed-up in January essentially cancelled each other out in OECD Pacific's two largest oil markets, Japan and Korea, and, as a result, in the region as a whole. In Japan, an 8% drop in December and a gain of roughly 9% in January seem a mirror image of the previous year's 5.5% December advance and 8.2% January fall. In Korea, where Y2K stock building had been less evident than in Japan a year earlier, the moves were smaller in magnitude, but equally symmetrical: January demand rose 4.8%, offsetting a 4.9% loss in December. The symmetry was particularly clear for gasoline, which accounts for more than a third of the local oil market: demand bounced back up by an estimated 13% after falling 13.8% in December.



Fourth-quarter weakness in the four OECD Pacific countries – Japan, Korea, Australia and New Zealand – translated into a 3.5% decline in oil demand for the period, and a 0.4% fall for the full year. OECD Pacific demand in 2000 is now estimated at 8.6 mb/d, down 10,000 b/d from last month's Report. Demand growth for 2001 is now pegged at 140,000 b/d, down 10,000 b/d from last month. The two revisions in combination lower the 2001 demand forecast to 8.73 mb/d. Further downward adjustments remain possible, however, if Japan's economy worsens or Korea suffers from its dependence on US imports. Although quickly retracted, blunt warnings by Japan's Finance Minister early this month that the nation's burgeoning public debt had brought its finances to the verge of collapse raise concerns about Japan's ability to keep shouldering its steep energy import bill.

Europe

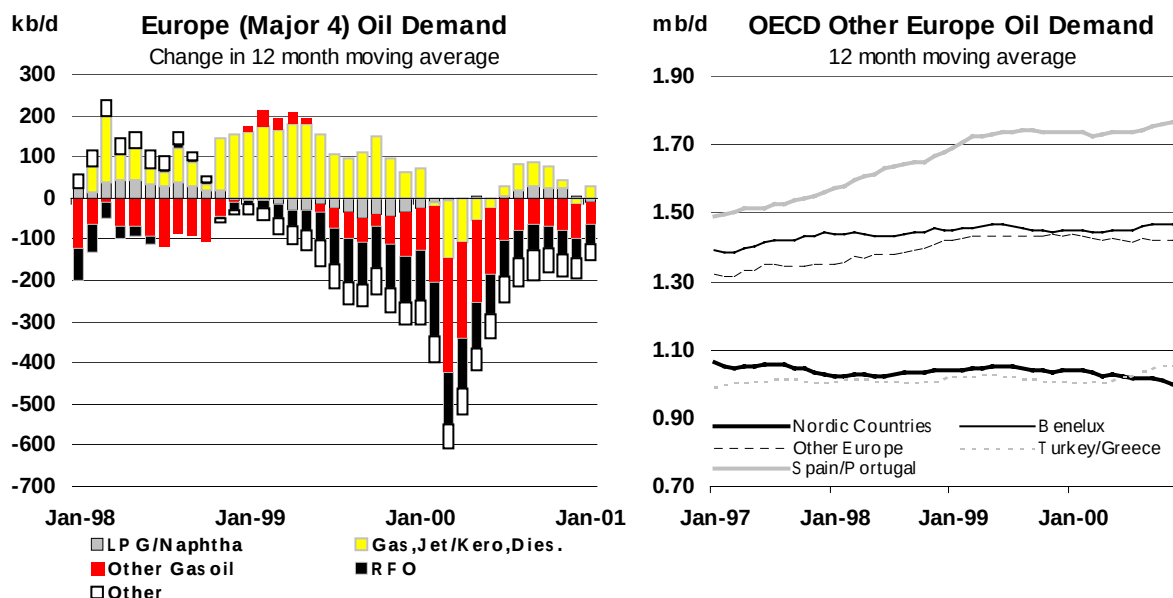
The latest data on European demand cut December estimates by 410,000 b/d from last month, bringing the fourth-quarter average down to 15.26 mb/d, a fall of 390,000 b/d, or 2.5%, from a year earlier. Combined with the deep drop in first quarter 2000 demand, when unseasonably warm weather curtailed consumption, the latest quarterly decline translates into a contraction from 1999 levels in OECD European oil use of 140,000 b/d, or 0.9%, for 2000 as a whole. New estimates of 14.97 mb/d for OECD European 2000 demand amount to a 310,000 b/d, or 2%, drop from peak 1998

demand. The largest downward revisions for December are for Spain, the UK and the Netherlands. Italian demand was revised up.

The very magnitude of last year's drop, coming on the heels of a 1.1% contraction in 1999, renders continued overall declines less likely, as yearly changes are calculated from an ever-falling base. A turnaround is still expected this year, albeit on a slightly smaller scale than in last month's Report. Current-year demand is now projected to grow by 180 kb/d (down from 210 kb/d last month) to 15.15 mb/d, from its lower 2000 base.

Some factors that account for the falling pattern of OECD European demand are unlikely to vanish soon. Foremost among them is Europe's growing preference for natural gas over residual fuel oil for power generation. Utilities in several large European countries appear keen to continue that ongoing trend. UK demand for residual fuel fell consistently through each of the last 10 years – and at double-digit rates for half of those – from 266,000 b/d in 1991 to 77,000 b/d in 2000. UK demand again fell 19.2% last December and is expected to shed another 11,000 b/d this year.

Italian residual fuel demand follows a similar pattern. After rising to a peak of 578,000 b/d in 1995, demand has fallen steadily to 420,000 b/d last year. Decline rates of 11.4% in December and 7.7% for the year 2000 rose to 17% in January and are expected to reach 8.9% this year. In France, decline rates reached 35% in December and an estimated 33% in January, with the 2001 demand forecast down 6.4%, extending last year's 13.3% drop. In all, OECD European demand for residual fuel is now expected to decline by 55,000 b/d this year, accounting for most of an OECD drop of 78,000 b/d.



While the drop in residual fuel demand reflects a structural shift in European markets, lower gasoline demand seems for the most part a circumstantial reaction to high product prices. Gasoline demand fell on average 1.6% across OECD countries in the fourth quarter, but nowhere more rapidly than in Europe, where the decline reached 3.9%, compared to 1.1% in North America and 0.3% in OECD Pacific.

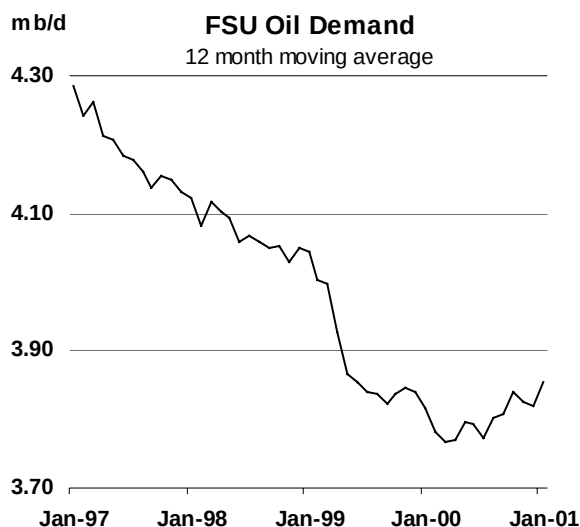
In France, where gasoline demand has been falling consistently through each of the last 10 years, the pace of decline had eased to 0.5% during the low-price years of 1998 and 1999, but resumed at a brisk 4% in 2000. French demand contraction stood at 10.3% in December. In Germany, slow growth in 1996-1998 gave way to a 0.3% drop on 1999 and a much faster 4.8% fall last year, with decline rates reaching 8.5% in December. Similar patterns apply in Italy and Spain, where decline rates reached 5% and 4.8% last year and accelerated in the fourth quarter. In recent months, part – though not all – of the loss in gasoline demand was offset by stronger diesel demand, as high oil prices enhance the appeal of improved fuel efficiencies and favourable taxation for diesel in some countries, particularly France.

Non-OECD

Former Soviet Union

Estimates of FSU domestic production are little changed overall from the previous Report, with fourth-quarter demand still pegged at 3.68 mb/d. This translates into 2000 demand of 3.52 mb/d.

January demand growth is revised up to 4.1% from 2%, bringing average oil demand for that month to 3.89 mb/d, its highest level since April 1998. However, this one-month gain does not at this stage signal an increase in FSU oil demand for the rest of 2001, nor even for the first quarter. On the one hand, strong oil prices and aggressive management of oil production helped fuel real GDP growth estimated at 7.7% in Russia last year. Like other exporting countries in the FSU region, Russia continues to enjoy the benefit of high oil revenues, boosting economic growth and energy demand. On the other hand, financial pressures to maximise export revenue continue to offset the impact on domestic oil demand from that revenue stream. Efforts to cut back the region's reliance on oil go on actively, with natural gas sold at below-market prices in the Russian market displacing growing amounts of residual fuel demand. Recently, Russia has also been trying to increase coal use to free up natural gas for exports.



China

Chinese implied oil demand fell dramatically in December to slightly over 4.5 mb/d, from nearly 5 mb/d in November. Measured on a year-on-year basis, Chinese demand thus slowed in the fourth quarter from a growth rate of nearly 15% in October to slightly over 3% in November, and then to a 5.5% decline in December. Demand for diesel, by far the strongest product in the complex, was comparatively steady in December, up 4% to about 1.4 mb/d. By contrast, gasoline demand fell 18% and fuel oil demand shed 24%, while demand for naphtha and jet/kerosene rose 10% and 23%.

Given the size of China's domestic oil market and its spectacular growth of the last few years, when Chinese demand soared 57% from 1994 to 2000, any sign of decline in Chinese oil use carries potentially broad implications for the oil market as a whole. In the current context of economic uncertainty, faltering Chinese oil demand is bound to raise concerns about both the health of China's economy and the prospects for non-OECD demand growth. So far, the latest drop in China's implied oil demand appears merely to reflect both a build-up in stocks in the third quarter due to high crude imports and refinery runs, and a seasonal slowdown in economic activity around the lunar New Year, a major Chinese holiday. It thus does not seem to warrant more than a marginal revision of the 2001 demand forecast.

Anecdotal evidence and surveys by independent consultants both point to plethoric product stocks after Chinese refineries forced their crude oil runs to peaks of more than 4 mb/d in August and September. Runs have since declined consistently through the fourth quarter. Jiujiang Petrochemical, a Jiangxi province refinery in central China, was reportedly operating at less than half capacity in December, due to brimming products tanks. Other plants in northern China had reportedly been forced to curtail their runs for lack of a market outlet. Bottlenecks at the refineries and tank farms were widely expected to diminish after the lunar New Year holidays, when demand increases seasonally.

While many uncertainties loom over China's near-term economic prospects, the latest dip gives no cause to write off the country's vast potential for continued oil demand growth. Restructuring of state enterprises and vigorous economic expansion result in higher oil efficiencies and a higher ratio of GDP to oil consumed, improving the country's ability to weather high oil prices. As a growing segment of the population enters the middle class, the longer-term potential for vigorous gasoline demand growth is very high indeed. More uncertain will be the continued ability of the US and other countries to keep absorbing increasing Chinese exports.

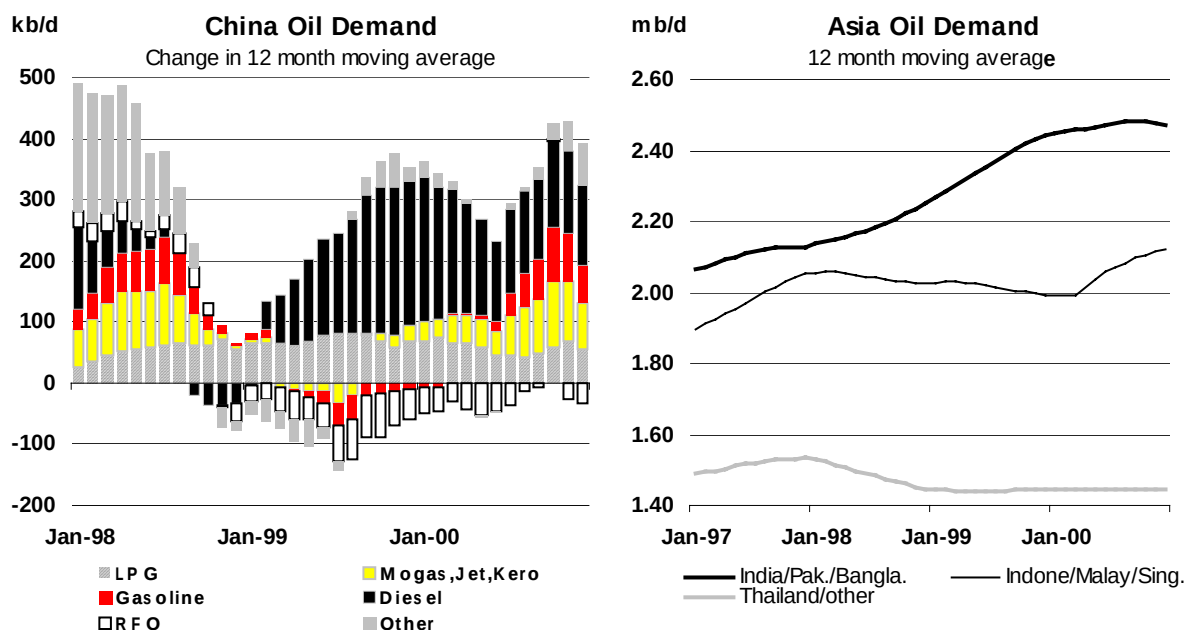
India

Indian oil demand fell 3.6% year-on-year, to 2.02 mb/d, in December. Coming on the heels of a tiny 0.2% gain in November and a 2.6% decline in October, the latest change translates into a decline of 2% for the quarter as a whole, and lowers 2000 growth to just 2%.

Like China, India is a leading Asian market that has expanded rapidly in recent years, with demand soaring more than 70% in the last decade to 2.03 mb/d last year from 1.19 mb/d in 1990. While the latest dip tracks the recent decline in Chinese demand, the dynamics of the two markets vary substantially. Due to its habitual current account deficit, India is more vulnerable than other countries in emerging Asia to steep increases in its energy bill at a time when foreign investments inflows have been on the decline. However, deregulation efforts hold the potential of lifting barriers to higher exports, and India's energy efficiency has dramatically improved as its fastest developing export industries benefit from extremely low oil intensities.

Much of the latest drop in demand stems from a price-driven decline in high-speed diesel consumption, by far the strongest product in India's energy mix, with about 40% of market share. During the latest quarter alone, Indian high-speed diesel demand fell 9.3% in October, 2.8% in November and 6% in December. To a large extent, the trend appears to stem from a major shift in commercial transportation from high-priced truck transport to the now highly competitive railway system. Unlike oil prices, train freight rates, which are set by government, have been steady throughout the current fiscal year ending March 31, and are set to increase by only 3% in the coming year. The loss of commercial transport demand to the railway sector, which reverses an earlier trend, seems unlikely to change for the remainder of the year, a trend corroborated by a dramatic drop in Indian sales of commercial vehicles. However, the potential for further drops is unclear.

Demand for other products, including gasoline and aviation turbine fuel, is generally expected to show robust gains, barring a worsening of the economy that could be brought on in part by the US slowdown and by high oil prices. Oil and products prices represent roughly 11% of the wholesale price index in India, implying that every 10% rise in oil prices translates into a 1.1 percentage point increase in inflation. Any such inflationary effect would slow down economic growth.



Other Non-OECD

A fourth-quarter contraction in Thai oil demand accelerated in December, when deliveries fell 7.6%, following declines of 5.6% and 6.1% in October and November. This brings quarterly demand down 5% year-on-year, extending the second and third quarters' drops of 1.8% and 7%. The December dip was the eleventh monthly decline in Thai oil demand in a row.

As in India, high-speed diesel accounts for at least 40% of Thai oil demand, and high prices have taken a heavy toll on demand for that product. Diesel deliveries fell 0.9% in October, 3.5% in November and 4.35% in December, for a quarterly drop of 3%, to 245,000 b/d. Third-quarter diesel demand had slipped by 9% following a 3% gain in the second quarter.

Demand for residual fuel oil fell even faster, though that product accounts for a smaller part of Thailand's oil demand, roughly 15% at year's end. Fuel switching to natural gas for power generation led to drops in residual fuel oil demand of roughly 3.5% in the first quarter, 20% in the second, 25% in the third and 30% in the fourth. Fuel switching is expected to continue as a matter of government policy regardless of oil prices.

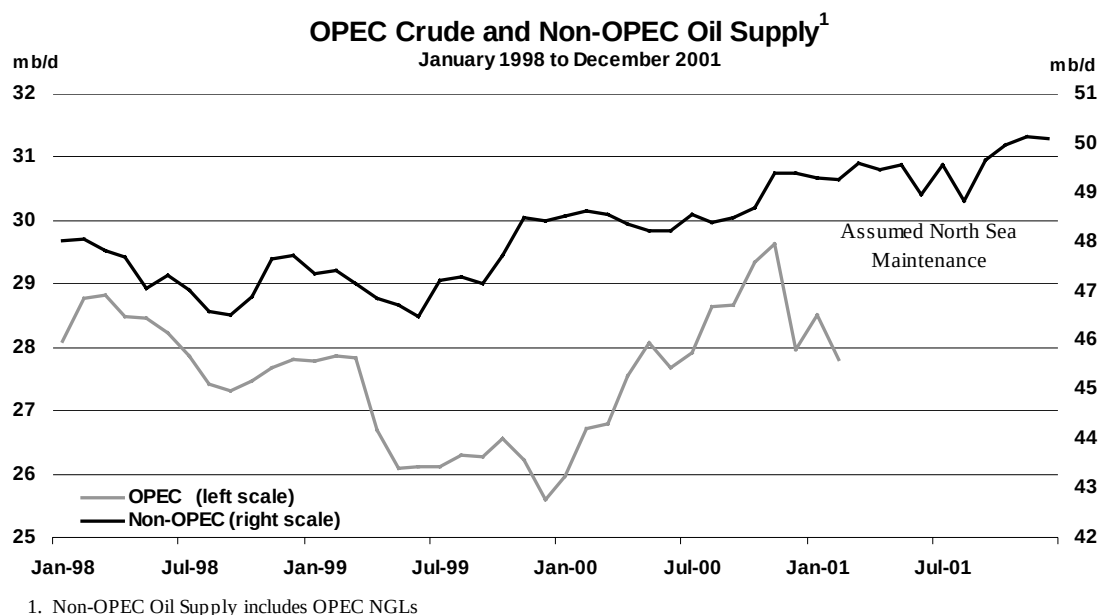
Summary of Global Oil Demand

	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
Demand (mb/d)																
North America	23.13	23.58	23.51	24.15	24.26	23.87	23.59	23.73	24.34	24.38	24.01	24.28	23.87	24.53	24.68	24.34
Europe	15.28	15.77	14.36	14.68	15.65	15.12	15.07	14.51	15.04	15.26	14.97	15.28	14.62	15.13	15.59	15.15
Pacific	8.41	9.40	7.86	8.16	9.10	8.63	9.28	8.03	8.29	8.78	8.60	9.55	8.06	8.36	8.99	8.73
Total OECD	46.82	48.75	45.73	46.99	49.00	47.62	47.95	46.27	47.67	48.42	47.58	49.11	46.55	48.01	49.26	48.23
FSU	3.73	3.63	3.28	3.44	3.66	3.50	3.55	3.40	3.46	3.68	3.52	3.65	3.40	3.33	3.51	3.47
Europe	0.76	0.80	0.74	0.69	0.74	0.74	0.81	0.75	0.69	0.75	0.75	0.81	0.76	0.70	0.76	0.76
China	4.19	4.38	4.61	4.33	4.64	4.49	4.73	4.55	5.05	4.82	4.79	4.85	4.98	5.02	5.25	5.03
Other Asia	6.75	6.98	7.08	7.05	7.10	7.05	7.10	7.30	7.27	7.19	7.22	7.31	7.42	7.47	7.49	7.42
Latin America	4.76	4.64	4.79	4.87	4.83	4.78	4.67	4.85	4.89	4.80	4.80	4.78	4.95	5.02	4.97	4.93
Middle East	4.17	4.27	4.36	4.37	4.18	4.30	4.27	4.42	4.54	4.35	4.40	4.44	4.60	4.72	4.52	4.57
Africa	2.35	2.32	2.31	2.32	2.36	2.33	2.37	2.32	2.32	2.35	2.34	2.40	2.35	2.38	2.42	2.39
Total Non-OECD	26.70	27.01	27.18	27.06	27.52	27.20	27.50	27.59	28.23	27.94	27.81	28.23	28.46	28.65	28.92	28.57
World	73.52	75.76	72.92	74.05	76.52	74.81	75.45	73.86	75.89	76.36	75.39	77.34	75.01	76.66	78.19	76.80
of which:																
US	18.92	19.21	19.22	19.80	19.83	19.52	19.11	19.29	19.82	19.80	19.51	19.70	19.39	19.94	20.07	19.78
Euro 4	8.67	8.96	7.89	8.21	8.76	8.45	8.37	7.99	8.35	8.46	8.30	8.48	7.98	8.33	8.66	8.36
Japan	5.52	6.17	5.02	5.24	5.86	5.57	5.98	4.98	5.38	5.60	5.48	6.12	4.99	5.34	5.65	5.53
Korea	1.92	2.26	1.85	1.94	2.20	2.06	2.31	2.04	1.93	2.16	2.11	2.42	2.04	2.03	2.29	2.20
Mexico	1.95	2.05	1.98	1.96	2.01	2.00	2.06	2.06	2.06	2.00	2.04	2.09	2.08	2.08	2.03	2.07
Canada	1.98	2.00	2.03	2.09	2.11	2.06	2.10	2.09	2.16	2.26	2.15	2.15	2.10	2.20	2.25	2.18
Brazil	2.08	2.02	2.09	2.14	2.14	2.10	2.02	2.12	2.18	2.21	2.13	2.18	2.24	2.28	2.20	2.20
India	1.84	2.04	2.00	1.94	2.01	2.00	2.09	2.04	1.99	2.07	2.05	2.16	2.10	2.18	2.16	2.14
Annual Change (% per annum)																
North America	1.9	4.1	2.3	3.0	3.6	3.2	0.1	0.9	0.8	0.5	0.6	2.9	0.6	0.8	1.2	1.4
Europe	1.8	2.5	-2.2	-3.3	-1.4	-1.1	-4.4	1.0	2.4	-2.5	-0.9	1.4	0.7	0.6	2.2	1.2
Pacific	-6.0	2.5	1.6	2.6	3.5	2.6	-1.3	2.1	1.6	-3.5	-0.4	2.9	0.4	0.8	2.4	1.6
Total OECD	0.3	3.3	0.7	0.9	2.0	1.7	-1.6	1.2	1.4	-1.2	-0.1	2.4	0.6	0.7	1.7	1.4
FSU	-1.6	-7.4	-10.2	-4.0	-2.9	-6.1	-2.0	3.8	0.8	0.5	0.7	2.7	0.0	-3.7	-4.6	-1.4
Europe	-2.8	-2.2	-2.4	-2.5	-2.5	-2.4	1.1	1.4	1.3	1.3	1.3	0.0	1.3	1.3	1.3	1.0
China	-0.4	9.7	10.7	6.7	2.5	7.3	8.1	-1.4	16.6	3.8	6.6	2.6	9.6	-0.6	9.0	5.0
Other Asia	1.1	6.2	5.2	4.9	2.0	4.5	1.7	3.1	3.1	1.2	2.3	2.9	1.6	2.8	4.2	2.8
Latin America	0.6	1.5	-0.5	-0.4	1.1	0.4	0.6	1.1	0.4	-0.7	0.3	2.3	2.1	2.6	3.6	2.7
Middle East	4.5	4.8	4.3	1.3	1.9	3.1	0.2	1.5	3.8	4.0	2.3	3.8	3.9	4.0	3.9	3.9
Africa	2.9	-1.4	-0.9	2.2	-2.8	-0.7	2.1	0.1	0.1	-0.4	0.5	1.3	1.6	2.9	2.9	2.2
Total Non-OECD	0.9	2.7	2.0	2.0	0.7	1.8	1.8	1.5	4.3	1.5	2.3	2.6	3.2	1.5	3.5	2.7
World	0.5	3.1	1.2	1.3	1.5	1.8	-0.4	1.3	2.5	-0.2	0.8	2.5	1.6	1.0	2.4	1.9
Annual Change (mb/d)																
North America	0.42	0.93	0.52	0.69	0.85	0.75	0.02	0.22	0.19	0.12	0.14	0.69	0.15	0.19	0.30	0.33
Europe	0.27	0.39	-0.32	-0.49	-0.22	-0.16	-0.70	0.15	0.36	-0.39	-0.14	0.20	0.11	0.09	0.33	0.18
Pacific	-0.54	0.23	0.12	0.21	0.31	0.22	-0.12	0.17	0.13	-0.32	-0.03	0.26	0.03	0.07	0.21	0.14
Total OECD	0.15	1.55	0.32	0.40	0.94	0.80	-0.80	0.54	0.68	-0.58	-0.04	1.16	0.28	0.34	0.84	0.65
FSU	-0.06	-0.29	-0.37	-0.14	-0.11	-0.23	-0.07	0.12	0.03	0.02	0.02	0.10	0.00	-0.13	-0.17	-0.05
Europe	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01
China	-0.02	0.39	0.45	0.27	0.11	0.30	0.35	-0.07	0.72	0.18	0.30	0.12	0.44	-0.03	0.44	0.24
Other Asia	0.07	0.41	0.35	0.33	0.14	0.31	0.12	0.22	0.22	0.09	0.16	0.21	0.11	0.20	0.30	0.21
Latin America	0.03	0.07	-0.02	-0.02	0.05	0.02	0.03	0.05	0.02	-0.03	0.02	0.11	0.10	0.13	0.17	0.13
Middle East	0.18	0.20	0.18	0.06	0.08	0.13	0.01	0.06	0.17	0.17	0.10	0.16	0.17	0.18	0.17	0.17
Africa	0.07	-0.03	-0.02	0.05	-0.07	-0.02	0.05	0.00	0.00	-0.01	0.01	0.03	0.04	0.07	0.07	0.05
Total Non-OECD	0.25	0.72	0.54	0.53	0.19	0.49	0.49	0.41	1.16	0.42	0.62	0.73	0.87	0.43	0.99	0.75
World	0.40	2.27	0.85	0.93	1.14	1.29	-0.31	0.94	1.84	-0.16	0.58	1.89	1.16	0.77	1.83	1.41
Changes from Last Month's Report																
North America	-	-	-	-	-0.01	-	-	-	-	-0.03	-0.01	0.02	-0.03	-	-0.12	-0.03
Europe	-	-	-	-	-	-	-	-	0.02	-0.10	-0.02	-0.06	-0.02	0.01	-0.11	-0.04
Pacific	-	-	-	-	-	-	-	-	-	-0.06	-0.02	0.04	-0.02	-0.02	-0.08	-0.02
Total OECD	-	-	-	-	-0.01	-	-	-	0.02	-0.20	-0.04	-	-0.06	-0.01	-0.31	-0.09
FSU	-	-	-	-	-	-	-	-	-	-	-	-0.01	-0.01	-0.01	-0.01	-0.01
Europe	-	-	-	-	-	-	-	-	-	-	-	-0.01	-	-	-	-
China	-	-	-	-	0.04	0.01	-	-	-	-0.02	-0.01	-	-	-	-0.03	-0.01
Other Asia	-	-	-	-	-	-	-	-	-0.01	-0.08	-0.02	-0.10	-0.08	-0.04	-0.12	-0.09
Latin America	-	-	-	-	-	-	-	-	-	-0.10	-0.02	-0.01	-0.02	0.01	-0.05	-0.02
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	0.04	0.01	-	-	-0.01	-0.20	-0.06	-0.13	-0.11	-0.04	-0.19	-0.12
World	-	-	-	-	0.03	0.01	-	-	0.01	-0.40	-0.10	-0.13	-0.16	-0.05	-0.50	-0.21

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 77.25 mb/d in February, a decrease of 710 kb/d from January. OPEC crude supply fell by 690 kb/d, while non-OPEC output decreased slightly by 20 kb/d.
- OPEC** crude supply, including Iraq, declined to 27.81 mb/d in February, compared to an upwardly revised 28.50 mb/d for January. **Iraqi** exports under the UN “oil-for-food” programme were up 170 kb/d over the previous month and the country’s production is estimated to have risen by 320 kb/d. **Excluding Iraq**, OPEC production dropped by 1.02 mb/d to 25.75 mb/d, 550 kb/d higher than the latest OPEC target of 25.2 mb/d.
- Non-OPEC** oil supply fell slightly to 46.49 mb/d in February. **OECD** output was up 20 kb/d. US NGL production recovered, as natural gas prices fell. Canadian and Mexican outputs are also estimated to have gained. In contrast, North Sea production fell due to freezing temperatures at the beginning of the month. **Non-OECD** oil production was 30 kb/d lower. An intensified bombing campaign against the Cano Limon pipeline lowered Colombian output. Ecuadorian production fell as indigenous protestors occupied the oil fields and disrupted operations.
- The “**call on OPEC crude plus stock change**” for the first and second quarters of 2001 stands at 27.8 mb/d and 25.6 mb/d. The first quarter “call” remained unchanged as downward revisions in non-OECD demand and OECD supply cancelled out each other. With downward revisions of 0.2 mb/d in total demand and 0.1 mb/d for non-OPEC supply, the second quarter “call” has been revised downwards by 0.1 mb/d. The “call” for 2001 has been reduced by 0.1 mb/d, to 27.2 mb/d. Global demand in 2001 was lowered by 0.2 mb/d, while non-OPEC supply was reduced by 0.1 mb/d.



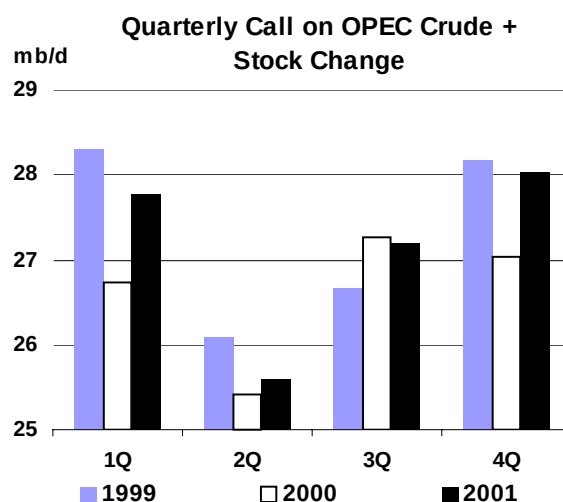
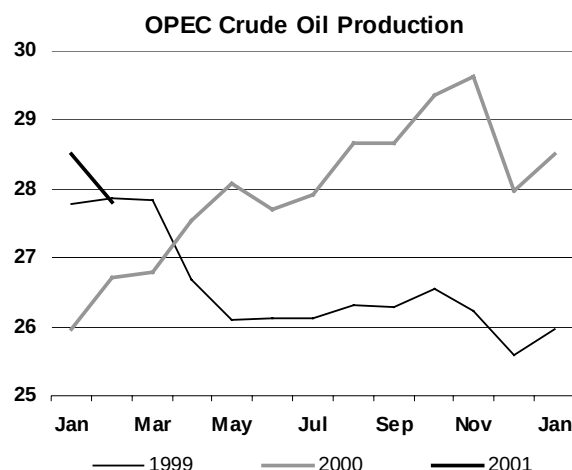
All world oil supply figures for February discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary February crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 100 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

OPEC's new production target went into effect on 1 February. OPEC ministers met in Vienna on 17 January and agreed to reduce production, excluding that of Iraq, by 1.5 mb/d, from 26.7 mb/d to 25.2 mb/d. The next OPEC meeting is scheduled for 16 March.

Preliminary estimates indicate that February OPEC crude supply, excluding Iraq, decreased by 1.02 mb/d to 25.75 mb/d, 550 kb/d above the new target. Including Iraq, output averaged 27.81 mb/d, a decrease of 690 kb/d from the previous month. An increase of 320 kb/d in Iraqi production moderated the impact of production reduction from OPEC 10. January OPEC crude production has been revised upwards by 170 kb/d, from 28.33 mb/d to 28.50 mb/d. Iranian production was increased by 210 kb/d, outweighing downward revisions from other countries.



The largest output reduction in February came from Saudi Arabia and Iran. **Saudi Arabian** crude supplies (excluding the Neutral Zone) are estimated to have dropped by 310 kb/d to 7.99 mb/d. Nonetheless, Saudi Arabia overshot its target by more than 100 kb/d. **Iranian** output decreased from the upwardly-revised number of 4.05 mb/d in January, to 3.75 mb/d. Production from **UAE** fell by 130 kb/d, while **Nigerian** supply was down 30 kb/d. **Indonesian** output remained almost unchanged from the previous month.

February **Kuwaiti** production (excluding the Neutral Zone) decreased by 40 kb/d to 1.84 mb/d. A crude and gas gathering station was reportedly inaugurated in the western part of the country at the end of January. Another gathering station is scheduled for completion this month. The two gathering stations have a combined processing capacity of 410 kb/d for crude, 26 kb/d for NGLs and 98 million cubic feet per day of natural gas. Construction of the two gathering stations has long been delayed.

Venezuelan supply was down 50 kb/d, to 2.98 mb/d. The reduction came from Orinoco extra-heavy oil projects. The Sincor project reduced its output by 10 kb/d to 40 kb/d starting 1 February and production from the Cerro Negro joint venture fell by 50 kb/d to 40 kb/d. The Petrozuata project was not affected. The Sincor project, a joint venture between TotalFinaElf, Statoil and Venezuela's state-owned PDVSA, began production of extra-heavy crude in December of last year. Like other extra-heavy oil projects, its extra-heavy crude is diluted with other crude to be piped to the Jose terminal on the Caribbean Sea and marketed internationally. The project's upgrader in Jose will be completed in late 2001 and output from the fields will be increased to 200 kb/d. The facility will upgrade the extra-heavy crude into low sulphur, high quality synthetic crude called Zuata Sweet. First exports of Zuata Sweet are scheduled for early 2002.

Meanwhile, the Petrozuata project, a joint venture between Conoco and PDVSA, completed construction of its upgrading facility in February. The facility, located near Jose, is designed to upgrade 120 kb/d of extra-heavy crude into some 103 kb/d of lighter synthetic crude. The synthetic crude will be exported to the US Gulf Coast area and used as a refinery feedstock. The fourth project, Hamaca, is scheduled to start up this year.

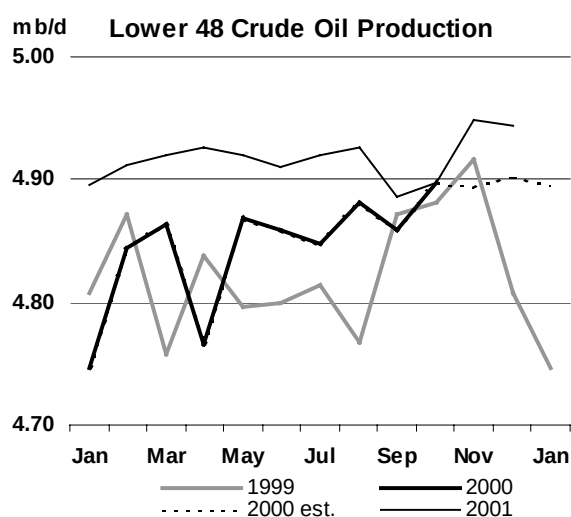
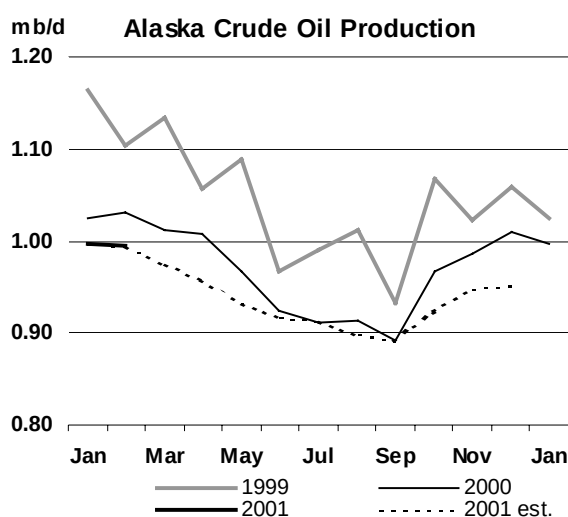
While OPEC 10 crude production declined, **Iraqi** output rose in February. Iraqi supply increased by 320 kb/d to 2.05 mb/d, comprising 1.25 mb/d of exports under the UN "oil-for-food" programme and 800 kb/d produced for domestic consumption and border trade. Based on UN data through 23 February and IEA estimates for the remainder of the month, "oil-for-food" exports increased by 170 kb/d from the previous month. The week of 3-9 February saw the lowest level of exports under the UN programme, with only 230 kb/d of oil being lifted through two loadings. However, export volumes recovered later in the month. Some 1.74 mb/d were lifted through seven loadings during the week of 17-23 February. The February estimate of 800 kb/d for domestic consumption and border trade is 150 kb/d higher than the January estimate, due to an apparent resumption of Iraqi exports to Syria.

OECD

North America

US - February - Alaska actual, other estimate: US crude supply is estimated to have averaged 5.90 mb/d in February, up 10 kb/d from the previous month. Alaskan output remained unchanged at just below 1 mb/d. Production at the new Alpine field continued to increase in February. However, growth at Alpine was offset by declines at Prudhoe Bay, Kuparuk and other fields. At Prudhoe Bay, a compressor unit caught fire at the beginning of the month. The accident will affect the field's output for the following six weeks. In California, supply is estimated to have bounced back by 10 kb/d. Some heavy crude producers that depend on steam injection resumed their operations as natural gas prices eased. Production in the Gulf of Mexico is estimated to have gained 20 kb/d, due to output from the new Hickory field, which came onstream in December. In contrast, crude output from the other states is thought to have declined slightly.

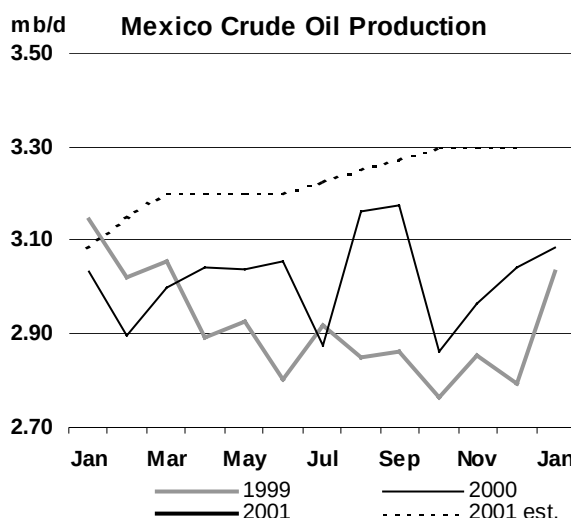
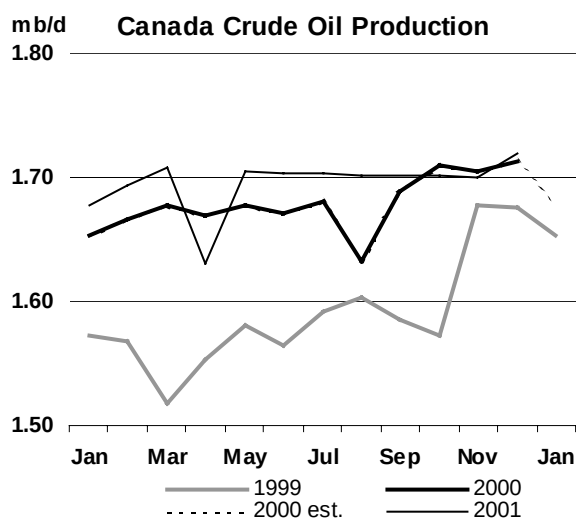
US NGL production fell to the lowest level in two years in December, averaging 1.64 mb/d, a decline of 230 kb/d from November. A combination of surging gas prices and falling oil prices made it more attractive for some natural gas processing plants, particularly on the US Gulf Coast, to leave more propane, ethane, butane and other components in the gas stream, selling "wetter" gas, and reducing the output of liquids. However, output is estimated to have recovered to 1.71 mb/d and 1.82 mb/d in January and February, due to falling natural gas prices.



Canada - December actual, January and February estimates: Canadian crude production remained steady at 1.71 mb/d in December. Production from the offshore Hibernia field rose by 10 kb/d to 140 kb/d and bitumen output in Alberta gained 20 kb/d. However, those increases were offset by falling crude production in Alberta and Saskatchewan. January and February crude output is estimated at 1.68 mb/d and 1.69 mb/d. Petro-Canada, the operator of the new Terra Nova project

offshore Newfoundland, announced in mid-February that the start of production from the field would be postponed to the fourth quarter of this year from an already-delayed mid-year date. Engineering and workmanship problems were identified in several key systems after the project's floating production, storage and offloading (FPSO) vessel arrived in Bull Arm, Newfoundland. According to the company, the estimated total pre-production capital cost could increase by up to 15% over the current estimate of Canadian \$2.5 billion.

Synthetic crude production averaged 360 kb/d in December and 330 kb/d in January. The estimate for February is 340 kb/d. Output has been recovering from losses resulting from maintenance and repair work. In the wake of high oil prices, there has been increasing interests in synthetic crude projects based on oil sands production in northern Alberta. Petro-Canada said in late February that it was assessing the commercial feasibility of the proposed Lewis and Meadow Creek projects, both located near Fort McMurray, Alberta. The company's MacKay River project in the same region is currently under construction, with the start-up of production scheduled for late 2002. Meanwhile, as in the US, estimated Canadian NGL output increased, from 680 kb/d in January to 710 kb/d in February.



Mexico - January actual, February estimate: In January, Mexican crude production rose by 40 kb/d to 3.09 mb/d. Despite the increase, the supply was still lower than its recent peak of 3.16-3.17 mb/d seen in August and September of last year. Since then, output has been affected by a combination of bad weather, technical problems and capacity-expansion work at the Cantarell field complex. Crude production in February is estimated to have increased to 3.15 mb/d. January crude exports remained virtually unchanged from December at 1.75 mb/d. Following OPEC's decision to cut crude production, Mexico announced that it would hold crude exports at 1.75 mb/d from 1 February.

North Sea

UK - December actual, January and February estimates: UK offshore crude and NGL production in December grew by 60 kb/d to 2.68 mb/d. Crude supply from the Brent system increased by 40 kb/d to 310 kb/d, while that for the Forties System gained 90 kb/d as the Andrew/Cyrus development recovered from October maintenance. Meanwhile, offshore NGL production decreased by 40 kb/d to 270 kb/d. UK offshore crude and NGL production is estimated to have fallen by 50 kb/d in January and by another 70 kb/d in February because of freezing temperatures at the beginning of the month.

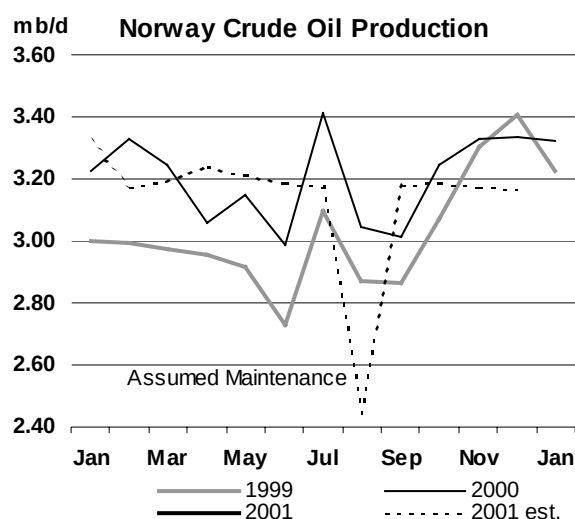
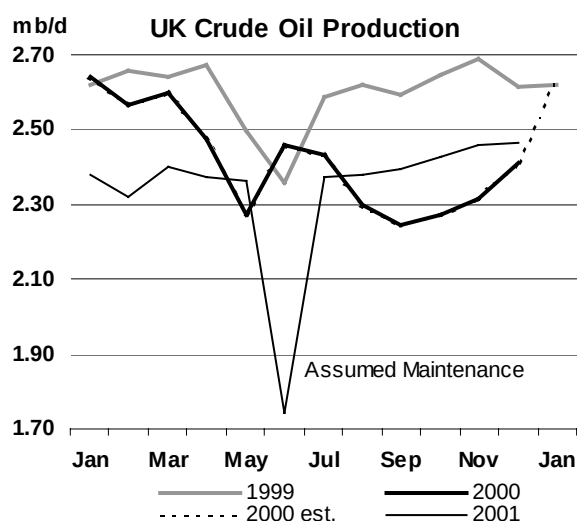
North Sea Oil Production Outlook

February - July 2001
(thousand barrels per day)

	Feb 01	Mar 01	Apr 01	May 01	Jun ² 01	Jul 01
UK	2559	2640	2592	2562	1923	2533
Norway	3370	3394	3447	3419	3392	3379
Denmark	380	372	368	369	366	364
Other ¹	36	36	36	36	35	45
Total	6346	6442	6443	6386	5716	6321

¹ offshore Netherlands and offshore Germany

² includes assumed field maintenance

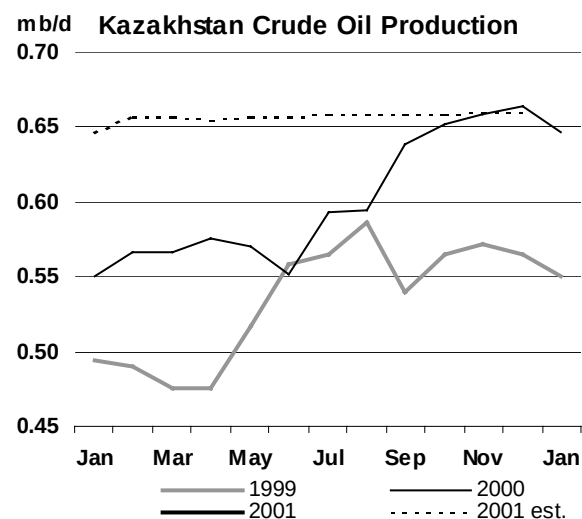
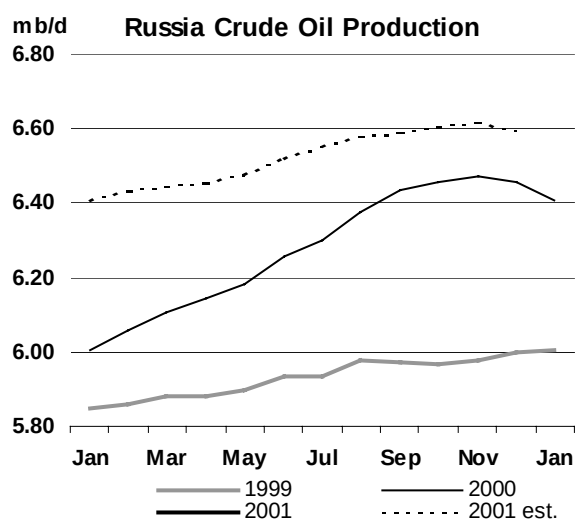


Norway - January actual, February estimates: Norwegian crude production averaged 3.32 mb/d in January, down 20 kb/d from the previous month. Decreases in the Haltenbanken and Statfjord-Gullfaks Areas were partly offset by increases in the Oseberg-Troll Area. NGL production was up 30 kb/d. The cold weather that hit the North Sea at the beginning of February had a larger impact in the Norwegian sector. Freezing temperatures reportedly caused problems in the gas compressors on the offshore production platforms and operations were halted. As a result, some 100 kb/d are thought to have been lost from Norwegian production during the month.

Former Soviet Union (FSU)

Russia - January actual, February estimate: Russian crude production fell by 50 kb/d to 6.41 mb/d in January. Yukos supply recorded a slight decrease for the first time in three years, while production from Sidanco continued to slide. In contrast, production from Lukoil, Slavneft and Tatneft gained. In the production sharing agreement category, TotalFinaElf's "Horizons 2 and 3" project at the Kharyaginskoye field in the Timan-Pechora basin produced 12 kb/d of crude in January. As scheduled, Sakhalin-2 halted operations and started a winter break in December. The project will resume production in June. February Russian crude output is estimated at 6.43 mb/d.

Kazakhstan - January actual, February estimate: Kazakhstan's crude and NGL production in January fell by 30 kb/d to 770 kb/d. Crude production from the Tengiz field decreased by 20 kb/d to 240 kb/d, after a strong performance between October and December of last year. Similarly, NGL production from the Karachaganak field declined by 10 kb/d to 130 kb/d. The country's total output is thought to have risen by 20 kb/d in February.



On the exploration front, the Offshore Kazakhstan International Operating Company (OKIOC), comprising nine Western oil companies, was completing its second exploration well on the Kashagan structure at the beginning of March, following the success of its first well last year. The second well was situated some 40 km west of the first well to appraise the extent of the reservoir. The company has been cautious about releasing reservoir estimates. In February, BP agreed to sell its 9.5% share in the project to TotalFinaElf. BP stated it would sell the stake because it had no chance of being elected as the operator. Later in the month, Italy's ENI was chosen to operate the project. Previously, the project did not have a formal operator, although Shell played a leading role.

CPC Pipeline Update

In November last year, the Caspian Pipeline Consortium (CPC) completed construction of its pipeline project, which connects the Tengiz field in Kazakhstan with the Russian port of Novorossiysk on the Black Sea. The first crude shipment out of Novorossiysk is scheduled for June of this year. The pipeline has a capacity of 560 kb/d of crude in the first phase, with a plan to increase the capacity to 1.35 mb/d in the second phase. Costs for the first phase are projected at US\$2.4 billion. The CPC pipeline has been planned since the early 1990s, when Chevron entered Kazakhstan to develop the Tengiz field, but construction did not start until 1999.

Export capacity constraints have been a critical issue for Kazakhstan. Russia's Transneft pipeline from Atyrau in west Kazakhstan via Samara in Russia to Novorossiysk is currently the only pipeline that connects Kazakhstan with Western markets. The pipeline carried 260 kb/d of crude in 2000. Producers at the Tengiz field export their crude through such other routes as railways and Trans-Caspian shipments, which are more costly than the pipeline route. With the commissioning of the CPC pipeline and increases in export quotas via Russian territory, Kazakhstan crude and NGLs production is expected to increase by 80 kb/d to 790 kb/d in 2001.

The Consortium plans to start filling the pipeline in March. It is estimated that some 9 million barrels of crude are needed to fill the 1,580 km pipeline including its storage facilities. The volume is equivalent to 40 days of production from the Tengiz field, which produces around 240 kb/d. Producers at the field may choose to allocate lower rates, taking more time to fill the pipeline, while continuing their exports via other routes.

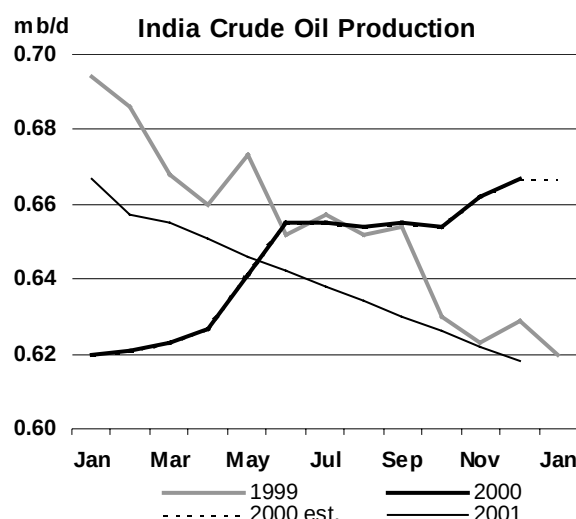
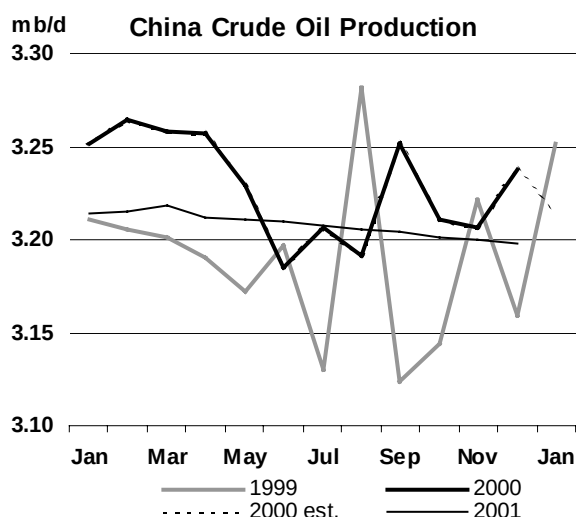
This is an example of non-discretionary inventory build associated with new infrastructure. Consistent with past practice in the Report, the crude that will be used to fill the pipeline will be counted as production on Table 1 at the end of the Report. At the same time, it will show up under the balancing item, "Miscellaneous-to-Balance", as the equivalent volume of crude will remain in the pipeline as linefill.

Other Non-OPEC

Argentina crude production averaged 750 kb/d for October and November and 760 kb/d for December. These figures put the annual average for 2000 at 770 kb/d, a decrease of 50 kb/d from the previous year. The fields are mature, while upstream investment has been low. The country's production is estimated to continue its slow decline this year.

Colombian crude production is estimated to have fallen by 60 kb/d to 610 kb/d in February. The Cano Limon pipeline in the eastern part of Colombia was reportedly shut down for more than half of the month, due to an intensified bombing campaign.

February **Ecuadorian** crude supplies are thought to have dropped by 40 kb/d. Indigenous protestors occupied the oil fields and disrupted operations. Meanwhile, in mid-February, the Ecuadorian Government signed a contract to build a new heavy crude pipeline with a consortium of international companies operating in the country. The new pipeline project will mostly parallel the existing 380 kb/d SOTE pipeline. Light and heavy crudes are currently mixed and transported through the SOTE pipeline. With the new 450 kb/d heavy crude pipeline, light and heavy crudes will be piped separately. Construction will start within 30 days of the signing and take 25 months to complete. A shortage of pipeline capacity has limited crude output for several years.

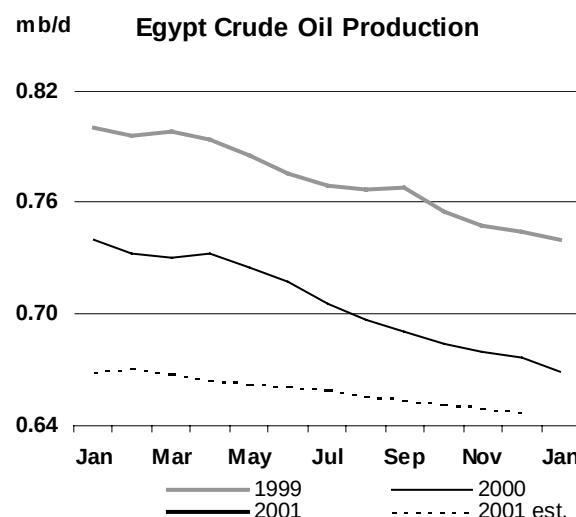


Chinese crude production rose in December by 30 kb/d from the previous month, to 3.24 mb/d. The output averaged 3.23 mb/d for the year 2000, an increase of 40 kb/d over 1999. The gain came entirely from the offshore sector. Chinese offshore production grew with two new offshore fields starting up in 1999 and two others in 2000. A couple of more fields in the Bohai Sea are expected onstream in the next few years. However, total Chinese production is expected to fall gently through 2001 as production from large mature onshore fields declines.

Indian crude output was up 10 kb/d in December, to 670 kb/d. Production from the offshore Bombay High field increased by 10 kb/d to 350 kb/d, due to maintenance work earlier in the year. However, annual production for the field fell by 20 kb/d from the previous year and that for India as a whole decreased by 10 kb/d. Long-term production declines at the Bombay High are expected to continue, cutting total Indian crude output in 2001.

Egyptian crude and NGL production fell from 800 kb/d in November to 790 kb/d in December and 780 kb/d in January.

NGL production held steady at 110 kb/d, but crude production declined. Although gas discoveries have been made off the Nile Delta, the country's oil fields are maturing. The yearly average for crude production declined by 70 kb/d from the previous year to 710 kb/d, while that for NGL rose by 20 kb/d to 100 kb/d.



Revisions

Compared to last month's Report, estimated non-OPEC supply for 2001 has been decreased by 90 kb/d, while non-OPEC supply in 2000 has been revised upwards by 20 kb/d. As a result, non-OPEC supply growth for this year is now 120 kb/d lower, at a still-impressive 750 kb/d.

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			this month v last month		
	2000	2001	01 vs. 00	2000	2001	01 vs. 00	2000	2001	01 vs. 00
North America	14.30	14.65	0.36	14.31	14.58	0.26	0.02	-0.07	-0.09
Europe	6.77	6.69	-0.08	6.78	6.69	-0.09	0.01	0.00	0.00
Pacific	0.85	0.83	-0.02	0.85	0.83	-0.02	0.00	0.00	0.00
Total OECD	21.92	22.17	0.25	21.95	22.10	0.16	0.02	-0.07	-0.09
Former USSR	7.94	8.32	0.38	7.94	8.29	0.36	0.00	-0.03	-0.03
Europe	0.18	0.18	0.00	0.18	0.18	0.00	0.00	0.00	0.00
China	3.23	3.20	-0.02	3.23	3.21	-0.02	0.00	0.00	0.00
Other Asia	2.28	2.30	0.03	2.28	2.32	0.04	0.00	0.01	0.01
Latin America	3.77	3.89	0.12	3.77	3.88	0.12	0.00	-0.01	-0.01
Middle East	1.99	2.03	0.04	2.00	2.03	0.04	0.00	0.00	0.00
Africa	2.85	2.88	0.03	2.85	2.87	0.02	0.00	-0.01	-0.01
Total Non-OECD	22.24	22.80	0.57	22.24	22.78	0.54	0.00	-0.02	-0.02
Processing Gains	1.72	1.76	0.05	1.72	1.76	0.05	0.00	0.00	0.00
Total Non-OPEC	45.87	46.74	0.87	45.90	46.65	0.75	0.02	-0.09	-0.12

OMR = Oil Market Report

TRADE

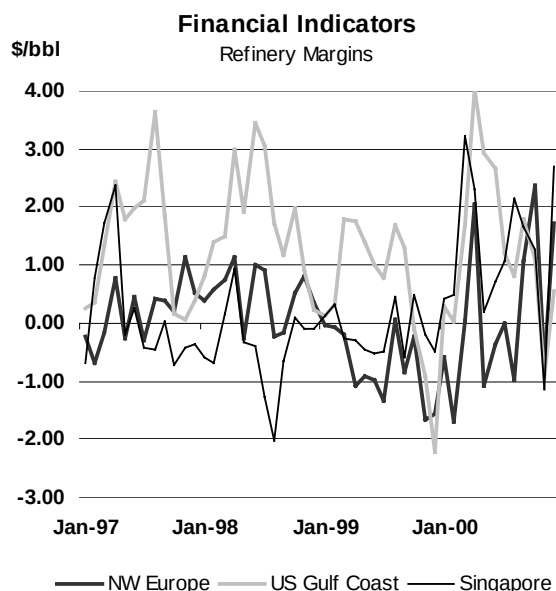
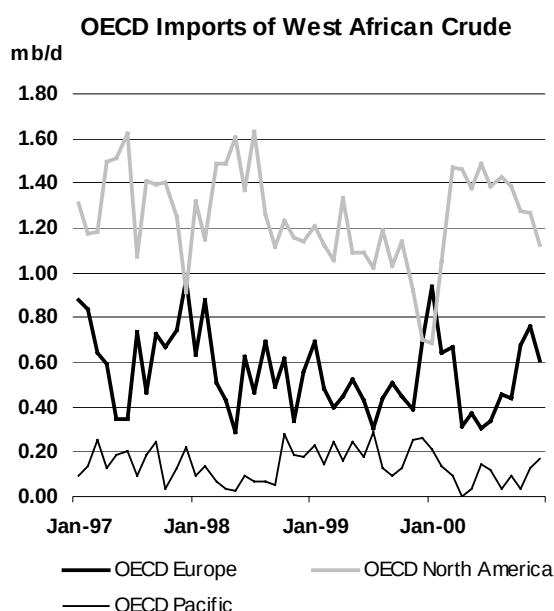
OECD Crude Trade

This Report's new Table 10 shows data on OECD crude imports collected in tonnes but converted to barrels at 7.37 barrels per tonne. It summarises imports for each of the three OECD regions by supplier. In North America, for example, the figures show an increase in crude imports of 430 kb/d between 1998 and 2000, with North Sea crude meeting all but 50 kb/d of the increased requirement. At the same time, the near-doubling of Iraqi imports by North America meant losses for Latin American and African crude in about equal amounts. In OECD Europe, imports dropped about 500 kb/d over the same period, with the decline mainly in Saudi crude.

In recent months, crude imports in the OECD Pacific increased nearly 10% between October and November while Asian refinery runs were strong. The high crude requirement caused the price of Dubai to spike, briefly, over that of Dated Brent. But Pacific refiners relinquished two-thirds of that increase in December, with Far East demand for Dubai crude eroding so much that the Brent-Dubai differential nearly doubled from November's average.

In the OECD as a whole, crude imports increased 800 kb/d between October and November. This is related to the normal seasonal ramp-up in OECD product demand between November and December, which turned out to be an increase of 1.8 mb/d. Between November and December, crude imports fell slightly and crude prices eased. This was linked both to lower-than-anticipated product demand in December and to a seasonal decline in product demand between December and January. The table also shows OECD imports of Saudi and Venezuelan crude increasing 1 mb/d between November and December, offsetting the loss of Iraqi crude.

Table 11, appearing in the Report for the first time this month, summarises the reported receipts of selected crude oils, in barrels, by IEA member countries. This information is not directly comparable to that on Table 10. Some data have been omitted for reasons of confidentiality, and figures for the most recent month may be incomplete, as is the case for OECD Pacific in December. The combined statistics show, for example, that as OECD Europe reduced its imports of Iranian crude by 240 kb/d between 1998 and 2000, the cuts were almost entirely in heavy crude. In contrast, the 500 kb/d reduction in European imports of Saudi crude was spread across the barrel, with only 40% in the medium and heavy grades.



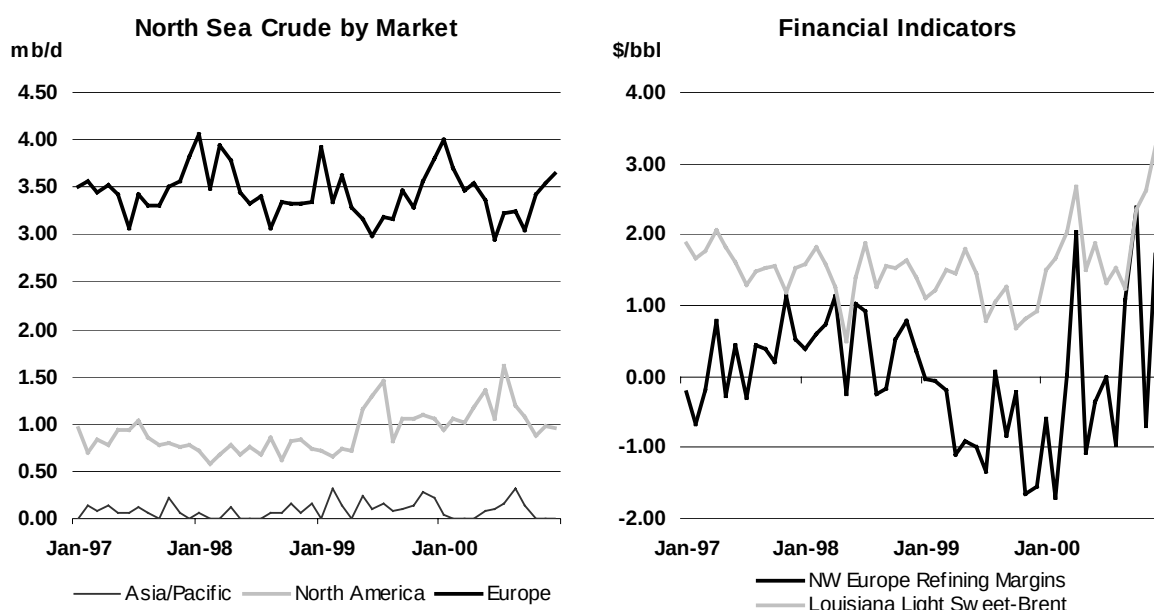
In order to cover as large a proportion of global trade as possible, the new trade section's graphs and analysis combine information on imports to OECD countries with information about exports from OECD countries to non-OECD destinations. This makes a complete picture possible for a trade such

as that in North Sea crude. The section is also using paired graphs, one of physical flows and the other of financial indicators. An analyst looking at the physical flows, to the left, can examine seasonality, level and trend to establish what a normal pattern might be, then identify abnormal periods, looking to the financial indicators on the right to help explain the differences.

OECD trade in **West African** crude, shown above, shows strong seasonality. In Europe, winter imports were sharply higher than in summer, except for the winter of 1998-99. This is a crude slate swing, or change in the refinery's "diet" of crude, made in order to increase heating oil production, because West African crudes have high yields of heating oil and other middle distillates. In contrast, West African crude exports to North America typically peak in summer; this is caused by the seasonal pattern of North American refinery runs, which are highest in driving season.

Pacific imports of West African crude were relatively steady between 1997 and 1999, despite a decline of 320 kb/d in Nigerian production over the period. Essentially, this was a rebalancing of the crude flows: sweet West African crude was bid away from North America by Asia/Pacific refiners faced with tightening specifications for petroleum products. More sophisticated North American refineries substituted sourer North Sea crude.

North Sea and West African crudes have relatively similar product yields, both with a high distillate "cut". So North Sea imports tend to display the same seasonal patterns as West African crudes, peaking in winter for Europe and in summer in North America. The volume of North Sea crude which flows east to Asia/Pacific refiners is relatively low, but increasing over time as Far East refining capacity expands.



The North Sea's baseload market in North America consists mainly of refineries in central and eastern Canada and the US. When North American imports of North Sea crude increase above trend, or when the trend increases, this tends to indicate incremental shipments to the US Gulf Coast.

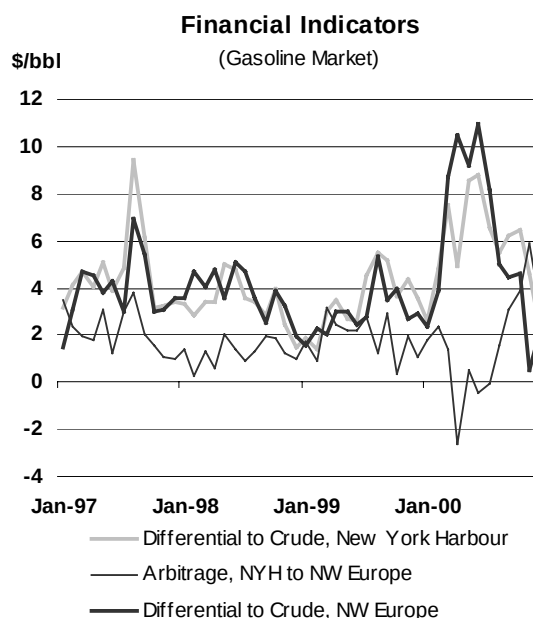
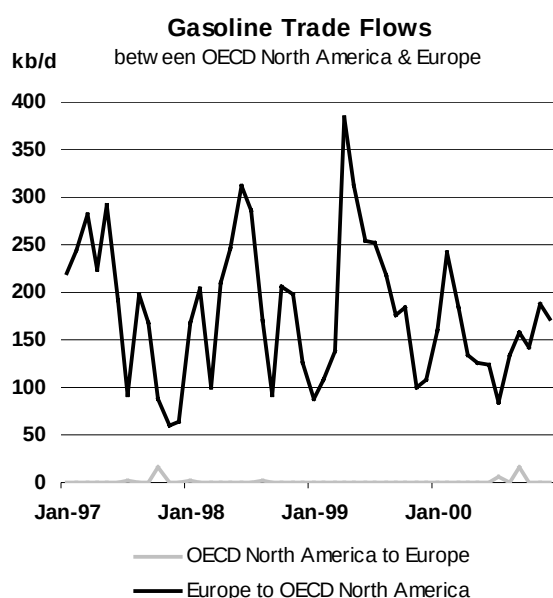
When Gulf Coast refiners are short of North Sea crude, they bid up the Gulf Coast price of Louisiana Light Sweet crude, which has products yields similar to that of Brent. So North America's increasing appetite for North Sea crude from mid-1999 on is well-reflected in the price differential between LLS and Dated Brent, shown on the right-hand chart.

For North Sea crude to be "pulled" to the Gulf Coast, the price differential must be sufficient to cover working capital, the exposure to risk of price change during the three-week journey, and freight. The required price spread has increased with higher freight rates, though a WTI to Brent differential of \$1.25 per barrel (or \$1 LLS to Brent) was once enough to pull North Sea crude to the Gulf Coast.

OECD Product Trade

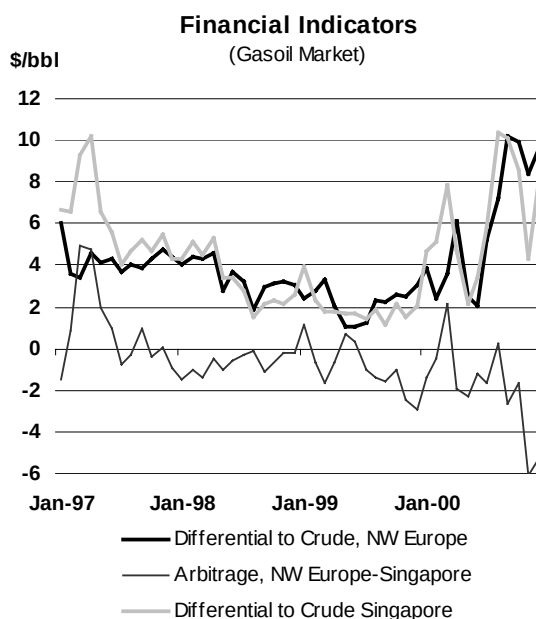
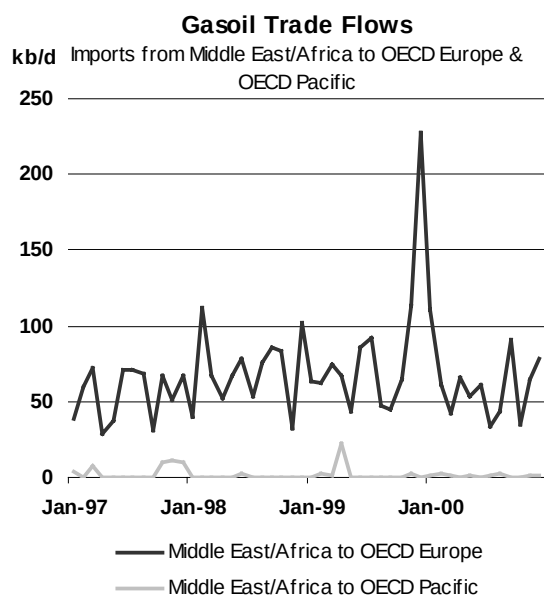
Compared to the crude trade, the product trade may seem insignificant because the volumes are so much smaller. In fact, the opposite is true: volumes are small because trade in products takes place at the margin, and marginal supply sets prices. When trade is forced by surpluses at the point of origin, there is weakness in local refining margins resulting from surplus refining capacity. When imports are required to balance shortfalls in local supply, the cost of those imports at the margin sets local prices. So, for example, a spike in the price of gasoline in California is really a price signal indicating that local refineries have operating problems (including capacity limitations), that the need for imports has increased dramatically and that supply is being bid away from increasingly-distant or high-cost refining centres.

Flows of **motor gasoline and blendstocks between North America and Europe** are a basic feature of Atlantic Basin product trade. The figures show North America as a whole, yet in fact this is primarily trade between Europe and the US Northeast, where output from the Philadelphia/New Jersey refining complex falls substantially short of local demand. It is essentially a one-way trade, with Europe exporting its gasoline surpluses. Europe (with its preference for diesel for on-road transportation) seems perpetually long in gasoline, just as the US is perpetually short. As US gasoline specifications tighten, this trade increasingly takes place in the form of blendstocks rather than in finished gasoline certified to meet US standards.

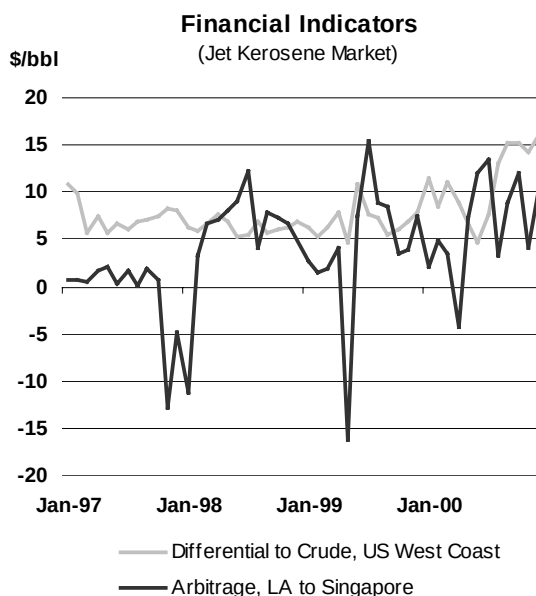
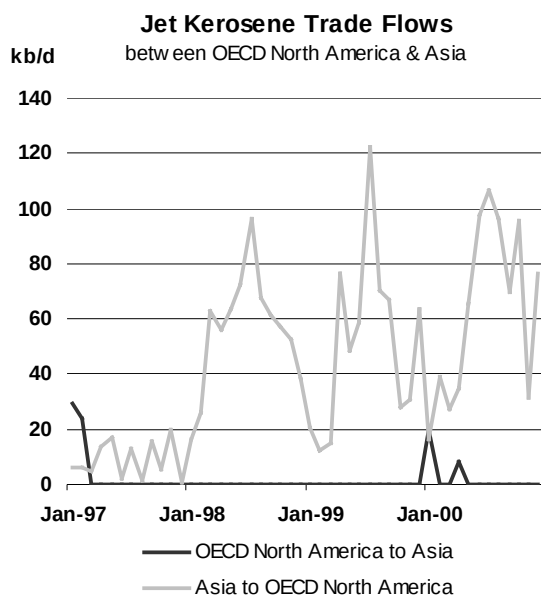


That the primary motivation for the trade is European surpluses may be seen in the arbitrage, or the price differential between the two markets; even in April 2000, when New York gasoline prices were below those of Rotterdam, European gasoline continued to flow to the US, although in decreasing volumes. More recent price developments, with New York prices sharply higher than Europe last November and December, demonstrate demand “pull”, as the differential widened sufficiently to attract incremental European gasoline cargoes.

Product exported by refiners in the **Middle East and Africa** can swing either east or west, depending on economics. As the graphs below show, gasoil exports tend to flow west, to the Atlantic Basin. In the first quarter of 2000, strong European consumer demand for gasoil (partly from German consumers stocking up) opened out the arbitrage between Northwest Europe and Singapore despite a strong appreciation in the Singapore price of gasoil versus that of crude. This is a strong price effect, indicating demand “pull”, as reflected in a doubling of European imports of gasoil in January 2000 compared to those a year earlier. Russia is another swing supplier of gasoil, with exports which pivot between North America and northern Europe.



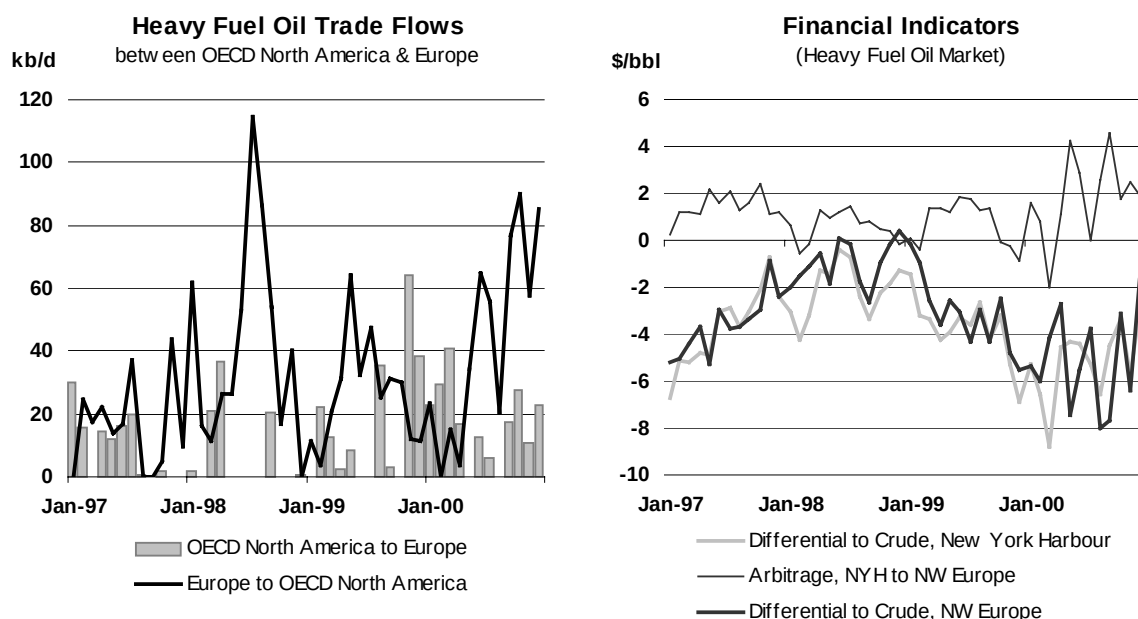
Product trade between North America and Asia is mostly between the US West Coast and Asia. Historically, this meant West Coast exports of gasoil and fuel oil to Asia and exports of small volumes of Asian gasoline to the West Coast. Westward product exports make considerably less sense now that the Far East has surplus refining capacity, and tight West Coast gasoline standards leave little room for conventional Far East product.



The **jet-fuel flows from Asia to North America** are a relatively recent phenomenon made necessary by tightening diesel specifications. Basically, the cleaner and higher-quality the diesel which must be manufactured, the less remains of the fraction of the crude barrel suitable for conversion into jet. So the California Air Quality Resources Board standard for diesel reduces local jet production, and the shortfall is made up with Asian imports. As the right-hand chart indicates, jet's West Coast price premium to that of Alaskan North Slope, the West Coast marker, has been both wide and widening. From January 1998 on, Asian jet flows to the West Coast have generally tracked the price differential between Los Angeles and Singapore.

Trade in heavy fuel oil between Europe and North America is primarily flows from Northwest Europe to the US East Coast and flows from the US Gulf Coast to southern Europe. Any premium in New York to Rotterdam prices seems to be sufficient to induce European supply to flow west. This

indicates a structural surplus of fuel oil in Europe resulting from the speed with which European utilities are phasing out their use of heavy residual fuel oil, and relatively low investment in refinery upgrading.



In contrast, the arbitrage spiking in May-June and August-September seems to be the demand-related price strength required to attract incremental cargoes of European fuel oil. North American fuel oil demand has been extremely strong this winter, supported by switching away from high-priced natural gas, and the US East Coast is short of fuel oil.

Trade in the FSU, China and India

Preliminary statistics for FSU exports show net February volumes essentially unchanged from January at 4.18 mb/d, with bad weather continuing to limit seaborne exports. Product exports gained counter-seasonally, benefiting from the loosening of Russian export quotas on fuel oil. US demand for gasoline blendstocks supported product exports.

2000 Net FSU Exports – March 2001

(million barrels per day)

	2000	1Q00	2Q00	3Q00	4Q00	Nov 00	Dec 00	Jan 00 ¹	Feb 01 ^p
Black Sea Exports ¹	1.80	1.64	1.84	1.95	1.77	1.96	1.65	1.82	1.69
Baltic Sea Exports	1.35	1.39	1.51	1.42	1.08	0.98	1.19	1.22	1.34
Total Seaborne	3.15	3.02	3.35	3.37	2.85	2.95	2.84	3.04	3.03
Druzhba Pipeline ²	1.03	1.02	1.01	1.01	1.08	1.08	1.17	1.11	1.11
Other	0.10	0.05	0.08	0.12	0.13	0.14	0.09	0.04	0.04
Total Exports	4.27	4.10	4.45	4.49	4.06	4.16	4.10	4.19	4.18
Imports	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.02	0.01
Net FSU Exports	4.26	4.08	4.44	4.48	4.05	4.15	4.08	4.17	4.17
NB: Crude	3.05	2.97	3.07	3.10	3.06	3.21	3.09	3.16	3.02
Products	1.21	1.11	1.37	1.38	0.99	0.94	1.00	1.02	1.16

¹ Includes a small amount of non-Russian crude oil exports
r revised

² crude oil only
p preliminary

The net export figures shown for 2000 are 100 kb/d higher than those in the last Report, and now include final figures for all but the fourth quarter.

The FSU statistics include trade with OECD and non-OECD countries alike, as do those of India and China. As our new Tables 10 and 11 show, refiners in OECD Europe imported 2.4 mb/d FSU crude in 2000, roughly a third of that in the form of Russian Urals crude.

In **China**, refinery runs dropped to 3.5 mb/d in December, a decline of 330 kb/d from November and 460 kb/d lower than a year earlier. The run cuts seem to be linked to languishing demand. Net product imports contracted 35%, with the 64 kb/d increase in net gasoline exports another warning sign of what may prove to be price-related demand weakness. Refinery production of diesel fell by 150 kb/d, gasoline by 65 kb/d, and LPG and petrochemical feedstocks by a combined 75 kb/d.

As runs declined, so too did crude imports. Chinese imports of Omani crude fell to only 210 kb/d while Angolan imports doubled to 180 kb/d. December's crude imports also included a record-high 100 kb/d of FSU crude, triple the amount a year earlier. Chinese reliance on FSU crude has increased courtesy of the Far East oilfield, Sakhalin. Exports of Chinese crude fell by a third, with no cargoes moving to either Australia or North Korea in December.

Indian refinery runs held flat between November and December, averaging 2.08 mb/d (at 91% refinery utilisation). This is only 210 kb/d higher than a year earlier, despite capacity expansions by Reliance and other refiners.

As was true elsewhere in Asia, Indian demand weakened in December. Asian weakness can be seen in the Brent-Dubai differential, which widened from November's \$2 per barrel to an average \$3.60.

Indian crude imports were little changed, though Egyptian crude imports increased 50 kb/d at the expense of Kuwait. Nigeria remains India's prime supplier, with a third of total crude imports; Malaysia supplied 30 kb/d, and Middle East producers the balance.

China - Crude Oil and Product Trade

(thousand barrels per day)

	kb/d			Latest Month vs	
	Dec 00	Nov 00	Dec 99	Nov 00	Dec 99
Crude Imports	1346	1585	870	-239	476
Crude Exports	132	197	3	-65	129
Net Crude Imports	1214	1388	867	-173	347
Total Net Imports	1472	1784	1268	-313	203
Net Product Imports					
LPG	155	167	161	-12	-5
Naphtha	-23	-21	-6	-2	-17
Gasoline	-165	-101	-112	-64	-53
Kerosene	4	41	8	-37	-4
Diesel	3	-8	-21	11	25
RFO	179	97	296	82	-117
Other Products	104	222	77	-118	27
Total Products	257	397	401	-139	-144

India - Crude Oil and Product Trade

(thousand barrels per day)

	kb/d			Latest Month vs	
	Dec 00	Nov 00	Dec 99	Nov 00	Dec 99
Crude Imports	1047	1029	853	18	194
Crude Exports	0	0	0	0	0
Net Crude Imports	1047	1029	853	18	194
Product Imports	159	170	265	-11	-106
Product Exports	7	7	0	-0	7
Net Product Imports	152	163	265	-11	-113
Total Net Imports	1199	1192	1118	7	81
Net Product Imports					
Gasoil	0	0	0	0	0
Gasoline	0	0	0	0	0
Fuel Oil	24	18	16	6	8
LPG	31	22	52	9	-20
Naphtha	63	67	70	-4	-7
Kerosene	26	47	115	-22	-89
Other	9	9	13	-0	-4
Total	152	163	265	-11	-113

Source: Indian Ministry of Commerce and Indian Port Authorities

OECD STOCKS

Industry Stock Changes in January 2001

Estimates at the end of January put OECD industry stocks of total oil at 2544.2 million barrels, down by 10 million barrels, or 0.32 mb/d, from revised December levels. Regionally, the largest stock draw occurred in OECD Pacific, followed by OECD North America at 0.27 mb/d and 0.13 mb/d, respectively. OECD European stocks moved in the opposite direction, building 0.08 mb/d. The aggregate January stock draw of -0.32 mb/d follows a major upward revision in December industry stocks of 36.2 million barrels.

Revised estimates indicate an OECD fourth quarter stock draw of 0.07mb/d. Stocks typically draw in the fourth quarter, but this year's draw is much lower than average. OECD crude stocks in North America were revised downwards by 0.34 mb/d, offset by a build in OECD European and Pacific stocks of 0.55 mb/d and 52 mb/d respectively. The revised estimates reflect lower demand associated with a slowdown of the North American economy, price effects and a milder than anticipated winter. The net effect of reduced demand, and constrained supply, is that global stocks are not building and remain low by historical standards.

Preliminary Industry Stock Change in December and the Fourth Quarter 2000

(million barrels per day)

	January (preliminary)				Fourth Quarter			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	-0.12	0.00	0.07	-0.05	0.02	-0.07	0.04	-0.01
Gasoline	0.29	0.24	0.04	0.58	0.02	0.01	-0.01	0.02
Distillates	0.00	-0.16	-0.35	-0.51	0.08	0.14	0.03	0.24
Residual Fuel Oil	0.01	-0.01	0.04	0.05	-0.02	0.08	-0.01	0.06
Other Products	-0.48	0.00	-0.14	-0.63	-0.30	0.05	-0.01	-0.26
Total Products	-0.18	0.07	-0.40	-0.51	-0.22	0.28	-0.01	0.06
Other Oils ¹	0.17	0.00	0.07	0.24	-0.13	0.02	-0.01	-0.12
Total Oil	-0.13	0.08	-0.27	-0.32	-0.33	0.23	0.02	-0.07

includes feedstocks, NGLs and other hydrocarbons

January preliminary estimates suggest that crude stocks declined in North America but increased in OECD Pacific. On the product side, there was a seasonal build in gasoline stocks and a significant decline in distillates. Other products in North America declined by 0.48 mb/d. High natural gas prices and natural gas delivery concerns have encouraged fuel substitution into oil. Support for middle distillates and the heavier-end of the product barrel should ease temporarily with the end of the peak winter heating season, at least until air-conditioning demand kicks in this summer.

Crude and total oil stocks are generally low and trending sideways. On a days of forward demand basis, North American oil stocks are 5.1 days lower than comparable 1998 figures, with Europe down 0.2 days and OECD Pacific down 7.3 days. Product stocks are better positioned, but still much lower than comparable historical figures.

Revisions versus 12 February 2000 Oil Market Report

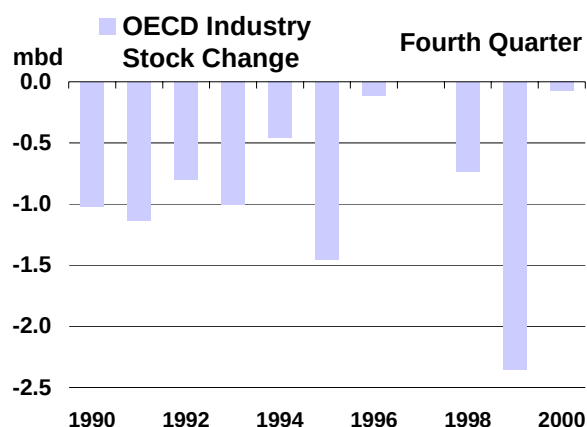
(million barrels)

	North America		Europe		Pacific		OECD	
	Nov 00	Dec 00	Nov 00	Dec 00	Nov 00	Dec 00	Nov 00	Dec 00
Crude Oil	0.0	-10.5	1.9	17.8	0.4	16.7	2.2	24.1
Gasoline	0.1	-1.0	-1.8	-1.0	0.3	-0.1	-1.3	-2.1
Distillates	0.4	1.1	4.2	6.5	0.2	0.9	4.9	8.5
Residual Fuel Oil	-0.7	-0.1	-1.1	-3.1	0.1	-0.7	-1.7	-3.8
Other Products	0.8	1.9	0.6	3.3	0.0	0.2	1.3	5.3
Total Products	0.7	1.8	1.9	5.7	0.6	0.3	3.2	7.9
Other Oils ¹	1.3	4.7	2.3	-0.4	-0.2	-0.1	3.4	4.2
Total Oil	2.0	-3.9	6.1	23.1	0.7	16.9	8.9	36.2

1 Other Oils includes NGLs, Feedstocks and other hydrocarbons

Preliminary estimates for OECD total oil stocks by reporting Governments and Agencies have been revised upwards in December by 36.2 million barrels and for November by 8.9 million barrels. Both crude and products stocks have been revised upwards, particularly in OECD Europe and OECD Pacific. Year-end tax-induced policies may account for part of the revision, but the main basis is weakening demand.

Recent history has seen large revisions to preliminary estimates. Nevertheless, this month's revision is remarkable. It represents the equivalent of a contra-seasonal 1.2 mb/d build in stocks, which effectively erases what was initially reported as a fourth quarter 0.43 mb/d stock draw.



OECD Industry Stock Changes: Effects for December and the Fourth Quarter
(million barrels per day)

	December				Fourth Quarter 2000			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	-0.34	0.51	0.53	0.70	-0.14	0.20	0.18	0.23
Gasoline	-0.04	0.03	-0.01	-0.02	-0.01	-0.01	0.00	-0.01
Distillates	0.02	0.08	0.02	0.12	0.01	0.06	0.01	0.08
Residual Fuel Oil	0.02	-0.06	-0.02	-0.07	0.00	-0.03	-0.01	-0.03
Other Products	0.04	0.09	0.01	0.13	0.02	0.04	0.00	0.06
Total Products	0.04	0.12	-0.01	0.15	0.03	0.06	0.00	0.10
Other Oils ¹	0.11	-0.09	0.00	0.02	0.04	-0.01	0.00	0.02
Total Oil	-0.19	0.55	0.52	0.88	-0.07	0.24	0.18	0.35

¹includes feedstocks, NGLs and other hydrocarbons

Preliminary Stocks at the End of January

OECD industry stocks of total oil closed out the month of January at 2.54 billion barrels, up 57.1 million barrels over stock levels a year earlier and 235.7 million barrels lower than January 1999. Crude oil stocks, at 890 million barrels, are 25 million barrels higher than January 2000, but remain some 83 million barrels below 1999. Combined government and industry total oil stocks in the OECD stood at 3.8 billion barrels. OECD North America, OECD Europe and OECD Pacific combined stocks respectively stood at 1688, 1308, and 761 million barrels.

Year-on-Year Industry Stock Comparisons for January 2001

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	1.3	12.9	11.1	25.2	Total Oil	0.3	0.6	0.9	0.5
Total Products	13.0	3.6	-1.2	15.4	<i>Versus 2 years ago</i>	-6.5	-3.5	-1.1	-4.7
Other Oils ¹	9.0	3.8	3.6	16.5	<i>Versus 3 years ago</i>	-5.1	-0.2	-7.3	-4.1
Total Oil	23.3	20.3	13.5	57.1	Total Products	0.2	-0.2	-0.4	0.0
<i>Versus 1998</i>	-142.1	-88.7	-4.9	-235.7	<i>Versus 2 years ago</i>	-4.5	-2.3	-0.6	-3.2
<i>Versus 1997</i>	-70.6	-14.2	-41.0	-125.9	<i>Versus 3 years ago</i>	-3.5	-0.2	-3.0	-2.5

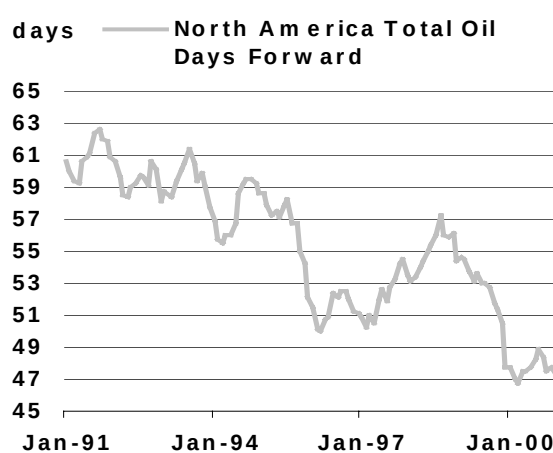
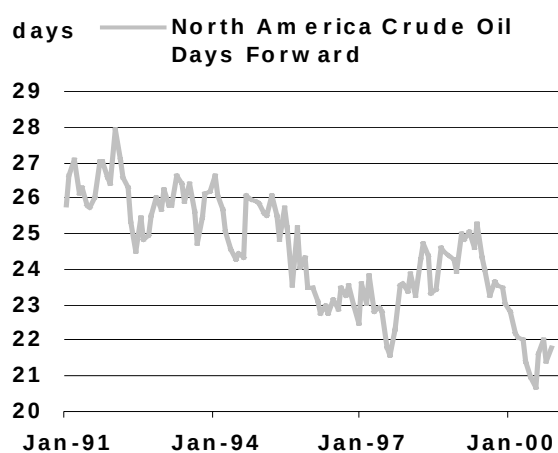
¹includes feedstocks, NGLs and other hydrocarbons

Regional Stock Developments

While stock coverage is low across all OECD regions, North American oil stocks are significantly lower than their OECD European and OECD Pacific counterparts. Total oil industry stocks in North America fell by 0.1 mb/d in January after declining 1.0 mb/d in December. A major reduction in other products stocks, partly offset by a surge in gasoline stocks, accounts for the bulk of this decline. The increase in gasoline stocks follows seasonal patterns. The moderate draw on total oil stocks is in line with lower demand caused by the sluggish economy.

Oil stocks in the **United States** are low and falling despite weakening demand. This draw on crude is disproportionately concentrated on the US Gulf Coast and Mid-Continent. Wide WTI-WTS differentials suggest that there is sufficient sour crude on offer in these markets, and that sweet is in short supply. Notwithstanding, gasoline stocks are trending upwards in response to increased imports, seasonally adjusted demand and high refinery runs, whereas distillate stocks are trending sideways in response to seasonal heating demand and fuel switching into oil. This leaves North American industry total oil stocks at 1145 million barrels or roughly 23 million barrels above the previous year.

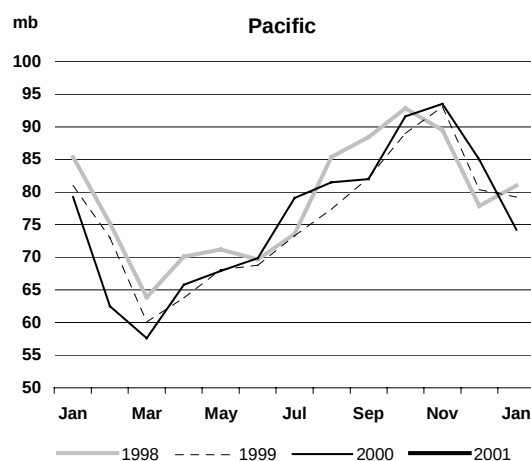
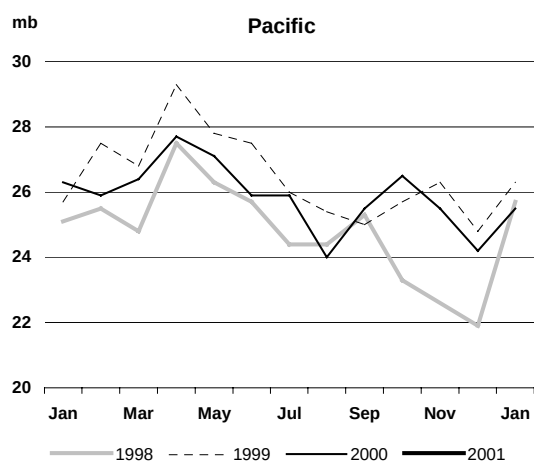
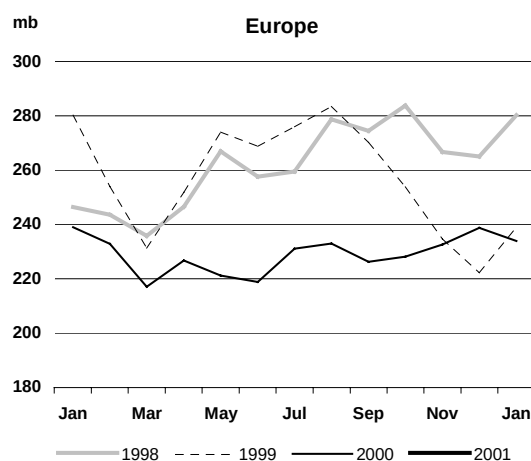
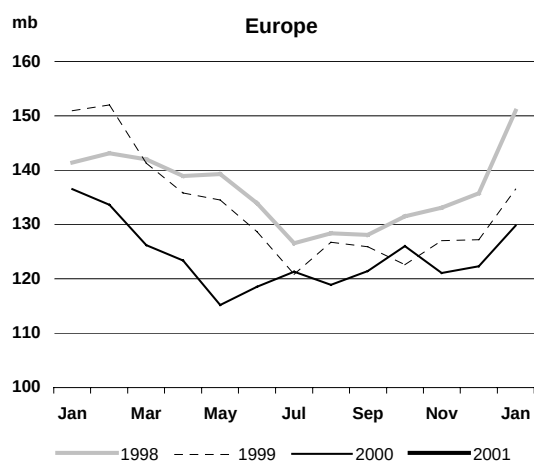
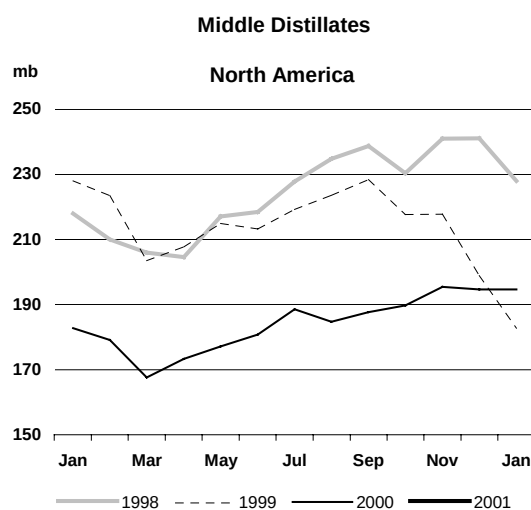
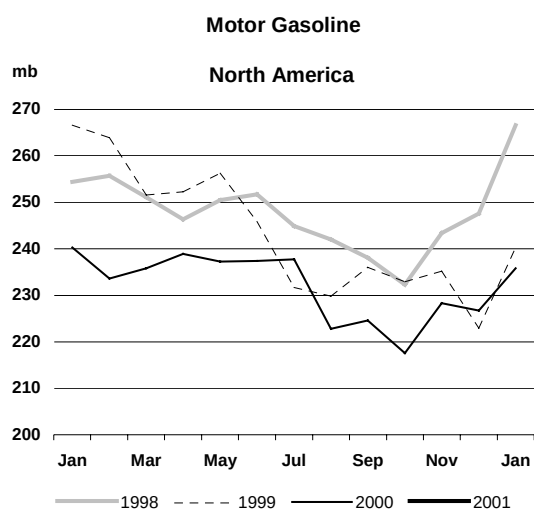
The absolute level of oil stocks masks changes in demand over time. Stock coverage provides a better picture of relative oil positions. On a days of forward demand basis, North American stocks are at recent historic lows.



European total oil stocks trended sideways in January, managing only a slight gain due to an increase in gasoline stocks. Closing industry stocks of crude oil, at 330 million barrels, were 13 million barrels higher than last year. Total product stocks have risen by 3.6 million barrels on a year-on-year basis in response to increased refinery throughputs and weakening demand. Europe has experienced a relatively mild winter, a fact that has eased what was feared to be a tight heating oil market heading into peak seasonal demand. Distillate stocks in **France** fell sharply, partly offset by builds in **Germany** and **Italy**.

Of the three OECs regions, OECD Pacific experienced the largest overall reduction in January total oil stocks, falling by 0.27 mb/d. This downward adjustment follows seasonal patterns, is centred on products, and is evenly distributed between **Korea** and **Japan**. Crude stocks, on the other hand, are building contra-seasonally, reflecting weakness due to the combined effect of lower demand and refinery maintenance.

Regional OECD End of Month Industry Stocks Crude Oil and Fuel Oil (millions of barrels)



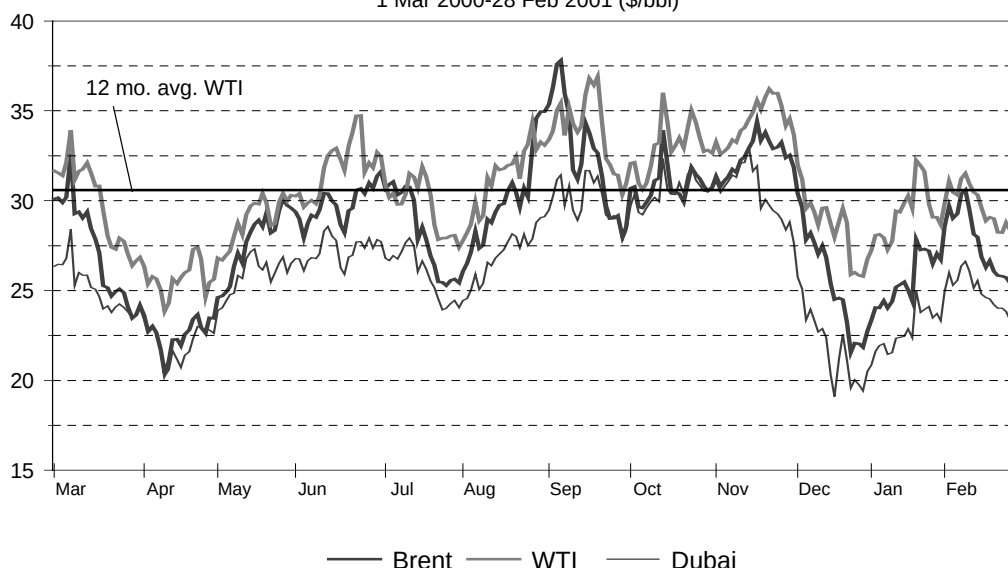
PRICES AND REFINERY ACTIVITY

Summary

- After the first week of February, **crude oil prices** fell steadily for the rest of the month and into early March, before talk of the upcoming OPEC meeting and expected production cuts put a floor under prices. The bearish mood was caused by pessimism regarding oil demand growth, due to slowing economies and the impact of high oil prices. This coincided with a weak physical market in February. Crude supply was adequate to meet prompt refinery demand, which was reduced due to turnarounds and run cuts in the US and Europe.
- From 8 February to the end of the month, spot WTI and Dated Brent fell by \$4.15/bbl and \$5.60/bbl, respectively. Futures prices for WTI and Brent flipped into shallow contango (upward-sloping price curves) for the first two to three months, which should encourage some building of still-low crude stocks in the Atlantic Basin.
- The **price differential** between sweet WTI and sour WTS widened by \$1.20/bbl in February, as the oversupply of sour grades continued. As the summer driving season approaches, refiners prefer sweet crudes that have higher gasoline yields. OPEC's 1 February cuts, assumed to be mainly in sour grades, have not yet had a chance to substantially impact the US physical markets. The Dated Brent-WTI spread narrowed to levels more in line with historical norms.
- **Product prices** loosely tracked crude prices in all of the main refining centres in February, declining moderately after the first week of the month. The drop in product prices was largely demand-driven and took place despite refinery turnarounds and run cuts in the US and Europe.
- **Refining margins** in Northwest Europe, the Mediterranean and Singapore declined in the first week of February, but then rose for the rest of the month, as crude costs fell more rapidly than product prices. US Gulf Coast margins, which had been strong in January, fell sharply in February, despite heavy refinery maintenance.
- **Refinery throughput** in OECD countries averaged 39.5 mb/d in January, a decrease of 370 kb/d from December's upwardly revised figure. US throughput was down 290 kb/d, as the refinery turnaround season began. OECD refinery utilisation rates averaged 91.5%.

Spot Crude Prices

1 Mar 2000-28 Feb 2001 (\$/bbl)



Crude Oil Prices and CIF Import Costs

Spot Crude Prices and Differentials

The physical crude markets were adequately supplied in February. January's crude market strength only lasted until the second week of the month. The mood then turned progressively more bearish all three main marker crudes fell for the rest of the month and into early March. The main factors were concerns over the health of the US and world economy and the negative effects of an economic slowdown and high oil prices on global product demand. This was on top of reduced prompt crude demand from refineries, due to turnarounds and run cuts in the US and Europe. The weaker physical crude demand explained why the market was temporarily willing to overlook continuing low crude stocks. In addition, market participants were looking ahead to the normal seasonal slump in product demand, which lags the typical downturn in crude demand. The bearish sentiment was underscored by the lack of a significant price reaction to joint US-UK air strikes against Iraq and to the election of Ariel Sharon as Prime Minister of Israel.

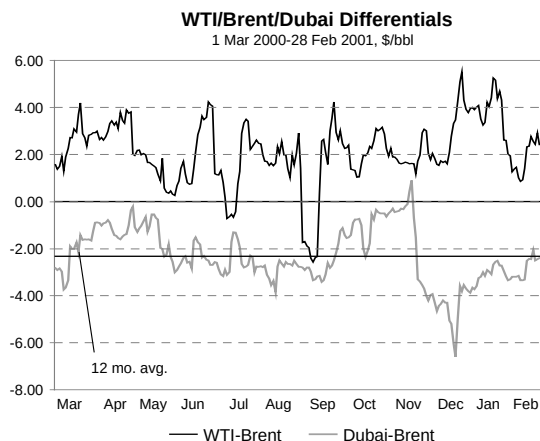
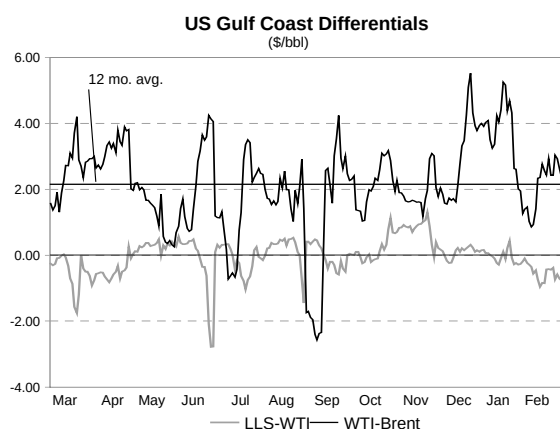
By the first week in March, the crude markets stopped falling, as talk about the approaching OPEC meeting on 16 March appeared to put a floor under prices. Signals from OPEC countries and comments from market analysts have increasingly focused on the size of an expected cut - not on whether there will be one.

Spot Crude Oil Prices and Differentials

(monthly and weekly averages, \$/bbl)

	Dec	Jan	Feb	Change	Week Ending:					
					26 Jan	02 Feb	09 Feb	16 Feb	23 Feb	02 Mar
WTI	28.55	29.30	29.57	0.27	31.13	29.55	30.90	29.68	28.56	27.84
Brent Dated	25.42	25.53	27.49	1.96	27.26	27.70	29.77	27.19	25.86	25.19
Urals (del. Mediterranean)	23.88	24.46	24.92	0.46	26.10	26.04	27.79	24.49	22.84	21.87
Dubai	21.83	22.73	24.81	2.08	23.95	24.29	26.00	24.93	24.03	23.29
Tapis	28.05	26.05	27.85	1.80	26.18	26.51	28.78	28.08	27.38	27.03
Brent minus Dubai	3.59	2.80	2.68		3.31	3.41	3.77	2.26	1.83	1.90
WTI minus Brent	3.13	3.77	2.08		3.87	1.85	1.13	2.49	2.70	2.65
Tapis minus Brent	2.63	0.52	0.36		-1.09	-1.19	-0.99	0.89	1.52	1.84
Brent 1 st month minus 2nd month	-0.39	0.08	0.40		0.40	0.46	0.32	0.53	0.38	-0.05
WTI 1 st month minus 2nd month	0.58	1.22	0.23		1.80	0.80	0.47	0.18	-0.16	-0.01

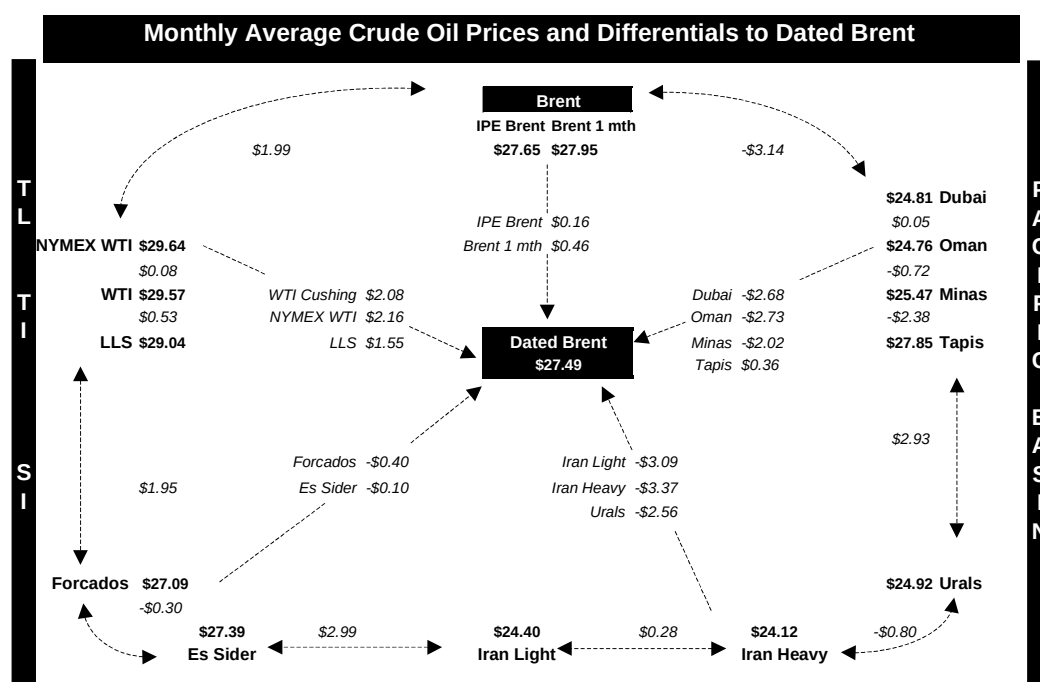
After peaking at \$31.52 on 8 February, spot WTI fell by over \$4 to a low of \$27.35 on 28 February. In addition to fears of a US recession, US crude demand was thought to have been lower. One analyst pegged February crude turnarounds in the US at roughly 700 kb/d during the month, contributing to the weakness (see OECD Refinery Throughputs section below). This factor appears to have overshadowed continuing declines in US crude stocks. After a sharp drop in the week ending 16 February, attributed to fog preventing tankers from unloading US imports on the Gulf Coast, crude stocks continued to fall. Up to 28 million barrels of mostly sweet crude, pulled to the US by the high Dated Brent-spot WTI spread in January (see below), was said to be waiting offshore.



An oversupply of sour grades continued, with the average WTI-WTS spread increasing from \$3.53 in January to \$4.74 in February. As the summer driving season approaches, the extremely large sweet-sour differential is being underpinned by refiners' preference for sweet crudes, which have higher gasoline yields than sour crudes. Moreover, February turnarounds on US upgrading capacity were estimated at around 900 kb/d, dampening sour demand even further. At the same time, OPEC's 1 February cuts, which are assumed to be predominantly in sour grades, have not yet had time to substantially impact the physical market in the US.

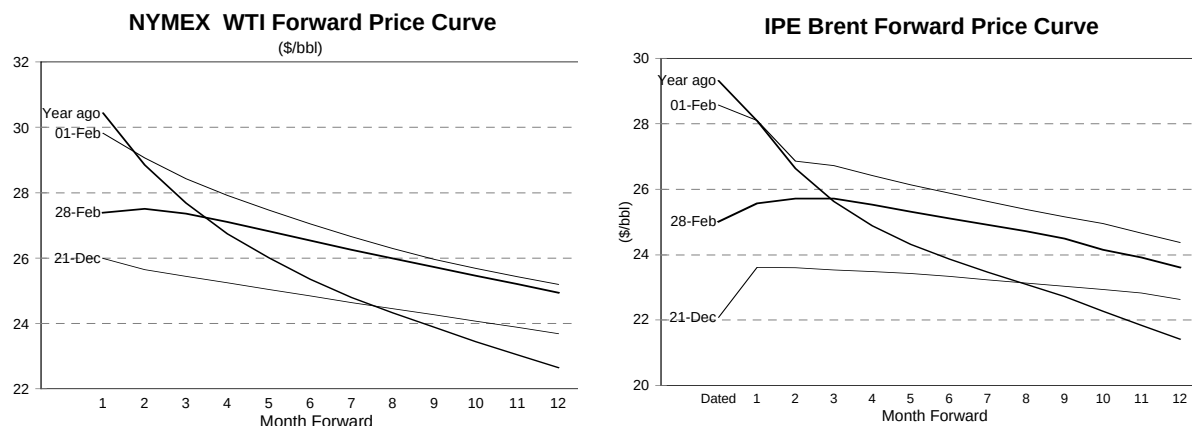
Crude prices in other markets followed a similar pattern to spot WTI. Dated Brent fell by \$5.60 from 8 February to 1 March, affected by the same pessimism regarding the outlook for economic growth and oil demand growth. Prompt crude demand was also weaker. An estimated 500 kb/d of European refining capacity was shut down in February, as refiners cut runs due to low margins in late January/early February. Some refiners took the opportunity to bring maintenance forward. However, turnarounds were not expected to peak until March. Dated Brent's decline was steeper than for spot WTI, as it had been inflated in late January/early February due to a sequence of squeeze plays. Thus, the Dated Brent-spot WTI spread fell from \$3.77 in January to \$2.08 in February, more in line with historical ranges. Urals fell by even more than Dated Brent, also due to refiners' run cuts and early maintenance. In addition, higher volumes of Iraqi Kirkuk exports into the Mediterranean provided competition for Urals.

Dubai dropped by \$3.57 between 8 February and 28 February, less than Dated Brent. As a result, the Dated Brent-Dubai spread narrowed over the course of the month. However, it was still high enough to discourage West African barrels moving to Asia, keeping them on the low side of normal. Instead, West African crude swung westbound to the Americas.

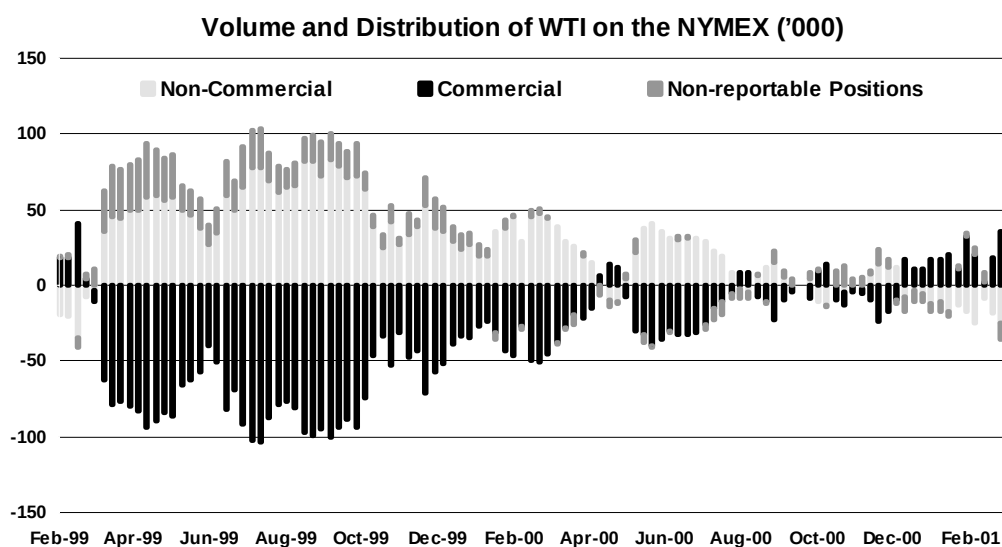


Crude Futures

The physical crude situation in February - weaker refinery demand and adequate prompt supply in the Atlantic Basin - was reflected in the futures markets for both NYMEX WTI and IPE Brent. Front-month prices for both of the benchmarks fell along with spot prices and the forward curves flipped into a shallow, tentative and possibly temporary contango (upward-sloping price curve).



On the NYMEX, the end-February contango extended to the second-month contract. Following the movement in spot prices, front-month NYMEX WTI stood at \$27.39/bbl on 28 February, down from \$29.82 on 1 February, a drop of \$2.43. The spread between the first and second months was 11 cents. The lightly traded 12-month contract hardly budged, dropping by only 25 cents from \$25.19 to \$24.94. This indicates that while traders were willing to ignore low levels of crude stocks in the short term, due to refinery turnarounds and run cuts, they were not willing to ignore this factor in the longer term. Even though there was potentially offsetting concern over further weakening in the US and world economies and in oil demand. Nonetheless, even this slight contango ought to encourage some crude inventory builds, while it lasts.



Through the month of February, the non-commercial speculators continued to be bearish on the outlook for WTI on the NYMEX. Trading volumes were not as steady as in January, but continued to trend sideways during the month. In contrast, participants were increasingly active in unleaded gasoline and in natural gas, while most heating oil players exited the market.

Front-month IPE Brent fell from \$28.10 on 1 February to \$25.57 on 28 February, down \$2.53. On the IPE, the contango extended to the third-month. The fact that the IPE Brent contango extends a month longer than NYMEX WTI may simply reflect the lag in European refining turnarounds versus the US. On the IPE, the entire strip declined somewhat more than on the NYMEX, with the 12-month contract off 77 cents to \$23.61.

Delivered Crude Prices

As expected, last December's decline in crude prices was reflected in the CIF crude import costs for IEA member countries. For the IEA as a whole, CIF costs fell by \$4.98 from November to December. Due to increasing freight rates at the end of last year, December's CIF drop was somewhat less than the spot crude decreases that month, which amounted to almost \$6 for WTI and over \$7 for Brent. By last December, tanker rates had more than doubled compared to a year earlier. Over the course of 2000, steadily increasing volumes of Middle East OPEC crude on the water ran up against limited tanker availability and freight rates responded accordingly.

Weighted-Average CIF Crude Import Cost by Area**

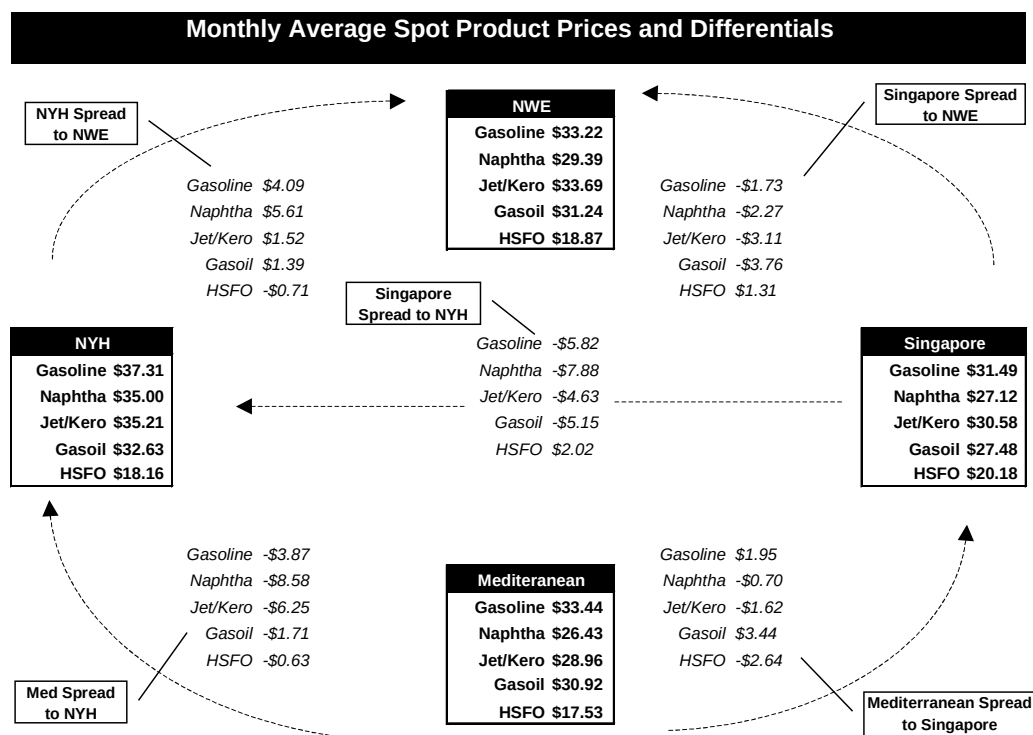
	\$/ bbl			
	Total IEA	IEA Europe	IEA North America	IEA Pacific
Jul 00	28.47	27.78	28.56	29.90
Aug 00	28.41	28.33	28.23	28.97
Sep 00	30.82	31.01	30.72	30.53
Oct 00	30.45	30.23	29.75	32.30
Nov 00	31.01	31.24	29.88	32.60
Dec 00*	26.03	26.24	25.73	28.80

* preliminary, based on partial submissions

** CIF = cost, insurance and freight

Spot Product Prices

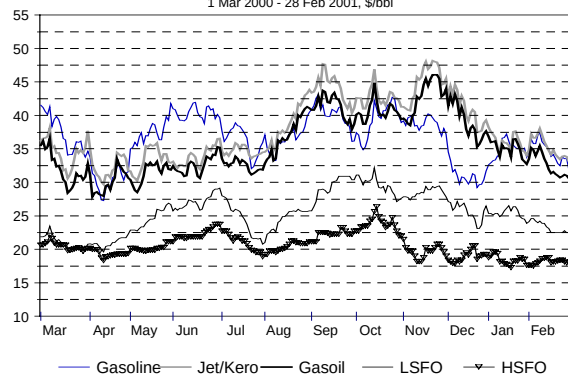
Spot prices for refined products loosely tracked crude prices in all of the main refining centres in February, continuing their rise through the early part of the month before falling. The drop in product prices took place despite comparatively heavy refinery maintenance programmes on the US Gulf Coast and refinery run cuts and some early maintenance in both European refining centres.



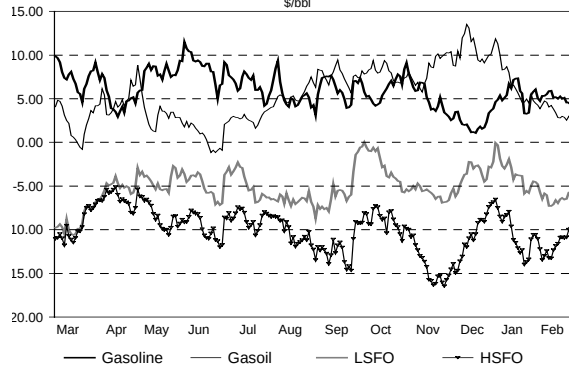
With refinery output thus curtailed, the drop in product prices was largely demand-driven. In the US, the end of the peak winter heating season caused a further drop in gasoil prices. A drop in distillate output due to the shutdown of crude distillation units was partly offset by a gain in distillate yields resulting from turnarounds on upgrading units.

New York Harbour Spot Product Prices

1 Mar 2000 - 28 Feb 2001, \$/bbl

**NY Harbour Product Spreads to WTI**

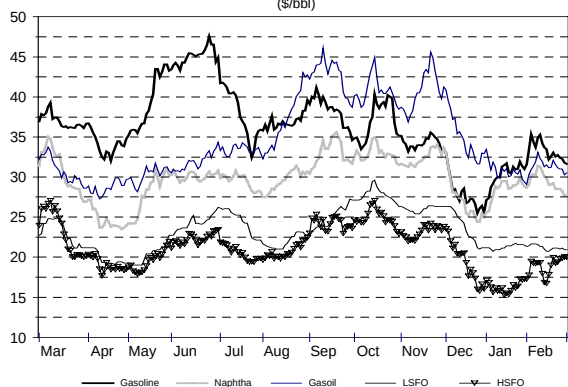
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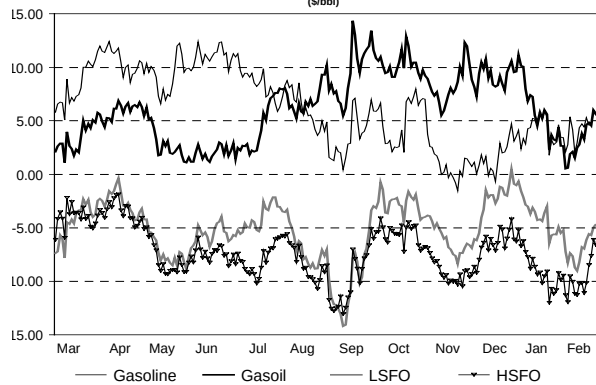
Gasoline prices also fell. With the summer driving season still too far ahead and backwardation in the market too steep to justify stockbuilding, buying interest faltered. US prices had been very strong compared to European prices in January, prompting large European exports to the US, causing inventories to build. Refiners and traders then came under pressure in February to begin selling off these stocks, in order to make room for summer-specification gasoline. US high sulphur fuel oil prices were underpinned by incremental utility demand, resulting from still-high natural gas prices and natural gas deliverability concerns.

Rotterdam Spot Product Prices

(\$/bbl)

**Rotterdam Product Spreads to Brent**

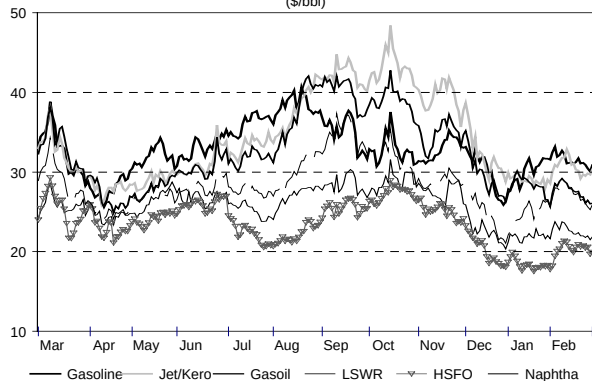
(\$/bbl)



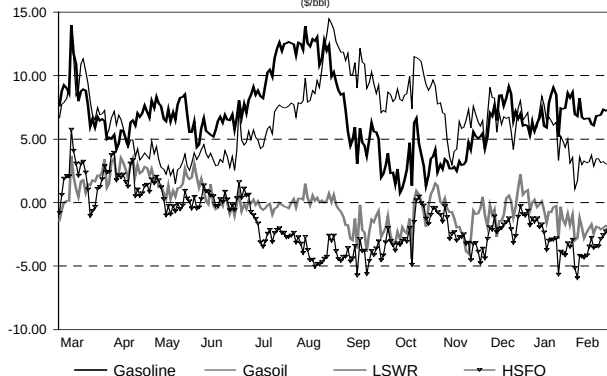
In Europe, gasoline demand has been falling since 1998. The drop in US prices closed down the trans-Atlantic arbitrage window, effectively ending a recent source of price support. Heavy buying of gasoil by German consumers drove prices upward in Europe, but then appeared to diminish, undermining prices later in the month.

Singapore Spot Product Prices

(\$/bbl)

**Singapore Product Spreads to Dubai**

(\$/bbl)



Over the course of February, Singapore product prices also fell: most notably gasoil. Gasoil demand weakened due to reduced purchases from buyers in Hong Kong and Vietnam. In addition, in India, declining diesel demand combined with sharply higher refinery output has made India into a diesel exporter for the immediate region and beyond. High sulphur fuel oil prices in Singapore were the exception, firming during the month on the back of OPEC production cuts. These cuts are primarily in heavy sour grades, which supports the heavy end of the product barrel. In Asia, fuel oil represents an especially large part of the demand mix, more than in other parts of the world.

The recent weakness in US gasoline prices may well prove to be only temporary. Recent builds still leave gasoline stocks at historically low levels, imports from Europe have ceased and turnarounds on upgrading units have cut into gasoline production. After the US Supreme Court declined to hear an appeal of the Unocal patent case, refiners will either have to pay Unocal or find ways to blend around the patent. This fed concerns that reformulated gasoline (RFG) supplies may again be disrupted this summer. In addition, production of MTBE, an important RFG additive, has been lowered by recent high natural gas prices. The high natural gas prices pushed up methanol and butane prices, which are components of MTBE.

Spot Product Prices

(monthly and weekly averages, \$/bbl)

	Dec	Jan	Feb	Feb-Jan	% Chg	Week ending					Dec	Jan	Feb
						02 Feb	09 Feb	16 Feb	23 Feb	02Mar			
Rotterdam, Barges FOB											Differential to Brent		
Premium Unleaded (Cargo)	27.83	30.29	33.22	2.93	9.7%	31.84	34.72	33.23	32.69	31.63	2.41	4.75	5.73
Regular Unleaded	27.47	29.63	32.02	2.38	8.0%	30.98	33.55	31.91	31.50	30.35	2.05	4.10	4.53
Naphtha	27.01	28.49	29.39	0.90	3.2%	29.14	30.70	29.76	28.68	27.68	1.59	2.96	1.90
Jet/Kerosene	37.76	32.27	33.69	1.42	4.4%	31.62	34.06	34.12	34.02	32.99	12.34	6.74	6.20
Gasoil	34.91	30.79	31.24	0.45	1.5%	29.87	31.93	31.41	31.43	30.41	9.49	5.26	3.75
Fuel Oil 1.0%S	23.72	21.27	21.20	-0.07	-0.3%	21.48	21.57	20.96	21.09	21.00	-1.70	-4.26	-6.29
Fuel Oil 3.5%S	19.38	16.26	18.87	2.61	16.0%	17.35	19.33	17.69	19.61	20.24	-6.05	-9.27	-8.62
Mediterranean – Basis Italy, Cargoes FOB											Differential to Urals		
Premium 0.15 g/l	28.30	31.26	33.44	2.17	7.0%	32.78	34.79	33.35	32.90	31.96	4.43	6.80	8.51
Naphtha	24.20	25.58	26.43	0.84	3.3%	26.07	27.70	26.76	25.74	24.86	0.32	1.12	1.50
Jet/Kerosene	32.74	27.67	28.96	1.29	4.7%	27.28	29.21	29.20	29.18	28.91	8.87	3.21	4.04
Gasoil	33.52	27.38	30.92	3.54	12.9%	27.71	30.94	31.68	31.55	30.49	9.64	2.92	6.00
Fuel Oil 1.0%S	23.36	20.77	19.36	-1.41	-6.8%	20.74	19.61	19.15	19.07	18.89	-0.52	-3.69	-5.57
Fuel Oil 3.5%S	19.32	15.15	17.53	2.38	15.7%	15.47	17.43	17.75	17.99	17.84	-4.56	-9.32	-7.39
NY Harbour, Barges											Differential to WTI		
Premium Unleaded 93	32.08	37.78	37.31	-0.47	-1.3%	38.28	39.61	37.52	35.53	33.96	3.52	8.48	7.74
Regular Unleaded 87	30.95	34.82	34.66	-0.17	-0.5%	34.97	36.45	34.79	33.15	32.46	2.40	5.52	5.09
Jet/Kerosene	40.94	36.05	35.21	-0.84	-2.3%	35.09	37.16	35.04	33.81	33.33	12.39	6.75	5.65
No.2 (Heating Oil)	39.45	35.47	32.98	-2.49	-7.0%	33.88	35.20	32.67	31.21	30.96	10.89	6.17	3.41
Fuel Oil 1.0%S (Cargo)	25.62	25.41	23.32	-2.09	-8.2%	24.36	24.20	23.09	22.53	22.70	-2.93	-3.89	-6.25
Fuel Oil 3.0%S (Cargo)	18.94	18.41	18.16	-0.25	-1.4%	17.98	18.05	18.45	18.28	18.08	-9.62	-10.89	-11.41
Singapore, Cargoes											Differential to Dubai		
Gasoline Unleaded 95	29.98	29.97	31.49	1.51	5.0%	31.83	32.44	31.15	31.21	30.63	8.15	7.24	6.68
Naphtha	24.75	24.85	27.12	2.27	9.1%	26.29	28.14	27.79	26.63	25.75	2.92	2.12	2.31
Jet/Kerosene	32.18	29.10	30.58	1.48	5.1%	28.98	31.29	31.49	29.66	30.03	10.34	6.37	5.77
Gasoil	29.53	28.42	27.48	-0.94	-3.3%	26.85	28.73	27.91	26.87	26.16	7.70	5.69	2.68
LSWR (0.3%S)	22.61	21.90	22.53	0.62	2.9%	22.09	23.43	22.56	22.05	21.96	0.77	-0.83	-2.28
HSFO (3.5%S 180cst)	21.16	19.78	21.30	1.52	7.7%	19.83	21.41	21.37	21.68	21.45	-0.67	-2.95	-3.51
HSFO (3.5%S 380cst)	20.17	18.38	20.18	1.79	9.7%	18.12	20.42	20.49	20.68	20.06	-1.66	-4.35	-4.63

End-User Product Prices

End-user product prices, summarised here and shown in Table 9 at the end of the Report, moved in directions varying by region and product. In Canada, the retail price of gasoline measured in Canadian dollars fell 7%. Gasoline prices in Japan, the United States and the United Kingdom moved sideways, but increased 1% to 3% in other European markets. UK gasoline retailers have been under pressure not to increase their pump prices and were encouraged to cut their pump prices as soon as the fuel duty dropped two pence a litre in March. Looking at diesel, prices continued to decline in most markets and gained only fractionally in the United States. Led by demand from German consumers, European heating oil prices mainly strengthened, recovering modestly from declines that ranged from 9% to 19% in January. French and German fuel oil followed the same pattern, recovering an average quarter of last month's losses, while fuel oil prices elsewhere in Europe continued to fall, even following January's 15-20% declines.

Mid-Month End-User Product Price Changes February 2001 versus January 2001

Local Currency Including Taxes (%)

	Gasoline ¹	Automotive Diesel ³	Domestic Heating Oil	HFO for Industry ⁵
US	0.0	0.5	-1.3	na
Canada	-7.2	-2.4	na	na
France	2.9	-0.7	1.5	3.1
Germany	1.0	-2.5	3.6	6.7
Italy	1.4	-0.8	2.0	-1.3
Spain	2.8	-3.2	0.8	-5.6
UK	0.1	-0.8	-1.3	-1.2
Japan	0.0	-1.2	-0.2	0.0

1 premium leaded gasoline for France, Italy, Spain, the UK; regular unleaded gasoline for Canada, Germany, Japan and the US

2 previous month's data

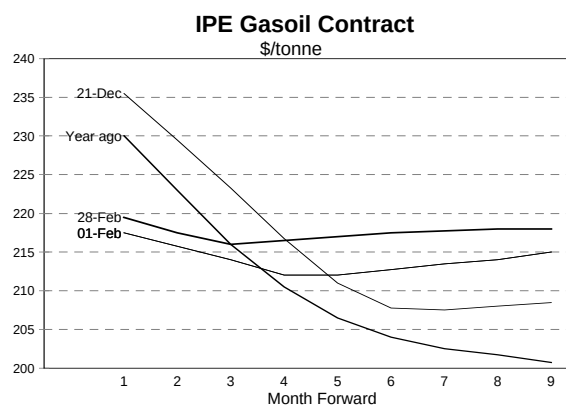
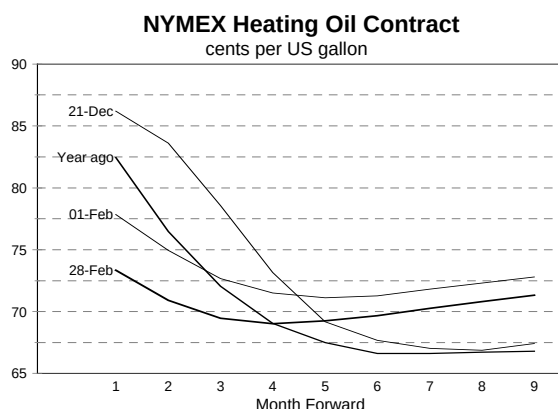
3 VAT excluded where it is refundable: Heavy Fuel Oil for Industry, Automotive Diesel for Industry

4 kerosene

5 high sulphur fuel oil price for France, Spain, the UK and Japan; low sulphur fuel oil price for Germany and Italy - details are shown in Table 9 at the back of the Report

Product Futures

The forward price curves for distillate futures prices flattened on both the London and New York exchanges in February. These moves follow seasonal patterns, as winter demand draws to a close. The front-month NYMEX heating oil contract fell by almost 6% from 77.84 cents/gallon on 1 February to 73.34 cents/gallon on 28 February. As the curve flattened, the first month-third month differential narrowed from 5.18 cents to 3.88 cents. This presents a dramatic contrast to the situation a year ago, when a late-January cold spell caused spot and prompt futures prices to spike.



In London, gasoil futures prices rose marginally in the front-month, up 0.9% from \$217.50/tonne to \$219.50/tonne. However, the first month-third month differential stayed exactly the same, at \$3.50. The front-month has fallen by around 10% since the end of last year.

Refining Margins in February

Refining margins on the US Gulf Coast, which had been by far the highest in January, fell sharply last month, despite heavy refinery maintenance. Margins in the other three main refining centres fell in synch for the first week of February, but then bounced back quickly as crude costs fell more rapidly than product prices.

On the US Gulf Coast, margins for processing Brent-related grades fell first, due to a squeeze in the Dated Brent market in late January/early February. By 2 March, margins for both WTI and Brent had fallen by close to \$3 from the last week in January. Margins are expected to improve again, after

maintenance and weather problems both limited output of products and created a backlog of crude feedstock on the Gulf Coast. Deepening discounts to benchmark grades for various sweet and sour crude, should further improve refinery economics.

In Northwest Europe, margins improved as refiners cut runs beginning in late January, gaining around \$2 from early February to early March. Lower throughputs had a similar impact in the Mediterranean, further assisted by an exceptionally steep fall in Urals prices. As a result, the advance in the Mediterranean was a striking \$5. In Singapore, margins rose by \$1-1.50 over the time frame, but remained lacklustre as increases in product prices lagged other regions. In addition, Indonesia, normally a large buyer in the Singapore product market, bypassed Singapore and purchased directly from Middle East suppliers.

In both Northwest Europe and the Mediterranean, both cracking margins and hydroskimming margins improved after the first week of February. However, the differential between the two continued to widen, averaging \$1.94-2.10 in February. This compares to \$0.83-0.92 in December and \$1.55-1.63 in January. With hydroskimming operations reflecting the "marginal" barrel, this trend is indicative of growing weakness in European refining.

Refining Margins in Major Refining Centres

(monthly and weekly averages, \$/bbl)

	Dec	Jan	Feb	Change	Week Ending:					
					26 Jan	02 Feb	09 Feb	16 Feb	23 Feb	02Mar
NW Europe										
Brent (Hydroskimming)	1.71	-0.67	-1.87	-1.20	-2.03	-2.50	-3.46	-1.43	-0.48	-0.50
Brent (Cracking)	2.54	0.88	0.07	-0.81	-0.36	-0.76	-1.33	0.54	1.38	1.26
Mediterranean										
Urals (Hydroskimming)	3.18	-0.55	0.69	1.24	-1.99	-1.77	-1.84	1.39	2.89	3.27
Urals (Cracking)	4.10	1.08	2.79	1.71	-0.21	0.08	0.43	3.54	4.95	5.15
US Gulf Coast										
Brent (Cracking)	0.55	4.60	0.99	-3.60	3.81	1.78	1.19	1.50	0.35	0.86
WTI (Cracking)	1.38	4.65	2.07	-2.57	3.75	3.41	3.43	1.91	0.84	0.99
Singapore										
Dubai (Hydroskimming)	2.71	0.59	-0.59	-1.18	-0.72	-1.05	-1.20	-0.49	0.07	0.46
Dubai (Cracking)	4.78	3.02	1.53	-1.49	1.93	1.45	1.19	1.58	2.01	2.23

For the purposes of this Report, refining margins are calculated on the basis of an "average" refinery that is running a "typical" crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

OECD Refinery Throughput in January

Preliminary data indicate that total OECD refinery throughput in January averaged 39.5 mb/d, a decline of 370 kb/d from December's upwardly revised figure. The decrease was driven by **North America**, where throughput fell by 330 kb/d. US throughput was down 290 kb/d, as the refinery turnaround season got underway. This contributed to strong product prices and refinery margins during January. US refinery utilisation fell from 92.3% in December to 90.1% in January.

European throughput was 80 kb/d lower in January. Significant gains in France, Germany and the Netherlands were offset by declines in Spain, the UK and elsewhere. The overall increase was a factor in weak product prices and refinery margins. European refinery utilisation rose to 94.7% in January from 92.0% the previous month.

January throughput in OECD **Pacific** rose by 50 kb/d, as gains in Japan and Korea more than offset a slight decline in New Zealand. Japan continued to have ample spare refining capacity, with utilisation of only 86.1%. In sharp contrast, Korea refinery utilisation continued to be above sustainable levels, increasing to 106.5% in January from 104.8% the previous month.

Preliminary estimates for February, based on weekly figures, indicate that US throughputs fell by 140 kb/d. However, these preliminary estimates are subject to downward revision, as the level of US refinery turnarounds reportedly increased by a larger amount during the month. Similarly, maintenance on crude capacity is expected to have a greater impact in March than in February. Various analysts peg the average level of US crude throughput cutbacks for the first quarter in a range from 700-800 kb/d at the low end to 1 mb/d at the high end.

Refinery Crude Throughput and Utilisation in OECD Countries

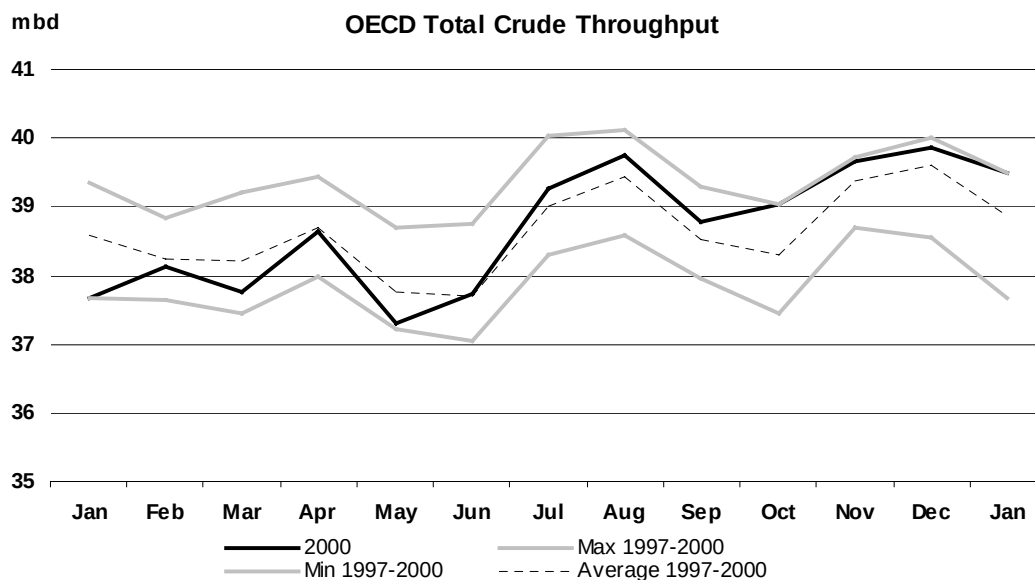
	million barrels per day					Change from Jan 00		Utilisation rate ²	
	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00	Jan 01	Mb/d	%	Jan 01
OECD North America									
US*	15.64	15.41	15.04	15.03	15.24	14.95	1.163	8.4	90.1
Canada	1.69	1.72	1.61	1.72	1.64	1.64	-0.007	-0.4	88.7
Mexico	1.14	1.12	1.05	1.12	1.16	1.13	-0.013	-1.1	72.6
Total	18.47	18.25	17.69	17.86	18.05	17.72	1.143	6.9	88.6
OECD Europe									
France	1.89	1.67	1.75	1.85	1.78	1.89	0.064	3.5	108.7
Germany	2.27	2.21	2.27	2.18	2.21	2.28	0.056	2.5	100.8
Italy	1.78	1.81	1.95	1.95	1.83	1.85	0.188	11.3	91.4
Netherlands	1.17	1.02	1.24	1.18	1.12	1.18	0.060	5.3	97.2
Spain	1.19	1.10	1.19	1.22	1.26	1.16	0.111	10.5	91.3
UK	1.65	1.66	1.74	1.66	1.73	1.66	0.031	1.9	95.4
Other OECD Europe	4.01	3.88	3.95	3.91	3.97	3.81	-0.081	-2.1	87.4
Total	13.95	13.36	14.08	13.94	13.91	13.83	0.429	3.2	94.7
OECD Pacific									
Japan	4.25	4.02	3.94	4.42	4.50	4.54	0.283	6.6	86.1
Korea	2.29	2.32	2.51	2.61	2.60	2.63	-0.013	-0.5	106.5
Other OECD Pacific	0.78	0.84	0.82	0.82	0.81	0.79	-0.004	-0.4	95.8
Total	7.33	7.18	7.27	7.84	7.91	7.96	0.266	3.5	92.9
OECD Total	39.74	38.78	39.04	39.65	39.87	39.50	1.838	4.9	91.5

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$0

In Europe, refiners cut runs in February due to poor refinery margins in January. Some maintenance may also have been brought forward. As a result, run cuts last month, were reported at 500 kb/d. With the European turnaround season getting into full swing in March, crude throughput cutbacks are expected to be 800 kb/d or higher. Lesser impacts of 400-500 kb/d are currently expected in April, as European turnarounds start to wind down.



The soft demand by refiners for prompt physical barrels that was evident in the Atlantic Basin during February appears to be continuing in March. Atlantic Basin crude demand should begin to pick up again in April, when US refinery maintenance will be over and refiners gear up for peak summer driving season. By April, it will be turnaround season in the Asia/Pacific region. Based on preliminary schedules, refinery shutdowns are expected to be around 400 kb/d in April, 1.2-1.3 mb/d in May and 800 kb/d in June.

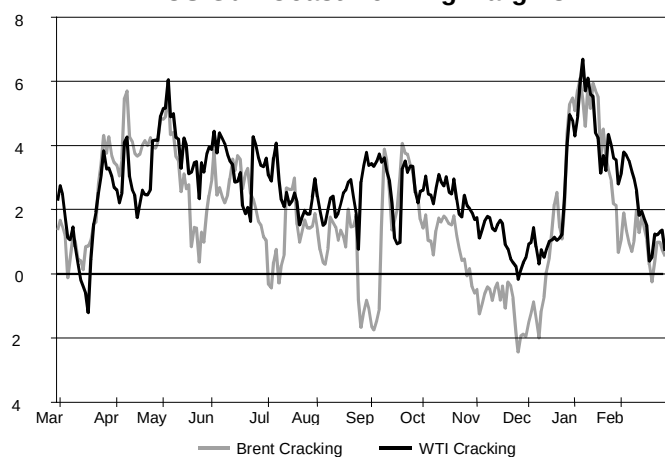
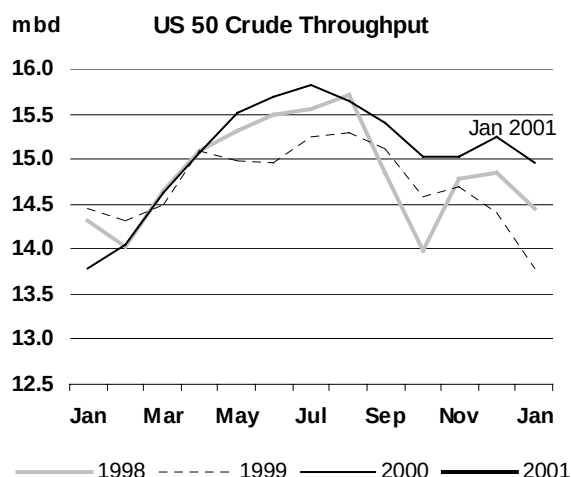
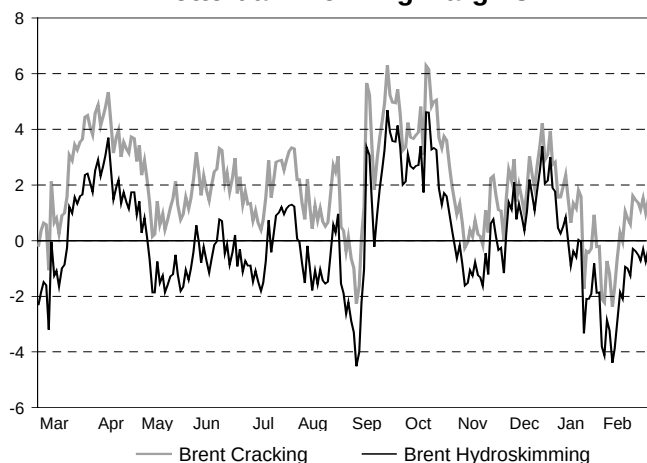
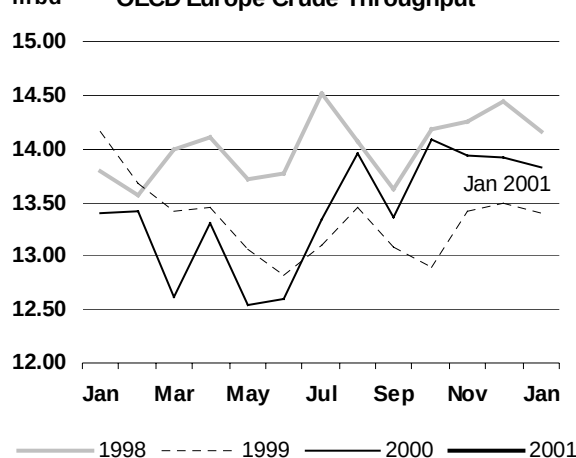
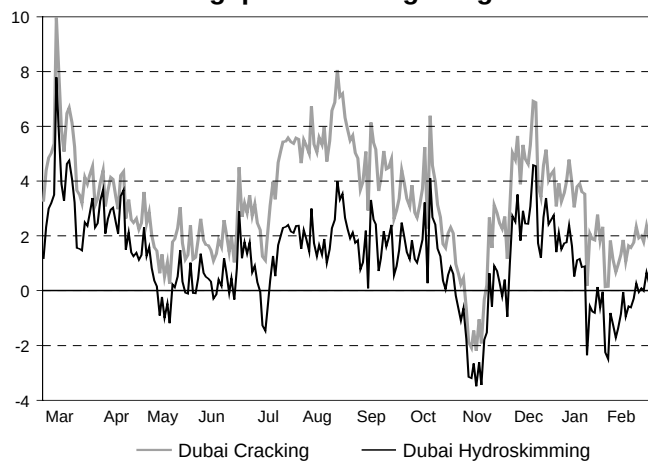
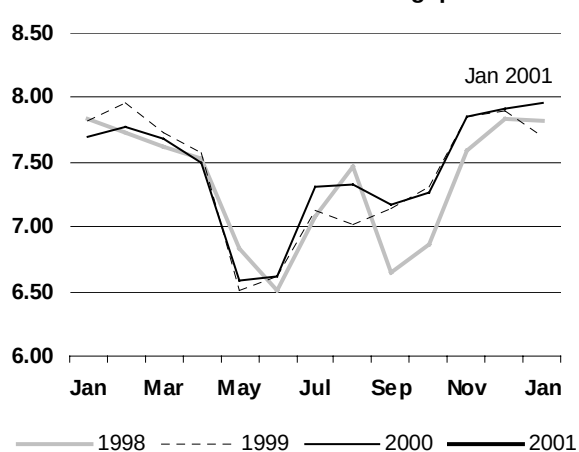
US Gulf Coast Refining Margins**US 50 Crude Throughput****Rotterdam Refining Margins****OECD Europe Crude Throughput****Singapore Refining Margins****OECD Pacific Crude Throughput**

Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	22.7	23.1	23.6	23.5	24.1	24.3	23.9	23.6	23.7	24.3	24.4	24.0	24.3	23.9	24.5	24.7	24.3
Europe	15.0	15.3	15.8	14.4	14.7	15.6	15.1	15.1	14.5	15.0	15.3	15.0	15.3	14.6	15.1	15.6	15.2
Pacific	9.0	8.4	9.4	7.9	8.2	9.1	8.6	9.3	8.0	8.3	8.8	8.6	9.5	8.1	8.4	9.0	8.7
Total OECD	46.7	46.8	48.7	45.7	47.0	49.0	47.6	47.9	46.3	47.7	48.4	47.6	49.1	46.6	48.0	49.3	48.2
NON-OECD DEMAND																	
FSU	3.8	3.7	3.6	3.3	3.4	3.7	3.5	3.6	3.4	3.5	3.7	3.5	3.6	3.4	3.3	3.5	3.5
Europe	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	4.2	4.2	4.4	4.6	4.3	4.6	4.5	4.7	4.5	5.1	4.8	4.8	4.9	5.0	5.0	5.3	5.0
Other Asia	6.7	6.7	7.0	7.1	7.1	7.1	7.1	7.1	7.3	7.3	7.2	7.2	7.3	7.4	7.5	7.5	7.4
Latin America	4.7	4.8	4.6	4.8	4.9	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.8	4.9	5.0	5.0	4.9
Middle East	4.0	4.2	4.3	4.4	4.4	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.6
Africa	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4
Total Non-OECD	26.5	26.7	27.0	27.2	27.1	27.5	27.2	27.5	27.6	28.2	27.9	27.8	28.2	28.5	28.7	28.9	28.6
Total Demand¹	73.1	73.5	75.8	72.9	74.1	76.5	74.8	75.5	73.9	75.9	76.4	75.4	77.3	75.0	76.7	78.2	76.8
OECD SUPPLY																	
North America	14.6	14.5	14.1	13.9	13.9	14.1	14.0	14.3	14.4	14.3	14.2	14.3	14.4	14.5	14.6	14.8	14.6
Europe	6.7	6.7	6.8	6.5	6.7	7.1	6.8	7.1	6.6	6.6	6.9	6.8	6.9	6.6	6.5	6.9	6.7
Pacific	0.7	0.7	0.6	0.6	0.7	0.7	0.7	0.9	0.9	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8
Total OECD	22.1	21.9	21.5	20.9	21.3	22.0	21.4	22.3	21.8	21.7	22.0	21.9	22.1	21.9	21.9	22.5	22.1
NON-OECD SUPPLY																	
FSU	7.2	7.3	7.4	7.4	7.5	7.6	7.5	7.7	7.8	8.0	8.2	7.9	8.2	8.2	8.3	8.4	8.3
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Other Asia	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Latin America	3.4	3.6	3.8	3.8	3.8	3.8	3.8	3.7	3.7	3.8	3.9	3.8	3.9	3.9	3.9	3.9	3.9
Middle East	1.9	1.9	1.9	1.9	1.9	2.0	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.7	2.8	2.7	2.7	2.8	2.9	2.8	2.9	2.9	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	20.9	21.2	21.5	21.5	21.6	21.8	21.6	21.9	22.0	22.4	22.7	22.2	22.7	22.8	22.8	22.9	22.8
Processing Gains ²	1.6	1.6	1.7	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8
Total Non-OPEC	44.5	44.7	44.6	44.0	44.6	45.5	44.7	45.9	45.5	45.7	46.4	45.9	46.6	46.4	46.5	47.1	46.6
OPEC																	
Crude	27.2	28.0	27.8	26.3	26.2	26.1	26.6	26.5	27.8	28.4	29.0	27.9					
NGLs	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.0
Total OPEC	29.9	30.8	30.6	29.1	29.1	29.0	29.4	29.3	30.7	31.3	31.9	30.8					
Total Supply³	74.4	75.5	75.3	73.1	73.6	74.5	74.1	75.2	76.2	77.0	78.3	76.7					
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.3	0.2	-0.7	0.4	-0.2	-2.4	-0.7	-0.3	0.9	0.4	-0.1	0.2					
Government	0.0	0.1	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1					
Total	0.3	0.3	-0.7	0.4	-0.3	-2.5	-0.8	-0.3	0.9	0.4	-0.4	0.2					
Floating Storage/Oil in Transit	0.1	0.1	0.0	0.1	-0.1	-0.1	-0.1	0.0	0.1	0.0	0.4	0.1					
Miscellaneous to balance ⁴	0.9	1.6	0.2	-0.3	0.0	0.5	0.1	0.1	1.4	0.7	1.9	1.0					
Total Stock Ch. & Misc	1.3	2.0	-0.5	0.2	-0.4	-2.0	-0.7	-0.2	2.3	1.2	1.9	1.3					
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	25.9	26.0	28.3	26.1	26.7	28.2	27.3	26.7	25.4	27.3	27.0	26.6	27.8	25.6	27.2	28.0	27.2
Total Demand ex. FSU	69.3	69.8	72.1	69.6	70.6	72.9	71.3	71.9	70.5	72.4	72.7	71.9	73.7	71.6	73.3	74.7	73.3
Total demand exc. FSU (% ch) ⁶	3.1	0.7	3.7	1.8	1.5	1.7	2.2	-0.3	1.2	2.6	-0.2	0.8	2.5	1.6	1.2	2.7	2.0

¹ measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel and includes crude for direct burning.

oil from non-conventional sources and other sources of supply

² net of volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ includes changes in non-reported stocks in OECD and non-OECD areas

⁵ equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1
Europe	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-0.1	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1
Total OECD	-	-	-	-	-	-	-	-	-	0.1	-0.2	-	-	-	-	-0.3	-0.1
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-0.1	-	-0.1	-0.1
Latin America	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-0.1	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-	-0.2	-0.1	-0.2	-0.1	-	-0.2	-0.1
Total Demand	-	-	-	-	0.1	-	-	-	-	-	-0.4	-0.1	-0.2	-0.2	-	-0.5	-0.2
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-	0.1	-	-0.1	-0.1	-	-0.1	-0.1
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	-	-	-	-	-	-0.1	-	-	-0.1	-0.1	-	-0.1	-0.1
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supply	-	-	-	-	-	-	-	-	-	-0.1	0.1	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	-	-	0.1	0.3	0.1	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-0.1	0.1	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	0.4	0.2	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-
Miscellaneous to balance	-	-	-	-	-	-0.1	-	-	0.1	-0.1	-0.1	-0.1	-	-	-	-	-
Total Stock Ch. & Misc	-	-	-	-	-	-	-	-	-	-	0.4	0.1	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	-	-	0.1	-	-	-0.1	0.1	-0.5	-0.1	-	-0.1	-	-0.4	-0.1
Total Demand ex. FSU	-	-	-	-	-	0.1	-	-	-	-	-0.4	-0.1	-0.1	-0.2	-0.1	-0.5	-0.2

When submitting their monthly oil statistics, IEA Member countries periodically update data for earlier years. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	August			September			Third Quarter			October			November		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
North America															
LPG	2.79	2.83	1.6	3.01	2.82	-6.5	2.85	2.78	-2.6	3.10	3.04	-1.7	2.93	2.94	0.2
Naphtha	0.34	0.35	2.4	0.33	0.43	31.2	0.35	0.40	13.7	0.40	0.41	2.3	0.32	0.44	37.0
Motor Gasoline	9.85	10.10	2.6	9.57	9.68	1.2	9.89	9.88	-0.1	9.77	9.63	-1.4	9.49	9.61	1.2
Jet/Kerosene	2.01	2.08	3.7	1.92	2.03	5.4	1.95	2.05	5.0	1.99	2.02	1.4	1.95	1.98	1.9
Gasoil	4.23	4.58	8.4	4.29	4.60	7.2	4.25	4.44	4.5	4.62	4.63	0.3	4.52	4.69	3.8
Residual Fuel Oil	1.72	1.68	-2.6	1.50	1.66	11.2	1.57	1.68	7.0	1.43	1.88	31.8	1.49	1.64	9.9
Other Products	3.49	3.20	-8.3	3.27	3.06	-6.4	3.28	3.11	-5.3	2.88	2.62	-9.1	2.82	2.39	-15.2
Total	24.42	24.83	1.6	23.88	24.27	1.6	24.15	24.34	0.8	24.18	24.24	0.2	23.53	23.69	0.7
Europe															
LPG	0.76	0.87	14.8	0.80	0.84	4.9	0.77	0.83	8.8	0.88	0.86	-2.3	1.00	0.94	-5.9
Naphtha	1.13	1.24	9.6	1.11	1.08	-2.0	1.12	1.14	1.2	1.16	1.13	-2.5	1.22	1.27	3.7
Motor Gasoline	3.26	3.24	-0.6	3.21	3.09	-3.9	3.30	3.16	-4.1	3.09	2.99	-3.1	3.13	2.98	-4.8
Jet/Kerosene	1.13	1.22	8.1	1.17	1.23	5.8	1.15	1.21	4.8	1.10	1.15	4.6	1.05	1.07	1.7
Gasoil	4.89	5.51	12.8	5.41	5.62	4.0	5.04	5.40	7.1	5.66	5.93	4.8	6.16	5.95	-3.4
Residual Fuel Oil	1.81	1.99	9.7	1.93	1.94	0.7	1.88	1.94	3.0	1.93	1.87	-3.1	2.08	1.92	-7.7
Other Products	1.34	1.35	0.4	1.52	1.42	-6.1	1.42	1.37	-4.1	1.24	1.41	13.7	1.24	1.26	1.6
Total	14.33	15.43	7.7	15.15	15.24	0.6	14.68	15.04	2.4	15.06	15.34	1.9	15.88	15.38	-3.1
Pacific															
LPG	0.77	0.82	5.4	0.83	0.82	-1.6	0.81	0.82	0.7	0.79	0.83	5.3	0.94	0.97	3.6
Naphtha	1.45	1.50	3.6	1.44	1.40	-2.8	1.42	1.45	2.3	1.41	1.36	-3.0	1.50	1.48	-1.4
Motor Gasoline	1.67	1.73	3.5	1.55	1.55	0.2	1.60	1.62	0.8	1.48	1.45	-2.0	1.52	1.55	2.2
Jet/Kerosene	0.71	0.73	3.4	0.81	0.94	15.8	0.72	0.77	5.8	0.87	0.84	-4.2	1.17	1.15	-1.6
Gasoil	1.77	1.83	3.8	1.86	1.85	-0.3	1.81	1.81	-0.1	1.86	1.77	-4.6	1.97	1.96	-0.6
Residual Fuel Oil	1.14	1.23	8.1	1.22	1.16	-4.5	1.16	1.18	1.2	1.15	1.12	-2.7	1.24	1.22	-1.5
Other Products	0.63	0.66	4.7	0.66	0.67	1.7	0.63	0.65	4.2	0.57	0.57	-1.2	0.62	0.56	-10.3
Total	8.14	8.50	4.5	8.36	8.38	0.3	8.16	8.29	1.6	8.12	7.93	-2.3	8.95	8.89	-0.7
OECD															
LPG	4.32	4.52	4.6	4.65	4.48	-3.7	4.43	4.43	0.0	4.76	4.73	-0.7	4.87	4.85	-0.4
Naphtha	2.92	3.09	5.8	2.87	2.91	1.4	2.89	2.98	3.2	2.96	2.90	-2.1	3.04	3.18	4.7
Motor Gasoline	14.78	15.07	2.0	14.33	14.32	-0.1	14.79	14.66	-0.9	14.34	14.07	-1.8	14.15	14.14	0.0
Jet/Kerosene	3.85	4.04	4.9	3.90	4.19	7.7	3.82	4.02	5.1	3.96	4.00	1.1	4.17	4.21	0.9
Gasoil	10.88	11.93	9.6	11.56	12.08	4.5	11.11	11.65	4.9	12.14	12.34	1.6	12.65	12.59	-0.4
Residual Fuel Oil	4.67	4.90	4.8	4.64	4.77	2.7	4.61	4.79	3.9	4.51	4.87	8.1	4.81	4.78	-0.7
Other Products	5.46	5.21	-4.7	5.44	5.14	-5.4	5.33	5.13	-3.9	4.69	4.59	-2.1	4.68	4.21	-10.1
Total	46.89	48.75	4.0	47.39	47.90	1.1	46.99	47.67	1.4	47.36	47.51	0.3	48.36	47.96	-0.8

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	Third Quarter			October			November			December			Fourth Quarter		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
United States²															
LPG	2.15	2.01	-6.6	2.32	2.23	-3.9	2.12	2.10	-0.8	2.71	2.52	-6.9	2.39	2.29	-4.2
Naphtha	0.25	0.31	24.3	0.31	0.31	-0.6	0.25	0.34	37.2	0.28	0.25	-9.3	0.28	0.30	7.3
Motor Gasoline	8.61	8.58	-0.3	8.54	8.36	-2.1	8.24	8.30	0.7	8.86	8.57	-3.2	8.55	8.41	-1.6
Jet/Kerosene	1.73	1.82	5.3	1.78	1.81	1.6	1.74	1.75	1.1	1.86	1.92	2.7	1.79	1.83	1.8
Gasoil	3.45	3.59	4.2	3.75	3.72	-0.8	3.61	3.74	3.7	3.89	4.28	10.0	3.75	3.92	4.4
Residual Fuel Oil	0.84	0.90	8.0	0.72	1.03	43.1	0.76	0.84	9.6	0.85	1.10	29.0	0.78	0.99	27.2
Other Products	2.78	2.61	-6.2	2.45	2.23	-9.0	2.38	2.00	-16.1	2.04	1.99	-2.3	2.29	2.07	-9.4
Total	19.80	19.82	0.1	19.87	19.69	-0.9	19.09	19.06	-0.1	20.50	20.64	0.7	19.83	19.80	-0.1
Japan³															
LPG	0.52	0.52	0.1	0.50	0.50	-1.4	0.60	0.62	3.4	0.71	0.69	-3.0	0.61	0.60	-0.5
Naphtha	0.80	0.83	3.3	0.77	0.79	3.2	0.87	0.84	-3.5	0.89	0.85	-4.9	0.84	0.83	-1.9
Motor Gasoline	1.05	1.08	3.2	0.95	0.95	-0.6	0.98	0.98	0.7	1.05	1.06	0.4	0.99	1.00	0.2
Jet/Kerosene	0.45	0.49	8.9	0.55	0.55	0.5	0.76	0.79	3.4	1.25	1.15	-7.9	0.85	0.83	-2.8
Diesel	0.72	0.70	-2.1	0.72	0.68	-4.9	0.73	0.71	-3.1	0.75	0.70	-5.7	0.73	0.70	-4.6
Other Gasoil	0.47	0.49	4.1	0.47	0.48	2.7	0.56	0.55	-1.1	0.72	0.68	-5.6	0.58	0.57	-2.0
Residual Fuel Oil	0.69	0.70	1.0	0.66	0.60	-8.2	0.72	0.65	-10.0	0.80	0.64	-20.5	0.72	0.63	-13.4
Direct use of Crude Oil	0.18	0.21	18.3	0.11	0.11	-3.9	0.17	0.08	-55.4	0.21	0.12	-45.3	0.16	0.10	-39.5
Other Products	0.36	0.35	-1.6	0.36	0.34	-4.9	0.34	0.36	5.6	0.37	0.33	-9.7	0.36	0.35	-3.3
Total	5.24	5.38	2.6	5.09	5.00	-1.7	5.73	5.58	-2.7	6.74	6.21	-8.0	5.86	5.60	-4.4
Germany															
LPG	0.08	0.10	14.6	0.07	0.06	-14.1	0.08	0.06	-23.4	0.10	0.08	-17.7	0.08	0.07	-18.4
Naphtha	0.35	0.38	8.5	0.40	0.37	-6.8	0.40	0.41	1.5	0.44	0.38	-13.2	0.41	0.39	-6.4
Motor Gasoline	0.71	0.68	-3.3	0.71	0.65	-8.1	0.69	0.66	-4.0	0.71	0.65	-8.5	0.70	0.66	-6.9
Jet/Kerosene	0.16	0.17	3.7	0.15	0.17	9.0	0.15	0.15	-0.3	0.13	0.15	12.0	0.14	0.15	6.8
Diesel	0.50	0.55	10.3	0.49	0.54	10.8	0.55	0.58	5.2	0.50	0.53	6.4	0.51	0.55	7.4
Other Gasoil	0.59	0.74	25.8	0.80	0.66	-17.0	0.81	0.65	-20.2	0.81	0.72	-11.2	0.81	0.68	-16.1
Residual Fuel Oil	0.13	0.17	32.1	0.15	0.17	12.3	0.15	0.17	14.1	0.14	0.17	16.9	0.15	0.17	14.4
Other Products	0.22	0.15	-31.6	0.17	0.17	-2.1	0.15	0.17	13.7	0.11	0.10	-9.7	0.14	0.15	1.2
Total	2.75	2.95	7.3	2.94	2.79	-5.1	2.98	2.85	-4.5	2.94	2.78	-5.6	2.95	2.80	-5.1
Italy															
LPG	0.08	0.09	17.8	0.10	0.11	7.0	0.12	0.13	8.2	0.14	0.15	7.1	0.12	0.13	7.4
Naphtha	0.09	0.10	7.4	0.10	0.11	8.9	0.11	0.11	-4.8	0.13	0.11	-18.8	0.12	0.11	-6.1
Motor Gasoline	0.45	0.43	-5.4	0.43	0.41	-5.9	0.43	0.40	-8.1	0.41	0.41	0.8	0.42	0.41	-4.4
Jet/Kerosene	0.09	0.09	6.0	0.07	0.08	12.1	0.07	0.08	8.2	0.09	0.06	-24.5	0.08	0.07	-2.8
Diesel	0.35	0.37	5.5	0.39	0.40	2.8	0.40	0.41	4.7	0.38	0.38	1.5	0.39	0.40	3.0
Other Gasoil	0.15	0.14	-1.3	0.20	0.20	-0.4	0.23	0.21	-11.8	0.28	0.27	-3.3	0.24	0.23	-5.2
Residual Fuel Oil	0.45	0.45	-1.5	0.41	0.35	-14.6	0.46	0.38	-17.4	0.44	0.39	-11.4	0.44	0.37	-14.5
Other Products	0.15	0.14	-5.0	0.14	0.16	12.9	0.11	0.13	18.2	0.12	0.16	32.0	0.12	0.15	20.6
Total	1.80	1.81	0.2	1.85	1.82	-1.7	1.94	1.84	-4.8	1.98	1.94	-2.5	1.92	1.87	-3.0
France															
LPG	0.08	0.08	-2.9	0.11	0.12	1.6	0.14	0.14	0.0	0.16	0.12	-25.0	0.14	0.12	-9.4
Naphtha	0.18	0.19	3.3	0.16	0.16	-3.7	0.19	0.19	-0.6	0.17	0.17	-0.2	0.18	0.17	-1.4
Motor Gasoline	0.36	0.33	-7.5	0.32	0.31	-2.1	0.32	0.29	-7.9	0.34	0.30	-10.3	0.32	0.30	-6.8
Jet/Kerosene	0.14	0.15	6.5	0.13	0.14	3.9	0.14	0.13	-6.9	0.11	0.13	17.5	0.13	0.13	4.1
Diesel	0.55	0.55	0.0	0.56	0.52	-6.3	0.56	0.57	0.8	0.58	0.55	-4.0	0.57	0.55	-3.2
Other Gasoil	0.35	0.31	-10.2	0.42	0.68	61.3	0.48	0.42	-12.9	0.52	0.42	-19.5	0.48	0.51	6.6
Residual Fuel Oil	0.13	0.11	-8.3	0.15	0.14	-0.9	0.18	0.15	-16.0	0.18	0.12	-35.0	0.17	0.14	-18.6
Other Products	0.16	0.16	0.3	0.16	0.16	1.8	0.14	0.12	-11.6	0.12	0.12	1.0	0.14	0.13	-2.7
Total	1.95	1.89	-3.1	2.01	2.22	10.9	2.14	2.01	-6.5	2.19	1.94	-11.2	2.11	2.06	-2.6
United Kingdom															
LPG	0.12	0.11	-7.9	0.14	0.12	-20.2	0.17	0.12	-28.7	0.17	0.12	-28.6	0.16	0.12	-26.1
Naphtha	0.09	0.06	-32.6	0.09	0.10	9.4	0.06	0.09	57.6	0.07	0.08	21.2	0.07	0.09	25.9
Motor Gasoline	0.50	0.49	-1.6	0.49	0.50	2.2	0.53	0.54	2.0	0.50	0.49	-2.0	0.50	0.51	0.7
Jet/Kerosene	0.28	0.32	12.8	0.29	0.33	11.6	0.29	0.31	4.4	0.30	0.29	-6.2	0.30	0.31	3.1
Diesel	0.31	0.31	2.1	0.32	0.32	-1.6	0.33	0.33	-1.9	0.31	0.29	-8.6	0.32	0.31	-4.0
Other Gasoil	0.17	0.18	6.5	0.17	0.19	12.8	0.18	0.19	2.3	0.17	0.15	-15.6	0.17	0.17	-0.3
Residual Fuel Oil	0.08	0.07	-12.0	0.09	0.07	-19.7	0.09	0.09	1.9	0.09	0.07	-19.6	0.09	0.08	-12.6
Other Products	0.16	0.16	-2.7	0.14	0.16	12.2	0.17	0.15	-10.5	0.14	0.14	4.8	0.15	0.15	1.4
Total	1.72	1.71	-0.4	1.73	1.77	2.3	1.82	1.81	-0.5	1.75	1.62	-7.3	1.77	1.73	-1.9
Canada															
LPG	0.28	0.33	17.5	0.33	0.36	8.6	0.35	0.38	8.3	0.39	0.47	19.2	0.36	0.40	12.4
Naphtha	0.09	0.08	-6.7	0.06	0.09	54.5	0.08	0.08	1.8	0.08	0.07	-6.9	0.07	0.08	12.4
Motor Gasoline	0.70	0.70	-0.5	0.65	0.65	0.5	0.65	0.68	4.8	0.67	0.66	-0.9	0.66	0.67	1.4
Jet/Kerosene	0.12	0.13	3.4	0.11	0.11	-4.0	0.12	0.13	11.1	0.12	0.11	-2.6	0.12	0.12	1.4
Diesel	0.18	0.18	0.0	0.19	0.19	0.0	0.20	0.20	0.3	0.16	0.17	3.7	0.18	0.19	1.2
Other Gasoil	0.27	0.29	8.4	0.30	0.33	7.6	0.34	0.36	6.6	0.34	0.38	10.1	0.33	0.35	8.2
Residual Fuel Oil	0.13	0.14	3.5	0.11	0.18	61.5	0.14	0.22	53.4	0.18	0.20	12.5	0.14	0.20	38.1
Other Products	0.32	0.31	-2.2	0.28	0.28	1.8	0.28	0.24	-12.0	0.21	0.23	8.9	0.25	0.25	-1.1
Total	2.09	2.16	3.1	2.03	2.19	7.5	2.15	2.28	6.5	2.15	2.30	6.6	2.11	2.26	6.9

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	3Q01	Dec 00	Jan 01	Feb 01
OPEC											
Crude Oil											
Saudi Arabia	7.52	8.00		8.17	8.45				8.40	8.30	7.99
Iran	3.50	3.69		3.72	3.83				3.87	4.05	3.75
Iraq	2.52	2.57		2.79	2.40				1.32	1.73	2.05
UAE	2.07	2.24		2.23	2.35				2.36	2.37	2.24
Kuwait	1.65	1.77		1.85	1.88				1.88	1.88	1.84
Neutral Zone	0.59	0.63		0.63	0.67				0.68	0.68	0.65
Qatar	0.63	0.69		0.69	0.73				0.73	0.74	0.72
Nigeria	1.95	2.04		2.04	2.15				2.16	2.18	2.15
Libya	1.38	1.41		1.43	1.45				1.46	1.45	1.38
Algeria	0.76	0.81		0.82	0.85				0.85	0.85	0.81
Venezuela	2.79	2.89		2.92	2.99				3.03	3.03	2.98
Indonesia	1.27	1.20		1.14	1.25				1.26	1.26	1.25
Total Crude Oil	26.61	27.92		28.41	28.98				27.98	28.50	27.81
Total NGLs ¹	2.82	2.88	3.00	2.89	2.91	2.95	2.98	3.01	2.91	2.95	2.95
Total OPEC	29.43	30.80		31.30	31.89				30.88	31.45	30.76
NON-OPEC²											
OECD											
North America	14.00	14.31	14.58	14.30	14.22	14.44	14.53	14.58	14.18	14.23	14.46
United States	8.10	8.13	8.14	8.09	8.08	8.11	8.15	8.11	7.88	8.01	8.13
Mexico	3.35	3.45	3.67	3.51	3.38	3.59	3.64	3.69	3.48	3.54	3.59
Canada	2.56	2.74	2.77	2.71	2.76	2.74	2.73	2.79	2.82	2.68	2.74
Europe	6.76	6.78	6.69	6.57	6.88	6.86	6.58	6.46	7.01	6.97	6.75
UK	2.93	2.70	2.61	2.57	2.66	2.67	2.42	2.61	2.74	2.69	2.62
Norway	3.14	3.32	3.34	3.25	3.45	3.43	3.42	3.11	3.50	3.53	3.37
Others	0.69	0.75	0.75	0.74	0.78	0.75	0.74	0.74	0.77	0.75	0.76
Pacific	0.67	0.85	0.83	0.84	0.85	0.84	0.82	0.84	0.88	0.86	0.86
Australia	0.61	0.79	0.77	0.77	0.79	0.78	0.76	0.78	0.81	0.79	0.80
Others	0.07	0.06	0.06	0.06	0.07	0.06	0.06	0.06	0.07	0.07	0.06
Total OECD	21.43	21.95	22.10	21.70	21.96	22.14	21.92	21.88	22.06	22.06	22.07
NON-OECD											
Former USSR	7.49	7.94	8.29	8.02	8.22	8.20	8.24	8.34	8.24	8.17	8.21
Russia	6.16	6.50	6.76	6.60	6.70	6.68	6.71	6.79	6.70	6.66	6.68
Others	1.34	1.44	1.54	1.43	1.52	1.52	1.54	1.54	1.53	1.51	1.53
Asia	5.42	5.51	5.53	5.52	5.56	5.55	5.53	5.52	5.60	5.56	5.55
China	3.19	3.23	3.21	3.22	3.22	3.22	3.21	3.21	3.24	3.21	3.22
Malaysia	0.70	0.71	0.71	0.72	0.72	0.71	0.71	0.71	0.72	0.71	0.71
India	0.75	0.73	0.73	0.74	0.75	0.75	0.74	0.72	0.76	0.76	0.75
Others	0.79	0.84	0.88	0.84	0.87	0.88	0.88	0.88	0.88	0.88	0.88
Europe	0.19	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Latin America	3.78	3.77	3.88	3.77	3.88	3.86	3.90	3.90	3.95	3.89	3.79
Brazil	1.36	1.50	1.66	1.49	1.63	1.62	1.66	1.68	1.68	1.62	1.61
Argentina	0.85	0.81	0.79	0.81	0.80	0.80	0.79	0.79	0.81	0.80	0.80
Colombia	0.83	0.70	0.65	0.68	0.67	0.66	0.66	0.64	0.71	0.69	0.63
Ecuador	0.38	0.39	0.43	0.43	0.42	0.42	0.43	0.43	0.39	0.43	0.39
Others	0.36	0.36	0.36	0.37	0.36	0.36	0.36	0.36	0.36	0.36	0.36
Middle East³	1.93	2.00	2.03	2.01	2.05	2.04	2.04	2.03	2.04	2.02	2.05
Oman	0.91	0.96	1.01	0.98	1.01	1.00	1.02	1.01	1.01	0.98	1.02
Syria	0.57	0.55	0.52	0.54	0.54	0.53	0.52	0.52	0.53	0.53	0.53
Yemen	0.41	0.45	0.46	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.79	2.85	2.87	2.85	2.83	2.85	2.87	2.87	2.84	2.85	2.85
Egypt	0.85	0.81	0.77	0.80	0.80	0.78	0.78	0.77	0.79	0.78	0.79
Angola	0.75	0.74	0.73	0.74	0.72	0.73	0.73	0.73	0.72	0.73	0.73
Gabon	0.33	0.31	0.29	0.31	0.30	0.30	0.30	0.29	0.30	0.30	0.30
Others	0.85	0.99	1.08	1.00	1.01	1.04	1.06	1.08	1.03	1.04	1.04
Total Non-OECD	21.60	22.24	22.78	22.35	22.73	22.68	22.76	22.83	22.84	22.66	22.63
Processing Gains ⁴	1.67	1.72	1.77	1.70	1.74	1.79	1.75	1.75	1.74	1.79	1.79
TOTAL NON-OPEC	44.69	45.90	46.65	45.75	46.42	46.60	46.43	46.45	46.64	46.51	46.49
TOTAL SUPPLY	74.12	76.70		77.05	78.30				77.53	77.96	77.25

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	2Q01	Jul 00	Aug 00	Sep 00
United States											
Alaska	1050	962	941	966	910	949	986	941	912	921	895
California	857	834	810	840	835	829	821	814	836	835	833
Texas	1231	1212	1162	1226	1206	1185	1175	1166	1212	1208	1198
Federal Gulf of Mexico ²	1349	1482	1664	1496	1509	1547	1623	1656	1527	1522	1478
Other US Lower 48	1390	1361	1292	1362	1348	1332	1316	1300	1351	1349	1344
NGLs ³	1834	1951	1950	1944	1924	1969	1971	1932	1923	1921	1928
Other Hydrocarbons	386	394	391	400	394	391	391	391	403	390	389
Total	8096	8194	8211	8233	8125	8202	8283	8201	8164	8146	8064
Canada											
Alberta Light/Medium/Heavy	784	763	741	762	761	755	749	744	763	762	758
Alberta Bitumen	244	263	276	266	268	272	273	275	265	269	270
Saskatchewan	374	408	417	407	410	415	416	417	406	411	413
Other Crude	187	235	292	233	217	256	263	269	232	178	242
NGLs	649	685	699	686	665	696	700	680	675	658	663
Synthetic Crudes	323	321	344	347	324	313	309	346	321	353	296
Total	2560	2676	2769	2702	2645	2707	2711	2731	2661	2632	2642
Mexico											
Crude	2906	3071	3277	3046	3068	3193	3209	3300	2876	3162	3170
NGLs	439	440	445	439	431	440	445	445	426	431	435
Total	3345	3511	3722	3485	3499	3633	3654	3745	3302	3593	3605
UK Offshore⁴											
Brent Fields	414	349	291	351	310	338	316	274	317	313	300
Forties Fields	904	808	904	767	778	825	883	837	816	737	782
Ninian Fields	154	140	117	144	129	132	127	110	110	139	139
Flotta Fields	201	176	152	176	163	172	165	143	168	175	145
Other Fields	928	1024	1065	963	1058	1077	1090	1022	1041	1030	1104
NGLs	238	218	227	206	174	242	258	215	162	165	195
Total	2839	2714	2757	2606	2612	2785	2840	2602	2614	2559	2664
Norway⁴											
Ekofisk-Ula Area	452	462	429	463	464	459	445	432	499	456	435
Oseberg-Troll Area	672	734	731	718	741	749	743	744	755	719	748
Statfjord-Gullfaks Area	1017	937	936	867	900	985	938	981	1014	810	877
Haltenbanken Area	695	758	812	690	787	788	804	824	800	773	789
Sleipner-Frigg Area	179	317	326	326	299	329	324	319	331	277	290
NGLs	121	115	107	117	105	116	113	111	119	81	116
Total	3136	3324	3341	3180	3297	3426	3368	3412	3518	3115	3255
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	346	406	407	403	406	413	406	399	409	395	414
UK Onshore	88	70	64	55	73	71	68	65	71	78	70
Italy	82	72	98	76	71	72	81	90	70	71	72
Turkey	59	55	53	56	56	56	55	54	56	56	57
Other	150	160	155	162	164	162	159	156	163	164	164
NGLs (excl. North Sea)	24	27	29	22	22	30	30	29	24	20	23
Non-Conventional Oils	31	34	32	35	35	34	33	32	34	35	34
Total	780	825	837	808	828	838	832	826	828	820	835
Australia											
Gippsland Basin	210	186	175	187	182	180	178	176	181	185	181
Cooper-Eromanga Basin	25	24	23	25	25	25	24	23	25	26	25
Carnarvon Basin	248	332	354	329	323	349	351	343	342	336	291
Other Crude	51	192	180	184	196	199	177	174	196	196	195
NGLs	72	77	74	77	80	75	72	75	80	80	80
Total	606	811	806	802	806	828	802	791	823	822	772
Other OECD Pacific											
New Zealand	42	34	31	34	33	33	32	31	34	33	33
Japan	8	7	6	7	7	7	7	6	7	7	7
NGLs	14	15	13	14	14	14	14	14	14	14	14
Synthetic Fuels	4	4	3	4	3	3	3	3	3	3	3
Total	67	59	54	59	58	57	56	54	58	58	57
OECD											
Crude Oil	17286	17825	18174	17577	17690	18145	18199	18081	17777	17585	17710
NGLs	3400	3537	3552	3513	3423	3589	3611	3509	3429	3379	3463
Non-Conventional Oils	743	753	770	786	756	742	737	773	761	782	723
Total	21430	22114	22496	21875	21869	22477	22546	22363	21967	21746	21896

¹ subcategories refer to crude oil only unless otherwise noted

² only production from Federal waters is included

³ to the extent possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Sep2000	Oct2000	Nov2000	Dec2000	Jan2001*	Jan1998	Jan1999	Jan2000	1Q2000	2Q2000	3Q2000	4Q2000
North America												
Crude	389	380	393	390	387	405	428	385	0.15	-0.06	0.01	0.02
Gasoline	225	218	228	227	236	254	267	240	0.14	0.02	-0.14	0.02
Middle Distillate	188	190	196	195	195	218	228	183	-0.34	0.14	0.08	0.08
Residual Fuel Oil	46	45	47	45	45	49	54	43	0.01	0.02	0.00	-0.02
Total Products ³	639	624	638	619	613	668	713	600	-0.30	0.54	0.09	-0.22
Total ⁴	1179	1158	1180	1149	1145	1215	1287	1121	-0.19	0.60	0.17	-0.33
Europe												
Crude	336	320	321	330	330	335	370	317	0.24	-0.05	-0.05	-0.07
Gasoline	121	126	121	122	130	141	151	137	-0.02	-0.08	0.03	0.01
Middle Distillate	226	228	233	239	234	246	280	239	-0.07	0.02	0.08	0.14
Residual Fuel Oil	78	85	83	85	85	90	88	84	-0.04	-0.03	0.02	0.08
Total Products ³	528	542	542	554	557	567	612	553	-0.09	-0.07	0.19	0.28
Total ⁴	929	929	932	951	953	967	1042	933	0.19	-0.11	0.13	0.23
Pacific												
Crude	168	171	173	172	174	185	175	163	-0.02	0.17	-0.19	0.04
Gasoline	26	27	26	24	26	25	26	26	0.02	-0.01	0.00	-0.01
Middle Distillate	82	92	94	85	74	85	81	79	-0.25	0.14	0.13	0.03
Residual Fuel Oil	24	26	25	23	24	27	24	22	0.01	0.00	0.02	-0.01
Total Products ³	203	219	219	202	190	206	193	191	-0.30	0.20	0.25	-0.01
Total ⁴	453	471	475	455	446	487	451	433	-0.31	0.39	0.08	0.02
Total												
Crude	893	871	887	892	890	925	973	865	0.37	0.05	-0.23	-0.01
Gasoline	372	370	375	373	391	421	443	403	0.14	-0.07	-0.11	0.02
Middle Distillate	496	509	522	518	503	550	589	501	-0.66	0.30	0.29	0.24
Residual Fuel Oil	148	155	155	153	155	166	166	149	-0.02	-0.01	0.04	0.06
Total Products ³	1370	1385	1398	1375	1359	1441	1518	1344	-0.69	0.67	0.53	0.06
Total ⁴	2561	2559	2588	2554	2544	2670	2780	2487	-0.32	0.88	0.38	-0.07

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Sep2000	Oct2000	Nov2000	Dec2000	Jan2001*	Jan1998	Jan1999	Jan2000	1Q2000	2Q2000	3Q2000	4Q2000
North America												
Crude	570	564	548	541	541	563	572	568	0.02	-0.01	0.02	-0.32
Products ⁷	2	2	2	2	2	0	0	0	0.00	0.00	0.02	0.01
Europe												
Crude	139	137	136	138	138	121	147	149	-0.07	-0.05	-0.03	-0.01
Products	213	214	215	215	215	206	215	200	0.05	0.05	0.07	0.03
Pacific												
Crude	312	312	312	313	314	315	315	315	0.00	-0.01	-0.02	0.01
Total												
Crude	1021	1013	996	992	994	999	1034	1033	-0.04	-0.06	-0.04	-0.32
Products	214	216	217	217	217	206	215	200	0.05	0.05	0.09	0.03
Total ⁴	1237	1231	1213	1210	1212	1205	1250	1234	0.00	-0.02	0.05	-0.29

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 The US government controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	August			September			October			November			December		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
United States															
Crude	315.2	290.5	-7.8	303.5	280.2	-7.7	304.1	280.8	-7.6	298.3	289.2	-3.1	284.5	288.7	1.5
Motor Gasoline	200.6	195.3	-2.6	207.2	197.2	-4.8	204.1	188.3	-7.8	205.5	199.0	-3.2	193.3	196.9	1.8
Middle Distillate	193.2	157.4	-18.5	199.8	161.6	-19.1	189.0	163.8	-13.3	189.0	168.6	-10.8	170.8	166.6	-2.5
Residual Fuel Oil	38.7	37.3	-3.7	40.8	37.9	-7.0	40.5	35.0	-13.6	40.4	38.9	-3.6	35.8	36.0	0.5
Other Products	157.8	151.5	-4.0	150.2	151.3	0.8	138.1	142.8	3.4	132.2	136.9	3.5	117.7	122.8	4.3
Total Products	590.2	541.4	-8.3	598.0	548.0	-8.4	571.7	529.9	-7.3	567.1	543.4	-4.2	517.6	522.2	0.9
Other ²	141.4	134.2	-5.0	137.9	132.9	-3.6	137.0	135.3	-1.3	136.0	130.8	-3.8	123.6	121.0	-2.1
Total	1046.8	966.1	-7.7	1039.4	961.1	-7.5	1012.8	946.0	-6.6	1001.4	963.4	-3.8	925.7	931.8	0.7
Japan															
Crude	142.8	122.2	-14.5	138.1	116.3	-15.8	134.8	124.0	-8.0	132.0	123.8	-6.3	125.1	125.1	0.0
Motor Gasoline	12.8	13.6	6.5	12.5	13.3	6.3	13.0	13.8	6.0	14.4	14.1	-1.8	13.2	12.6	-4.2
Middle Distillate	52.5	53.9	2.7	54.5	52.4	-3.9	58.8	57.1	-3.0	62.1	55.9	-10.1	50.7	49.7	-2.0
Residual Fuel Oil	11.5	9.7	-15.8	9.2	9.5	2.8	9.4	10.2	8.2	9.5	10.1	6.6	9.8	10.5	7.4
Other Products	52.6	52.6	-0.1	52.3	51.2	-2.0	56.4	55.2	-2.1	53.4	55.3	3.5	49.1	52.4	6.7
Total Products	129.4	129.8	0.3	128.5	126.4	-1.7	137.6	136.2	-1.0	139.4	135.4	-2.9	122.7	125.2	2.0
Other ²	73.6	73.3	-0.5	70.2	71.6	2.1	70.9	70.1	-1.1	72.7	73.6	1.3	65.8	70.5	7.2
Total	345.9	325.3	-6.0	336.7	314.3	-6.7	343.3	330.3	-3.8	344.2	332.8	-3.3	313.6	320.8	2.3
Germany															
Crude	24.6	19.0	-22.9	24.0	18.8	-21.8	19.7	18.1	-8.3	19.6	20.0	2.3	19.7	16.8	-14.7
Motor Gasoline	10.3	10.3	-0.3	10.5	11.0	5.4	10.9	12.4	14.2	12.2	11.1	-8.4	11.0	10.0	-8.8
Middle Distillate	23.1	14.8	-35.8	22.1	17.4	-21.3	21.1	17.9	-15.0	18.3	16.8	-8.1	19.2	17.1	-10.7
Residual Fuel Oil	8.8	9.6	8.5	9.5	9.5	-0.1	9.2	9.5	4.1	8.5	9.0	5.6	9.0	9.4	4.4
Other Products	13.1	13.3	1.2	12.6	12.9	2.0	12.7	12.7	-0.3	13.2	13.1	-0.4	12.1	14.1	16.8
Total Products	55.4	48.0	-13.3	54.7	50.8	-7.2	53.9	52.6	-2.4	52.2	50.1	-4.0	51.3	50.8	-1.2
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	80.1	67.0	-16.3	78.7	69.6	-11.6	73.6	70.7	-4.0	71.8	70.1	-2.3	71.1	67.6	-4.9
Italy															
Crude	38.2	39.7	4.0	37.9	41.8	10.4	39.7	37.8	-4.7	36.8	37.5	1.8	34.5	36.9	6.7
Motor Gasoline	29.0	22.8	-21.4	31.5	24.4	-22.5	29.9	26.0	-13.1	31.6	25.1	-20.5	30.4	22.9	-24.7
Middle Distillate	33.1	32.0	-3.4	30.6	32.5	5.9	29.9	34.2	14.3	28.7	37.0	28.9	28.2	35.8	26.9
Residual Fuel Oil	17.7	16.5	-6.7	17.2	15.0	-12.9	17.4	18.7	7.2	18.3	19.4	6.1	17.4	18.5	6.4
Other Products	9.2	12.7	38.0	8.7	13.0	50.5	8.9	13.9	56.8	9.2	14.2	54.0	9.3	14.8	58.3
Total Products	89.0	84.0	-5.6	88.0	84.9	-3.5	86.1	92.8	7.7	87.8	95.8	9.0	85.3	91.9	7.8
Other ²	6.9	11.5	67.0	6.4	11.8	85.6	7.9	11.5	45.4	8.4	11.5	37.3	10.6	11.2	5.2
Total	134.1	135.2	0.8	132.3	138.6	4.7	133.7	142.1	6.3	133.0	144.7	8.8	130.4	139.9	7.3
France															
Crude	38.3	36.3	-5.2	40.3	36.5	-9.4	39.9	37.9	-5.1	38.3	36.7	-4.2	37.6	38.3	1.9
Motor Gasoline	15.9	13.3	-16.0	14.6	13.3	-8.7	13.1	15.2	16.0	13.7	14.2	3.8	15.4	13.5	-12.5
Middle Distillate	45.5	33.7	-26.0	41.4	36.5	-11.8	36.7	29.4	-20.0	36.4	33.4	-8.3	32.8	32.9	0.5
Residual Fuel Oil	8.0	9.0	12.0	7.2	7.6	6.6	7.2	7.7	7.1	7.0	7.5	6.1	6.1	7.8	28.8
Other Products	8.7	9.3	6.3	8.5	8.7	2.4	8.5	9.5	11.3	8.8	9.8	11.4	8.8	10.2	16.1
Total Products	78.1	65.3	-16.5	71.6	66.2	-7.6	65.6	61.8	-5.7	65.9	64.9	-1.6	63.0	64.4	2.2
Other ²	12.8	13.0	1.7	11.5	13.0	12.9	12.8	12.8	0.0	13.1	12.3	-6.8	11.7	12.5	6.2
Total	129.2	114.6	-11.3	123.5	115.7	-6.3	118.2	112.5	-4.9	117.4	113.8	-3.0	112.3	115.1	2.5
United Kingdom															
Crude	41.5	34.9	-15.9	37.8	33.6	-11.1	40.6	33.1	-18.6	40.3	33.9	-15.9	39.3	34.7	-11.7
Motor Gasoline	12.1	8.5	-30.1	11.4	10.4	-8.7	11.5	10.0	-12.7	11.5	8.3	-28.1	10.4	8.3	-20.3
Middle Distillate	20.0	20.6	3.0	21.3	17.0	-20.3	18.3	20.5	12.2	17.8	21.0	17.9	20.0	21.3	6.8
Residual Fuel Oil	5.5	5.6	1.8	5.5	5.0	-8.2	5.4	5.5	1.5	5.8	4.9	-16.1	6.0	4.9	-18.5
Other Products	13.4	15.6	16.9	13.1	16.2	23.9	13.1	15.9	21.7	13.1	15.7	20.2	12.6	17.5	38.4
Total Products	51.0	50.4	-1.4	51.3	48.6	-5.1	48.3	51.9	7.6	48.2	49.8	3.4	49.1	52.1	6.1
Other ²	12.2	12.9	5.5	12.7	13.4	5.6	13.5	13.9	3.0	11.6	14.0	21.0	12.8	13.3	4.4
Total	104.8	98.2	-6.3	101.8	95.7	-6.0	102.3	98.9	-3.4	100.1	97.8	-2.3	101.2	100.1	-1.0
Canada³															
Crude	63.6	73.0	14.8	68.1	71.3	4.6	71.6	67.9	-5.2	71.3	68.6	-3.8	68.9	68.6	-0.6
Motor Gasoline	16.2	14.6	-10.1	16.0	15.1	-5.2	16.1	15.8	-2.0	16.7	15.7	-6.0	16.5	15.7	-4.3
Middle Distillate	21.5	18.7	-13.1	20.0	18.3	-8.1	19.3	17.8	-7.4	19.9	18.4	-7.4	19.9	18.4	-7.6
Residual Fuel Oil	4.6	4.1	-10.7	4.4	3.6	-18.0	4.3	3.6	-16.4	3.8	3.5	-9.4	2.7	3.5	30.4
Other Products	20.4	20.8	2.0	20.0	21.1	5.6	19.3	21.3	10.7	19.4	22.0	13.3	18.3	22.0	20.4
Total Products	62.7	58.1	-7.3	60.3	58.2	-3.5	58.9	58.5	-0.7	59.9	59.6	-0.4	57.3	59.6	4.1
Other ²	17.6	17.6	0.1	18.9	19.0	0.3	18.7	19.0	1.7	17.0	19.0	11.8	14.8	19.0	28.6
Total	143.8	148.7	3.4	147.4	148.4	0.7	149.2	145.4	-2.6	148.1	147.2	-0.6	141.0	147.2	4.4

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following are estimated: Canada December 2000

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End December 1999		End March 2000		End June 2000		End September 2000		End December 2000 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	141.0	67	141.3	68	143.1	66	148.4	66	147.2	-
Mexico	37.4	18	37.3	18	38.3	19	47.2	24	47.6	-
United States	1492.9	78	1477.6	77	1528.7	77	1533.0	77	1474.5	-
Total ⁴	1693.4	72	1678.3	71	1732.2	71	1750.8	72	1691.4	70
Pacific										
Australia	37.0	43	37.6	43	41.2	49	43.9	49	40.1	-
Japan	628.7	105	606.0	122	631.6	117	626.8	112	634.0	-
Korea ⁵	76.3	33	71.6	35	77.4	40	83.0	38	82.7	-
New Zealand	11.5	80	9.7	77	10.1	77	11.6	93	11.1	-
Total	753.4	81	724.9	90	760.3	92	765.3	87	767.9	80
Europe⁶										
Austria	19.6	81	19.7	81	18.0	72	16.8	65	18.5	-
Belgium	25.8	43	27.7	51	27.4	51	27.7	51	31.2	-
Czech Republic	15.1	94	14.6	79	14.6	86	14.9	84	15.2	-
Denmark	18.3	85	18.0	85	17.7	86	17.2	84	17.7	-
Finland	23.2	113	22.0	110	20.4	100	23.4	113	26.7	-
France	160.3	76	165.8	88	169.7	90	168.4	82	169.4	-
Germany	289.6	110	286.0	107	280.6	95	277.6	99	273.3	-
Greece	23.9	54	22.7	61	24.6	68	24.1	57	24.1	-
Hungary	21.2	151	23.5	160	21.1	137	21.5	147	21.6	-
Ireland	10.8	62	9.4	57	8.5	54	8.2	48	9.2	-
Italy	130.4	70	136.3	77	134.6	74	138.6	74	139.9	-
Luxembourg	0.6	14	0.9	19	0.9	17	0.7	15	1.1	-
Netherlands	96.0	118	94.2	109	106.4	123	110.0	128	113.9	-
Norway	52.5	258	57.1	284	45.5	216	49.0	257	52.4	-
Poland	12.2	32	24.9	62	22.7	52	24.5	56	26.8	-
Portugal	21.9	66	21.7	70	21.1	63	23.3	69	21.8	-
Spain	106.4	73	107.6	76	110.1	78	112.7	78	114.1	-
Sweden	33.4	82	32.5	98	33.8	102	37.8	116	35.1	-
Switzerland	40.9	160	39.1	161	39.1	143	39.2	139	37.3	-
Turkey	48.9	81	49.6	79	52.7	74	50.5	71	53.7	-
United Kingdom	101.2	57	103.0	63	96.4	56	95.7	55	100.1	-
Total	1252.1	83	1276.4	88	1265.9	84	1281.8	84	1305.0	85
Total OECD	3699.0	77	3679.6	80	3758.4	79	3797.8	78	3764.4	77
DAYS OF IEA Net Imports⁷	-	110	-	109	-	112	-	112	-	113

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net imports used for the calculation of IEA Emergency Reserves

3 end December 2000 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled	Industry	Total	Government ^{1,2} controlled	Industry
		Millions of Barrels			Days of Fwd. Demand ³	
4Q1997	3850	1207	2643	82	26	56
1Q1998	3840	1205	2635	85	27	58
2Q1998	3997	1228	2769	86	26	59
3Q1998	4031	1238	2793	84	26	58
4Q1998	3974	1249	2725	82	26	56
1Q1999	3913	1248	2665	86	27	58
2Q1999	3954	1250	2704	84	27	58
3Q1999	3927	1240	2687	80	25	55
4Q1999	3699	1228	2470	77	26	52
1Q2000	3680	1234	2446	80	27	53
2Q2000	3758	1232	2526	79	26	53
3Q2000	3798	1237	2561	78	26	53
4Q2000	3764	1210	2554	77	25	52

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 4Q2000 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	4Q99	1Q00	2Q00	3Q00	4Q00	Sep 00	Oct 00	Nov00	Dec00	Jan01	Feb01
CRUDE OIL PRICES														
<i>IEA CIF Average Import*</i>	12.52	17.26	27.92	23.48	26.82	26.40	29.19	29.38	30.82	30.45	31.01	26.03		
<i>FOB Spot</i>														
Brent (Dated)	12.76	17.86	28.37	24.06	26.94	26.70	30.24	29.59	32.57	30.86	32.48	25.42	25.53	27.49
WTI (1st month)	14.40	19.25	30.33	24.57	28.87	28.83	31.63	31.98	33.89	32.99	34.40	28.55	29.30	29.57
Urals (Del. Med.)	11.83	17.18	26.52	23.62	26.15	25.02	27.15	27.78	29.92	28.36	31.11	23.88	24.46	24.92
Dubai (1st month)	12.18	17.20	26.17	22.70	24.42	25.05	27.61	27.59	29.97	30.50	30.44	21.83	22.73	24.81
OPEC Basket*	12.28	17.47	27.57	23.42	26.11	26.32	29.24	28.59	31.48	30.42	31.22	24.13	24.06	25.41
PRODUCT PRICES¹														
<i>Rotterdam, Barges FOB</i>														
Unleaded Premium ²	17.56	21.81	35.78	28.21	32.90	39.48	37.70	33.04	38.32	37.04	34.25	27.83	30.29	33.22
Regular Unleaded	16.54	20.80	34.23	27.25	31.91	36.91	36.12	31.98	37.00	35.49	32.98	27.47	29.63	32.02
Naphtha	14.64	18.68	29.56	24.75	29.19	27.54	30.71	30.79	33.07	32.94	32.43	27.01	28.49	29.39
Jet/Kerosene	17.16	22.04	36.99	29.56	33.23	33.23	39.79	41.72	44.09	44.05	43.35	37.76	32.27	33.69
Gasoil	16.19	20.06	34.28	26.75	30.23	30.27	37.77	38.83	42.75	40.74	40.84	34.91	30.79	31.24
Fuel Oil 1.0%S	11.73	14.75	23.20	19.81	21.76	21.46	23.75	25.85	24.87	27.77	26.05	23.72	21.27	21.20
Fuel Oil 3.5%S	10.20	14.41	21.45	19.81	21.28	20.26	21.80	22.49	24.20	24.91	23.17	19.38	16.26	18.87
Gross Product Worth ³	15.19	19.25	32.02	25.42	29.22	30.72	34.16	33.97	37.12	36.75	35.28	29.88	28.33	29.23
Brent Cracking Margin	1.34	0.30	1.93	0.19	0.80	2.45	2.07	2.40	2.97	3.88	0.77	2.54	0.88	0.07
<i>Mediterranean - Basis Italy, Cargoes FOB</i>														
Premium 0.15 g/l	17.86	22.75	36.89	29.13	33.75	40.22	39.35	34.25	39.76	39.11	35.34	28.30	31.26	33.44
Naphtha	13.54	17.66	27.94	23.88	27.92	26.12	29.03	28.67	31.28	31.34	30.47	24.20	25.58	26.43
Jet/Kerosene	14.99	20.55	34.81	28.31	31.91	31.06	37.76	38.52	42.14	42.14	40.67	32.74	27.67	28.96
Gasoil	14.83	19.05	33.75	26.24	29.73	29.03	37.63	38.61	42.68	41.90	40.40	33.52	27.38	30.92
Fuel Oil 1.0%S	10.96	14.11	23.25	18.50	22.12	21.83	23.45	25.60	25.61	27.87	25.57	23.36	20.77	19.36
Fuel Oil 3.5%S	9.14	13.20	20.20	18.40	20.34	18.70	20.29	21.46	22.65	24.10	20.95	19.32	15.15	17.53
Gross Product Worth ⁴	14.25	18.51	30.93	24.78	28.38	29.33	33.25	32.75	36.14	36.12	33.87	28.28	25.84	28.01
Urals Cracking Margin	2.07	1.00	4.11	0.86	1.93	4.02	5.81	4.69	5.94	7.48	2.48	4.10	1.08	2.79
<i>NYHarbour, Barges</i>														
Premium Unleaded 93	19.59	24.48	38.35	29.57	35.49	39.47	41.21	37.25	42.87	40.24	39.43	32.08	37.78	37.31
Regular Unleaded 87	17.80	22.71	35.96	28.38	33.77	36.05	37.64	36.38	40.11	39.35	38.84	30.95	34.82	34.66
Jet/Kerosene	18.03	21.74	38.11	28.57	37.25	33.16	39.10	42.92	44.01	42.72	45.09	40.94	36.05	35.21
No.2 (Heating Oil)	16.43	20.45	36.41	26.55	35.55	31.80	37.15	41.14	41.46	40.88	43.11	39.45	35.47	32.98
Fuel Oil 1.0%S (Cargo)	12.32	15.47	25.03	19.40	21.90	24.21	26.12	27.88	29.42	29.52	28.49	25.62	25.41	23.32
Fuel Oil 3.0%S (Cargo)	10.25	13.96	20.65	18.49	19.99	20.59	21.22	20.79	22.28	23.75	19.67	18.94	18.41	18.16
Gross Product Worth ⁵	16.75	20.67	33.54	25.39	30.74	33.39	35.30	34.73	37.84	36.57	36.58	31.03	35.04	32.74
WTI Cracking Margin	1.25	0.32	2.11	-0.28	0.76	3.46	2.56	1.65	2.86	2.48	1.09	1.38	4.65	2.07
<i>Singapore, Cargoes</i>														
Gasoline ⁶	17.19	21.01	32.52	25.33	30.66	31.00	36.52	31.90	35.01	32.87	32.84	29.98	29.97	31.49
Naphtha	14.84	19.39	28.28	25.17	27.03	26.82	30.81	28.46	34.68	31.74	28.89	24.75	24.85	27.12
Jet/Kerosene	16.36	21.43	34.27	27.60	31.59	29.41	37.79	38.29	42.24	43.23	39.47	32.18	29.10	30.58
Gasoil	15.47	19.13	32.41	24.59	30.31	28.47	36.40	34.45	40.07	39.04	34.78	29.53	28.42	27.48
LSWR (0.3%S) ⁷	10.98	15.50	25.70	21.03	23.62	25.92	26.92	26.36	28.46	28.89	27.58	22.61	21.90	22.53
HSFO (3.5%S 180cst)	10.65	15.70	24.47	21.79	23.21	25.31	24.27	25.11	26.57	28.10	26.07	21.16	19.78	21.30
HSFO (3.5%S 380cst)	10.09	15.14	23.58	21.39	22.48	24.34	23.33	24.16	25.53	27.24	25.09	20.17	18.38	20.18
Gross Product Worth ⁸	14.65	18.74	30.03	24.01	28.25	27.99	32.91	30.96	34.90	34.09	31.63	27.16	26.31	26.92
Dubai Cracking Margin	1.01	0.95	3.27	0.75	3.25	2.36	4.69	2.77	4.30	2.96	0.56	4.78	3.02	1.53

* IEA CIF Average Import price estimate for Dec does not include Japan.

1 product prices are mean values and are converted to \$/bbl using following conversion factors.

Rotterdam: 8.35 bbl/MT for premium leaded gasoline, 8.46 bbl/MT for regular unleaded gasoline, 8.82 bbl/MT for naphtha, 7.88 bbl/MT for jet fuel, 7.46 bbl/MT for gasoil, 6.49 bbl/MT for 1.0%S LSFO and 6.31 bbl/MT for 3.5%S HSFO. Singapore: 6.46 bbl/MT for 3.5%S HSFO.

2 as of January 2000, Premium 0.15 g/l prices will be substituted by Unleaded Premium prices.

3 calculated using Brent cracking yield of a typical refinery in Rotterdam.

4 calculated using Urals cracking yield of a typical refinery in the Mediterranean.

5 calculated using WTI cracking yield of a typical refinery in US Gulf Coast.

6 changed from regular 0.15 g/l to unleaded 95 as of 2 February 1995.

7 as from 1 April 1996 mixed/cracked LSWR FOB Indonesia

8 calculated using Dubai cracking yield of a typical refinery in Singapore.

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
February 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	6.800	4.812	2.9	8.7	-1.2	8.1	0.955	0.280	1.0	6.7	-7.5	1.2
Germany	2.052	1.443	1.0	3.0	7.1	10.3	0.967	0.287	-0.9	1.1	0.2	3.3
Italy	2037	1347	1.4	3.5	3.1	10.3	0.969	0.328	-0.5	1.5	-3.5	3.2
Spain	134.7	80.4	2.8	6.3	5.6	12.9	0.746	0.301	0.9	4.3	-1.1	5.6
UK	0.753	0.584	0.1	0.6	0.1	0.6	1.094	0.246	-1.5	-1.0	-9.0	-8.6
Japan	110.3	59.1	0.0	0.0	7.2	15.8	0.949	0.441	0.5	0.5	0.9	9.1
Canada	0.679	0.301	-7.2	-11.5	-2.6	-4.5	0.446	0.248	-8.5	-12.6	-7.3	-9.1
USA	0.389	0.101	0.0	0.0	7.5	10.3	0.389	0.288	0.0	0.0	7.5	10.3
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.551	2.571	-0.7	-1.5	3.4	8.2	0.639	0.278	-2.5	-3.3	-3.2	1.3
Germany	1.348	0.740	-2.5	-5.4	2.7	6.1	0.635	0.286	-4.4	-7.2	-3.9	-0.7
Italy	1444	739	-0.8	-1.6	6.1	15.6	0.687	0.335	-2.6	-3.5	-0.7	8.2
Spain	100.71	44.90	-3.2	-5.6	7.6	14.6	0.558	0.309	-5.0	-7.3	0.7	7.3
UK	0.706	0.502	-0.8	-2.9	2.0	7.4	1.026	0.297	-2.4	-4.4	-7.3	-2.5
Japan	88.2	36.3	-1.2	-1.9	6.3	10.7	0.759	0.447	-0.7	-1.4	0.0	4.2
Canada	0.727	0.244	-2.4	-3.2	8.8	11.5	0.477	0.317	-3.7	-4.5	3.6	6.2
USA	0.405	0.118	0.5	0.7	6.3	8.7	0.405	0.287	0.5	0.7	6.3	8.7
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2680.0	643.0	1.5	2.0	-4.6	13.3	376.5	286.6	-0.4	0.1	-10.7	6.1
Germany	752.8	223.8	3.6	4.5	10.3	13.0	354.6	249.2	1.7	2.5	3.3	5.8
Italy	1611953	966038	2.0	4.2	2.0	14.3	766.9	307.3	0.0	2.2	-4.5	7.0
Spain	65894	22186	0.8	1.0	4.2	5.5	364.9	242.0	-1.1	-0.9	-2.5	-1.3
UK	202.95	39.96	-1.3	-1.5	12.0	14.6	295.0	236.9	-2.8	-3.1	1.7	4.1
Japan ⁴	50610	2410	-0.2	-0.2	11.8	11.8	435.5	414.8	0.3	0.3	5.3	5.3
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	398.6	-	-1.3	-	26.9	-	398.6	-	-1.3	-	26.9	-
HFO FOR INDUSTRY^{3, 6} (Price per Metric Ton)												
France	1158.8	121.8	3.1	3.5	-0.3	-0.4	162.8	145.7	1.2	1.6	-6.7	-6.8
Germany	349.0	35.0	6.7	7.5	12.5	14.1	164.4	147.9	4.7	5.4	5.3	6.8
Italy	404546	60777	-1.3	-1.6	-0.9	-1.0	192.5	163.5	-3.2	-3.4	-7.3	-7.4
Spain	28497	2235	-5.6	-6.0	-5.6	-6.0	157.8	145.4	-7.4	-7.8	-11.7	-12.1
UK	119.21	26.77	-1.2	-1.6	1.6	2.1	173.3	134.4	-2.8	-3.2	-7.7	-7.3
Japan	27079	1289	0.0	0.0	25.6	25.6	233.0	221.9	0.5	0.5	18.3	18.3
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1998	1999	2000	1Q00	2Q00	3Q00	4Q00	Oct 00	Nov 00	Dec 00	Year Earlier Dec 99	change
OECD North America												
Venezuela	1.71	1.57	1.64	1.58	1.56	1.64	1.77	1.71	1.67	1.94	1.57	0.38
Other Central & South America	0.68	0.78	0.60	0.68	0.59	0.60	0.53	0.48	0.57	0.53	0.78	-0.24
North Sea	0.73	0.99	1.11	1.00	1.20	1.30	0.93	0.88	0.97	0.96	1.05	-0.10
Other OECD Europe	-	-	0.01	0.02	-	0.01	-	-	-	-	-	-
Non-OECD Europe	-	-	-	-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03	0.01	0.01	0.01	0.00	0.00	0.01	-	-	0.01	-
Saudi Arabia	1.57	1.51	1.62	1.50	1.59	1.66	1.72	1.57	1.67	1.91	1.45	0.47
Kuwait	0.31	0.25	0.27	0.22	0.21	0.33	0.30	0.34	0.24	0.32	0.19	0.13
Iran	-	-	-	-	-	-	-	-	-	-	-	-
Iraq	0.36	0.78	0.70	0.55	0.69	0.89	0.66	0.69	0.74	0.54	0.72	-0.17
Oman	-	-	0.00	-	0.01	-	-	-	-	-	-	-
United Arab Emirates	0.00	-	0.00	-	-	0.00	-	-	-	-	-	-
Other Middle East	0.01	0.00	0.03	-	0.05	0.03	0.02	-	-	0.07	-	-
West Africa	1.33	1.08	1.28	1.07	1.44	1.40	1.22	1.28	1.27	1.13	0.71	0.42
Other Africa	0.46	0.42	0.33	0.33	0.36	0.28	0.36	0.41	0.39	0.30	0.45	-0.15
Asia	0.19	0.20	0.17	0.16	0.18	0.17	0.17	0.24	0.11	0.17	0.16	0.00
Other	0.03	0.03	0.04	0.01	0.07	0.04	0.02	0.03	0.04	-	-	-
Total	7.33	7.62	7.76	7.14	7.97	8.36	7.72	7.63	7.67	7.87	7.08	0.79
of which Non-OECD	6.61	6.63	6.65	6.09	6.71	7.01	6.76	6.73	6.68	6.87	6.01	0.87
OECD Europe												
Canada	0.00	-	0.00	0.01	-	-	-	-	-	-	-	-
Mexico + USA	0.21	0.19	0.20	0.18	0.20	0.21	0.20	0.16	0.25	0.18	0.14	0.04
Venezuela	0.17	0.17	0.14	0.11	0.18	0.16	0.13	0.12	0.12	0.15	0.17	-0.01
Other Central & South America	0.00	0.00	0.01	0.00	0.01	0.00	0.01	-	-	0.03	-	-
Non-OECD Europe	0.00	0.01	0.01	0.00	0.01	0.01	0.00	0.00	0.01	0.00	0.00	0.00
Former Soviet Union	1.90	2.18	2.37	2.36	2.35	2.44	2.31	2.24	2.31	2.38	2.24	0.14
Saudi Arabia	1.86	1.31	1.37	1.16	1.35	1.43	1.53	1.55	1.35	1.69	1.10	0.59
Kuwait	0.22	0.17	0.20	0.14	0.20	0.26	0.20	0.16	0.31	0.12	0.19	-0.07
Iran	1.03	0.94	0.79	0.72	0.72	0.92	0.80	0.91	0.63	0.84	0.84	0.00
Iraq	0.72	0.80	0.76	0.70	0.83	0.74	0.75	0.81	0.96	0.50	0.37	0.13
Oman	0.01	-	-	-	-	-	-	-	-	-	-	-
United Arab Emirates	0.02	-	0.00	-	-	0.00	0.01	0.03	-	-	-	-
Other Middle East	0.33	0.35	0.31	0.27	0.36	0.30	0.32	0.23	0.36	0.38	0.34	0.04
West Africa	0.54	0.48	0.54	0.75	0.33	0.41	0.68	0.68	0.76	0.61	0.70	-0.08
Other Africa	1.83	1.65	1.66	1.65	1.59	1.70	1.70	1.72	1.63	1.75	1.73	0.02
Asia	0.00	-	-	-	-	-	-	-	-	-	-	-
Other	0.03	0.01	0.04	0.00	0.00	0.10	0.04	0.00	0.06	0.07	0.00	0.06
Total	8.87	8.25	8.39	8.07	8.13	8.67	8.70	8.63	8.77	8.70	7.82	0.88
of which Non-OECD	8.66	8.06	8.20	7.88	7.93	8.46	8.50	8.47	8.51	8.52	7.68	0.84
OECD Pacific												
Canada	0.00	-	-	-	-	-	-	-	-	-	-	-
Mexico + USA	0.06	0.10	0.07	0.17	0.08	0.03	0.03	0.02	0.07	-	0.09	-
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-
Other Central & South America	0.03	0.05	0.05	0.07	0.04	0.05	0.05	0.08	0.01	0.07	0.02	0.04
North Sea	0.02	0.04	0.02	0.01	0.06	0.01	-	-	-	-	0.02	-
Other OECD Europe	-	-	-	-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-	-	-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.01	0.03	-	0.01	0.06	0.05	0.04	0.04	0.08	0.01	0.07
Saudi Arabia	1.78	1.65	1.82	1.87	1.77	1.76	1.90	1.95	1.81	1.93	1.69	0.24
Kuwait	0.57	0.56	0.60	0.56	0.58	0.55	0.71	0.79	0.72	0.61	0.62	-0.01
Iran	0.67	0.73	0.72	0.83	0.66	0.70	0.72	0.59	1.00	0.57	0.90	-0.33
Iraq	0.04	0.13	0.13	0.06	0.08	0.13	0.23	0.22	0.30	0.18	0.06	0.11
Oman	0.40	0.45	0.36	0.34	0.40	0.38	0.32	0.29	0.28	0.38	0.40	-0.02
United Arab Emirates	1.54	1.39	1.46	1.43	1.46	1.42	1.52	1.49	1.52	1.54	1.37	0.16
Other Middle East	0.59	0.57	0.60	0.59	0.56	0.58	0.65	0.66	0.66	0.63	0.59	0.04
West Africa	0.11	0.20	0.10	0.15	0.06	0.08	0.11	0.03	0.13	0.17	0.27	-0.09
Other Africa	0.09	0.15	0.13	0.15	0.11	0.11	0.13	0.03	0.19	0.18	0.20	-0.01
Non-OECD Asia	1.07	1.03	0.89	0.91	0.91	0.85	0.87	0.81	0.90	0.90	1.07	-0.17
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total	6.98	7.06	6.98	7.14	6.78	6.71	7.29	7.00	7.63	7.24	7.31	-0.07
of which Non-OECD	6.89	6.93	6.88	6.96	6.64	6.67	7.26	6.98	7.57	7.24	7.19	0.04
Total OECD Trade	23.18	22.93	23.14	22.34	22.88	23.75	23.71	23.25	24.07	23.81	22.22	1.59
of which Non-OECD	22.16	21.62	21.72	20.93	21.29	22.15	22.52	22.17	22.76	22.63	20.88	1.75

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1998	1999	2000	1Q00	2Q00	3Q00	4Q00	Oct 00	Nov 00	Dec 00	Year Earlier Dec 99	change
Saudi Light & Extra Light												
North America	0.39	0.42	0.45	0.40	0.51	0.33	0.56	0.50	0.50	0.68	0.70	-0.02
Europe	1.23	1.01	0.95	0.92	0.98	1.04	0.85	1.04	0.71	0.80	0.92	-0.12
Pacific	0.64	0.53	0.58	0.66	0.61	0.60	0.46	0.64	0.75	-	0.59	-
Saudi Medium												
North America	0.62	0.65	0.68	0.59	0.65	0.65	0.83	0.72	0.74	1.03	0.89	0.14
Europe	0.30	0.21	0.22	0.19	0.22	0.25	0.21	0.30	0.20	0.12	0.16	-0.04
Pacific	0.16	0.15	0.12	0.16	0.15	0.11	0.06	0.09	0.09	-	0.11	-
Saudi Heavy												
North America	0.33	0.31	0.30	0.30	0.33	0.34	0.24	0.20	0.21	0.31	0.32	-0.01
Europe	0.22	0.09	0.13	0.07	0.10	0.14	0.20	0.25	0.13	0.23	0.04	0.19
Pacific	0.12	0.09	0.10	0.11	0.10	0.13	0.07	0.12	0.10	-	0.09	-
Iraqi Basrah Light												
North America	0.27	0.71	0.61	0.41	0.70	0.75	0.57	0.61	0.63	0.47	0.88	-0.41
Europe	0.28	0.22	0.16	0.16	0.17	0.22	0.11	0.19	0.07	0.06	0.17	-0.11
Pacific	0.21	0.31	0.27	0.27	0.26	0.27	0.29	0.45	0.42	-	0.30	-
Iraqi Kirkuk												
North America	0.03	0.01	-	-	-	-	-	-	-	-	-	-
Europe	0.58	0.65	0.52	0.52	0.59	0.53	0.42	0.54	0.49	0.24	0.24	0.00
Pacific	-	0.01	-	-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-	-	-	-	-	-	-	-	-	-	-
Europe	0.26	0.31	0.25	0.30	0.26	0.29	0.15	0.22	0.07	0.15	0.41	-0.27
Pacific	0.08	0.12	0.12	0.17	0.10	0.12	0.10	0.14	0.15	-	0.12	-
Iranian Heavy												
North America	-	-	-	-	-	-	-	-	-	-	-	-
Europe	0.68	0.58	0.48	0.39	0.44	0.58	0.51	0.57	0.43	0.52	0.37	0.16
Pacific	0.39	0.38	0.34	0.38	0.36	0.36	0.27	0.34	0.49	-	0.50	-
Venezuelan Light & Medium												
North America	0.86	0.76	0.72	0.76	0.71	0.68	0.71	0.68	0.70	0.76	0.67	0.09
Europe	0.06	0.08	0.04	0.03	0.06	0.03	0.05	0.02	0.07	0.06	0.10	-0.04
Pacific	-	-	-	-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.50	0.38	0.50	0.46	0.43	0.48	0.62	0.62	0.63	0.63	0.54	0.09
Europe	0.08	0.05	0.06	0.05	0.06	0.09	0.05	0.07	0.02	0.05	0.05	0.00
Pacific	-	-	-	-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.62	0.53	0.66	0.50	0.70	0.76	0.69	0.64	0.67	0.75	0.60	0.15
Europe	0.15	0.14	0.17	0.18	0.15	0.19	0.15	0.11	0.22	0.13	0.11	0.02
Pacific	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	-	-	-
Mexican Isthmus												
North America	0.06	0.11	0.07	0.09	0.09	0.05	0.03	0.05	0.06	-	0.15	-
Europe	0.04	0.04	0.01	0.01	0.01	0.02	0.01	0.02	0.01	-	0.02	-
Pacific	0.03	0.01	0.02	0.04	0.02	0.01	0.01	-	0.04	-	-	-
Russian Urals												
North America	-	-	-	-	-	-	-	-	-	-	-	-
Europe	0.55	0.73	0.73	0.84	0.77	0.77	0.55	0.57	0.45	0.63	0.73	-0.10
Pacific	-	-	-	-	-	-	-	-	-	-	-	-
Nigerian Light²												
North America	0.47	0.40	0.65	0.57	0.71	0.81	0.53	0.51	0.53	0.55	0.24	0.31
Europe	0.35	0.32	0.36	0.43	0.25	0.33	0.41	0.54	0.30	0.38	0.44	-0.06
Pacific	0.01	0.03	0.01	0.02	-	0.00	0.02	-	0.06	-	0.06	-
Nigerian Medium												
North America	0.26	0.06	0.01	0.01	0.01	0.01	-	-	-	-	-	-
Europe	0.09	0.08	0.06	0.09	0.01	0.01	0.12	0.07	0.13	0.16	0.13	0.03
Pacific	-	-	-	-	-	-	-	-	-	-	-	-

1. Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the report.

IEA North America includes United States and Canada.

IEA Europe includes OECD Europe but excludes Hungary and Poland.

IEA Pacific includes OECD Pacific but excludes Korea.

2. 33 API and lighter (Bonny Light, Escravos, Qua Iboe, Oso Condensate)

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1998	1999	2000	1Q00	2Q00	3Q00	4Q00	Oct 00	Nov 00	Dec 00	Year Earlier Dec 99	change
OECD North America												
Venezuela	0.13	0.13	0.10	0.10	0.09	0.10	0.13	0.15	0.10	0.15	0.10	0.05
Other Central & South America	0.05	0.05	0.06	0.03	0.06	0.08	0.06	0.06	0.04	0.07	0.06	0.01
ARA (Belgium Germany Netherlands)	0.04	0.06	0.04	0.05	0.02	0.03	0.06	0.06	0.06	0.06	0.03	0.03
Other Europe	0.16	0.15	0.12	0.15	0.11	0.10	0.12	0.09	0.14	0.12	0.08	0.04
FSU	0.01	0.02	0.03	0.03	0.04	0.04	0.01	0.03	0.00	0.01	-	-
Saudi Arabia	0.08	0.11	0.06	0.06	0.07	0.07	0.06	0.07	0.09	0.02	0.09	-0.07
Algeria	0.00	0.00	-	-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00	0.03	0.01	0.04	0.03	0.04	0.03	0.05	0.03	0.01	0.03
Singapore	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.02	0.00	0.00	0.00
OECD Pacific	0.01	0.02	0.00	0.01	0.01	0.00	0.00	0.01	-	0.00	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.01	0.01	0.02	0.02	0.01	0.00	-	-	0.01	0.01	0.00
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total²	0.49	0.56	0.47	0.47	0.45	0.45	0.49	0.50	0.51	0.48	0.39	0.09
of which Non-OECD	0.28	0.35	0.31	0.27	0.32	0.33	0.32	0.35	0.30	0.32	0.28	0.04
OECD Europe												
OECD North America	0.00	0.00	0.00	-	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00	0.00	0.00	0.01	0.01	0.00	-	0.01	-	0.01	-
Non-OECD Europe	0.01	0.02	0.02	0.01	0.03	0.02	0.02	0.03	0.02	0.02	0.02	0.00
FSU	0.01	0.01	0.02	0.00	0.04	0.03	0.02	0.00	0.04	0.01	0.00	0.01
Saudi Arabia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00
Algeria	0.00	0.01	0.01	0.00	0.01	0.00	0.01	0.01	-	0.01	-	-
Other Middle East & Africa	0.00	0.00	0.01	0.01	0.00	0.01	0.00	0.00	0.00	0.00	-	-
Singapore	-	-	-	-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	0.00	-	-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-	-	-	-	-	-	-	-	-	-	-
Other	0.05	0.07	0.08	0.13	0.05	0.07	0.08	0.09	0.03	0.11	0.02	0.09
Total²	0.09	0.11	0.15	0.16	0.15	0.15	0.13	0.14	0.10	0.16	0.06	0.11
of which Non-OECD	0.09	0.11	0.15	0.16	0.15	0.15	0.13	0.14	0.10	0.16	0.06	0.11
OECD Pacific												
OECD North America	-	0.00	0.00	0.00	0.00	-	-	-	-	-	-	-
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-
Other Central & South America	-	-	0.00	-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-
FSU	-	-	-	-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.00	0.00	0.01	0.00	0.01	0.00	-	0.00	0.01	0.01	0.00
Algeria	-	-	-	-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	-	0.00	-	-	0.01	-	-	-	-	-	-
Singapore	0.01	0.02	0.02	0.01	0.04	0.02	0.01	0.01	0.02	0.00	0.01	-0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.00	0.00	-	-	-
Other	-	0.00	-	-	-	-	-	-	-	-	-	-
Total²	0.02	0.03	0.03	0.02	0.06	0.04	0.02	0.01	0.03	0.01	0.02	-0.01
of which Non-OECD	0.02	0.03	0.03	0.02	0.06	0.04	0.02	0.01	0.03	0.01	0.02	-0.01
Total OECD Trade²	0.60	0.70	0.65	0.65	0.66	0.65	0.65	0.65	0.64	0.66	0.47	0.19
of which Non-OECD	0.38	0.49	0.49	0.45	0.53	0.52	0.48	0.49	0.43	0.50	0.36	0.14

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1998	1999	2000	1Q00	2Q00	3Q00	4Q00	Oct 00	Nov 00	Dec 00	Year Earlier Dec 99	change
OECD North America												
Venezuela	0.07	0.06	0.06	0.07	0.05	0.05	0.07	0.05	0.06	0.10	0.04	0.07
Other Central & South America	0.00	0.01	0.01	0.00	0.01	0.00	0.02	0.02	0.01	0.04	0.00	0.04
ARA (Belgium Germany Netherlands)	-	0.00	0.01	0.02	-	0.00	0.00	-	0.01	-	-	-
Other Europe	0.00	0.00	0.01	0.01	0.01	-	0.00	0.01	-	0.00	-	-
FSU	0.00	0.02	0.02	0.03	0.02	0.01	0.03	-	0.04	0.06	0.01	0.05
Saudi Arabia	0.00	0.01	0.00	0.00	-	-	-	-	-	-	0.00	-
Algeria	0.00	0.00	0.00	0.01	-	-	0.00	-	0.00	0.00	-	-
Other Middle East & Africa	-	-	0.00	0.00	-	-	0.00	-	-	0.01	-	-
Singapore	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
OECD Pacific	0.00	0.01	0.00	-	0.01	0.00	0.01	0.02	-	0.01	-	-
Non-OECD Asia (excl. Singapore)	-	0.00	0.00	0.01	0.00	-	0.01	-	0.01	0.01	-	-
Other	0.00	0.00	-	-	-	-	-	-	-	-	-	-
Total²	0.09	0.11	0.12	0.17	0.09	0.08	0.16	0.11	0.14	0.24	0.06	0.18
of which Non-OECD	0.08	0.10	0.11	0.14	0.07	0.07	0.15	0.08	0.13	0.22	0.07	0.16
OECD Europe												
OECD North America	0.01	0.01	0.02	0.02	0.02	0.02	0.03	0.05	0.02	0.03	0.04	-0.01
Venezuela	-	0.00	0.00	0.00	-	-	0.00	-	-	0.00	0.00	0.00
Other Central & South America	0.00	0.00	0.00	0.01	0.00	-	0.00	-	0.00	0.00	0.02	-0.01
Non-OECD Europe	0.03	0.04	0.05	0.05	0.04	0.06	0.05	0.06	0.04	0.04	0.04	0.00
FSU	0.31	0.32	0.30	0.30	0.31	0.29	0.28	0.19	0.33	0.31	0.39	-0.08
Saudi Arabia	0.00	0.01	0.00	0.01	0.01	0.00	0.00	-	-	0.00	0.06	-0.06
Algeria	0.05	0.04	0.03	0.04	0.03	0.03	0.03	0.02	0.03	0.02	0.06	-0.03
Other Middle East & Africa	0.02	0.03	0.03	0.03	0.02	0.03	0.03	0.01	0.03	0.05	0.11	-0.06
Singapore	-	-	0.00	-	-	-	0.00	0.01	-	-	-	-
OECD Pacific	0.00	0.00	0.00	-	0.00	-	0.00	-	-	0.00	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00	0.00	-	-	0.01	0.00	-	0.01	-	0.01	-
Other	0.03	0.07	0.08	0.11	0.06	0.09	0.06	0.19	-0.04	0.03	-0.05	0.08
Total²	0.46	0.52	0.51	0.56	0.49	0.52	0.48	0.54	0.42	0.50	0.66	-0.17
of which Non-OECD	0.45	0.51	0.49	0.54	0.47	0.50	0.45	0.49	0.40	0.46	0.62	-0.17
OECD Pacific												
OECD North America	-	-	-	-	-	-	-	-	-	-	-	-
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-
Other Central & South America	-	-	0.00	-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-	0.00	-	-	0.00	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-
FSU	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.01	0.00	0.00
Saudi Arabia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00
Algeria	-	-	-	-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00	0.00	0.00	-	-	-	-	-	-	-	-
Singapore	0.01	0.02	0.01	0.01	0.02	0.02	0.01	0.01	0.01	0.02	0.02	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00	0.00	0.00	0.01	0.00	0.00	-	0.00	0.01	0.01	0.00
Other	0.00	0.00	0.00	0.00	-	-	-	-	-	-	-	-
Total²	0.02	0.03	0.03	0.02	0.04	0.02	0.02	0.01	0.02	0.03	0.03	0.00
of which Non-OECD	0.02	0.03	0.03	0.02	0.04	0.02	0.02	0.01	0.02	0.03	0.03	0.00
Total OECD Trade²	0.57	0.67	0.66	0.75	0.61	0.62	0.67	0.65	0.58	0.76	0.75	0.01
of which Non-OECD	0.56	0.64	0.62	0.70	0.58	0.60	0.62	0.58	0.56	0.71	0.73	-0.01

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1998	1999	2000	1Q00	2Q00	3Q00	4Q00	Oct 00	Nov 00	Dec 00	Year Earlier Dec 99	change
OECD North America												
Venezuela	0.03	0.03	0.03	0.04	0.03	0.01	0.04	0.03	0.04	0.04	0.03	0.01
Other Central & South America	0.02	0.02	0.01	0.01	0.00	0.02	0.02	-	0.02	0.03	0.00	0.03
ARA (Belgium Germany Netherlands)	-	0.00	0.00	0.00	-	-	0.00	-	-	0.00	0.00	0.00
Other Europe	0.00	-	-	-	-	-	-	-	-	-	-	-
FSU	0.00	0.00	-	-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.00	0.01	0.00	0.01	0.01	0.00	-	-	0.01	-	-
Algeria	-	0.00	0.00	0.01	-	0.00	0.00	-	-	0.00	-	-
Other Middle East & Africa	0.00	0.00	0.01	0.01	0.00	-	0.01	-	0.01	0.02	0.01	0.00
Singapore	0.01	0.02	0.01	0.01	0.00	0.00	0.01	0.01	0.00	0.02	0.05	-0.03
OECD Pacific	0.04	0.03	0.05	0.01	0.06	0.08	0.05	0.07	0.02	0.05	0.01	0.04
Non-OECD Asia (excl. Singapore)	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.02	0.01	0.01	0.00	0.01
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total²	0.11	0.11	0.12	0.09	0.12	0.14	0.14	0.12	0.10	0.18	0.11	0.07
of which Non-OECD	0.07	0.08	0.07	0.08	0.06	0.06	0.09	0.05	0.08	0.14	0.10	0.04
OECD Europe												
OECD North America	0.00	0.00	0.00	-	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Venezuela	0.00	0.01	0.01	0.00	0.01	0.02	0.01	0.00	0.02	0.00	0.01	-0.01
Other Central & South America	-	-	0.00	0.00	0.00	0.00	0.00	-	0.01	-	-	-
Non-OECD Europe	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
FSU	0.03	0.03	0.02	0.01	0.02	0.03	0.02	0.01	0.03	0.02	0.01	0.01
Saudi Arabia	0.01	0.01	0.02	0.01	0.03	0.01	0.01	0.02	0.02	0.00	0.01	-0.01
Algeria	0.01	0.01	0.01	0.01	0.01	0.02	0.01	0.02	0.01	0.00	0.01	-0.01
Other Middle East & Africa	0.04	0.03	0.07	0.05	0.07	0.08	0.08	0.08	0.07	0.08	0.05	0.03
Singapore	-	-	-	-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-	-	-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00	0.00	0.01	-	-	-	-	-	-	-	-
Other	0.01	0.02	0.04	0.03	0.02	0.05	0.04	0.05	0.06	0.03	0.02	0.01
Total²	0.10	0.12	0.17	0.12	0.17	0.22	0.18	0.19	0.21	0.14	0.12	0.02
of which Non-OECD	0.10	0.11	0.17	0.12	0.16	0.22	0.18	0.19	0.21	0.14	0.12	0.02
OECD Pacific												
OECD North America	-	-	0.00	0.01	-	-	-	-	-	-	-	-
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-
Other Central & South America	-	-	-	-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-
FSU	-	0.00	-	-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.01	0.00	0.01	-	-	0.00	-	0.01	-	0.01	-
Algeria	-	-	-	-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.02	0.01	0.02	-	0.00	0.01	0.01	0.01	0.02	0.03	0.00
Singapore	0.01	0.03	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.05	-0.04
Non-OECD Asia (excl. Singapore)	0.01	0.02	0.02	0.03	0.01	0.00	0.03	0.02	0.03	0.03	0.05	-0.02
Other	-	-	0.03	0.01	0.04	0.03	0.05	0.04	0.05	0.06	-	-
Total²	0.04	0.07	0.07	0.09	0.05	0.04	0.10	0.07	0.10	0.12	0.14	-0.02
of which Non-OECD	0.04	0.07	0.07	0.09	0.05	0.04	0.10	0.07	0.10	0.12	0.14	-0.02
Total OECD Trade²	0.26	0.30	0.37	0.30	0.33	0.41	0.41	0.38	0.42	0.44	0.37	0.07
of which Non-OECD	0.21	0.26	0.31	0.29	0.27	0.33	0.37	0.31	0.39	0.39	0.35	0.04

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1998	1999	2000	1Q00	2Q00	3Q00	4Q00	Oct 00	Nov 00	Dec 00	Year Earlier Dec 99	change
OECD North America												
Venezuela	0.06	0.06	0.06	0.05	0.05	0.04	0.09	0.11	0.08	0.07	0.02	0.05
Other Central & South America	0.08	0.05	0.07	0.04	0.05	0.08	0.10	0.10	0.10	0.09	0.04	0.06
ARA (Belgium Germany Netherlands)	0.02	0.01	0.01	0.00	0.01	-	0.03	0.03	0.03	0.03	0.01	0.02
Other Europe	0.03	0.01	0.03	0.01	0.02	0.05	0.05	0.07	0.03	0.05	-	-
FSU	0.01	0.02	0.01	0.01	0.01	0.02	0.02	0.05	0.01	-	-	-
Saudi Arabia	0.00	0.00	0.00	-	-	0.00	-	-	-	-	-	-
Algeria	0.03	0.04	0.05	0.04	0.05	0.05	0.05	0.07	0.02	0.05	0.02	0.03
Other Middle East & Africa	0.01	0.01	0.02	0.01	0.01	0.01	0.03	0.02	0.02	0.06	0.02	0.03
Singapore	0.00	0.00	0.00	0.01	0.01	0.00	0.00	0.00	-	0.01	0.01	0.00
OECD Pacific	0.00	-	-	-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01	0.01	0.00	0.00	0.00	0.02	0.00	0.02	0.03	0.01	0.02
Other	-	0.00	-	-	-	-	-	-	-	-	-	-
Total²	0.25	0.21	0.26	0.17	0.20	0.27	0.38	0.45	0.31	0.39	0.12	0.27
of which Non-OECD	0.22	0.19	0.21	0.16	0.17	0.22	0.31	0.36	0.26	0.31	0.12	0.19
OECD Europe												
OECD North America	0.01	0.02	0.01	0.03	0.01	0.01	0.02	0.03	0.01	0.01	0.04	-0.03
Venezuela	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.03	0.01	-	-	-
Other Central & South America	0.01	0.01	0.02	0.04	0.02	0.01	0.00	-	-	0.00	0.01	0.00
Non-OECD Europe	0.02	0.02	0.01	0.01	0.01	0.02	0.01	0.01	0.01	0.01	0.01	0.00
FSU	0.13	0.17	0.20	0.14	0.21	0.24	0.18	0.15	0.17	0.22	0.19	0.03
Saudi Arabia	0.01	0.00	-	-	-	-	-	-	-	-	-	-
Algeria	0.00	0.00	0.00	0.00	-	0.00	0.00	0.01	-	-	-	-
Other Middle East & Africa	0.08	0.08	0.07	0.06	0.07	0.07	0.07	0.07	0.09	0.07	0.05	0.01
Singapore	0.00	-	-	-	-	-	-	-	-	-	-	-
OECD Pacific	-	-	-	-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.02	0.00	0.00	-	-	-	0.00	0.01	-	-	-	-
Other	0.02	0.02	0.08	0.08	0.07	0.09	0.07	0.11	0.05	0.05	0.02	0.03
Total²	0.31	0.32	0.40	0.37	0.40	0.44	0.37	0.42	0.33	0.36	0.32	0.04
of which Non-OECD	0.31	0.31	0.38	0.35	0.39	0.44	0.36	0.39	0.32	0.35	0.28	0.07
OECD Pacific												
OECD North America	0.00	0.00	0.00	0.00	-	0.00	0.00	-	0.01	-	0.01	-
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-
Other Central & South America	-	-	-	-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-
FSU	-	0.00	-	-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-	-	-	-	-	-	-	-	-	-	-
Algeria	-	-	-	-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00	0.00	-	0.01	-	-	-	-	-	-	-
Singapore	0.01	0.01	0.01	0.01	0.02	0.01	0.00	-	0.01	-	-	-
Non-OECD Asia (excl. Singapore)	0.04	0.06	0.06	0.08	0.07	0.06	0.04	0.05	0.02	0.05	0.06	-0.01
Other	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.02	0.03	-	-	-
Total²	0.06	0.08	0.09	0.10	0.11	0.09	0.07	0.07	0.07	0.05	0.06	-0.01
of which Non-OECD	0.06	0.08	0.09	0.10	0.11	0.09	0.06	0.07	0.07	0.05	0.06	-0.01
Total OECD Trade²	0.62	0.61	0.75	0.64	0.71	0.80	0.82	0.94	0.72	0.80	0.51	0.30
of which Non-OECD	0.59	0.57	0.69	0.61	0.67	0.74	0.73	0.82	0.65	0.71	0.46	0.25

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

The monthly Oil Market Report is published on the responsibility of the Executive Director and Secretariat of the International Energy Agency. Although some of the data are supplied by Member Governments, largely on the basis of information received from oil companies, neither governments nor companies necessarily share the Secretariat's views or conclusions as expressed therein. ©OECD/IEA2001

12 April 2001

HIGHLIGHTS

- Global oil demand growth in 2001 has been cut by 85 kb/d to 1.33 mb/d. The expected fallout of the US economic slowdown on Asian economies should more than offset strong product demand for power generation in North America.
- World oil production increased by 890 kb/d in March, led by Iraq. OPEC crude supply gained 410 kb/d to 28.5 mb/d. OPEC 10 crude production dropped by 120 kb/d, but was still 650 kb/d higher than the March target of 25.2 mb/d. OPEC ministers met in Vienna and decided to cut production by a further 1 mb/d, effective 1 April.
- Crude oil prices fell in March, in large part due to refinery maintenance. Concerns about the world economy and future oil demand persisted. During the last half of the month, Atlantic Basin gasoline emerged as a key source of support for crude prices. March product prices declined, but less than crude prices. As a result, refining margins moved higher.
- According to preliminary estimates, February OECD industry stocks dropped by 9.3 million barrels, or 0.33 mb/d, from downwardly revised January figures. Product stocks fell more steeply than crude stocks rose. It was the third straight monthly draw for OECD industry stocks.
- The trade story has been US gasoline. The New York Harbour gasoline-to-crude price spread more than doubled in January, pulling 70% more finished gasoline imports from Europe and the FSU to North America than in December.

Next Issue: 11 May 2001



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

INTERNATIONAL ENERGY AGENCY



The IEA is Seeking an Administrator on Oil Security

The International Energy Agency (IEA) is seeking an Administrator for the Emergency Planning and Preparations Division of the Office of Oil Markets and Emergency Preparedness. The primary responsibilities of the position are to:

- Design and improve emergency response systems and strategies of the IEA and implement them in actual oil supply disruptions.
- Analyse specific oil, industry or market situations including oil stock, transport and refining systems from the viewpoint of emergency response.
- Draft reports and documentation for the IEA Standing Group on Emergency Questions and the Industry Advisory Board and its Sub-Committees, and participate in and report to meetings of these bodies.
- Prepare and participate in the review of IEA Member and non-Member countries' emergency response programmes and policies. Monitor the implementation of recommendations.
- Prepare for and participate in the periodic testing and training in IEA emergency procedures; maintain liaison with the national emergency organisations of Member countries and oil industry experts.
- Develop and maintain contacts with other parts of the Secretariat and with members of administrations and oil companies involved in IEA emergency response activities. Represent the IEA on emergency response issues at international workshops, training sessions and conferences. Participate in the development and the organisation of such events by the IEA.
- Act as Desk Officer for one or more IEA member countries, maintaining contact with officials of those countries, undertaking reviews of their emergency response policies and programmes.

The ideal candidate will have: an advanced university degree in economics, engineering or other relevant disciplines; a thorough knowledge of the economics, structure and operation of the international supply system for crude oil and oil products, including refining and transport; analytical abilities of political and/or technical issues applied in a policy context. The ability to work in a team is essential, as are excellent verbal and written communications skills in English and a working knowledge of French would be an advantage.

Nationals of OECD member countries* are eligible to apply.

Annual salary starts at FRF 330,000 to FRF 400,000 tax free, depending on qualifications and experience, plus allowances according to personal circumstances. Applications including CV, specifying the reference EPPD A2/3 should be faxed or emailed by 20 April 2001 to:

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Additional recruitment information can be found on our website, www.iea.org
Only short-listed candidates will receive an acknowledgement.

The OECD is an equal opportunity employer and encourages applications from female candidates.

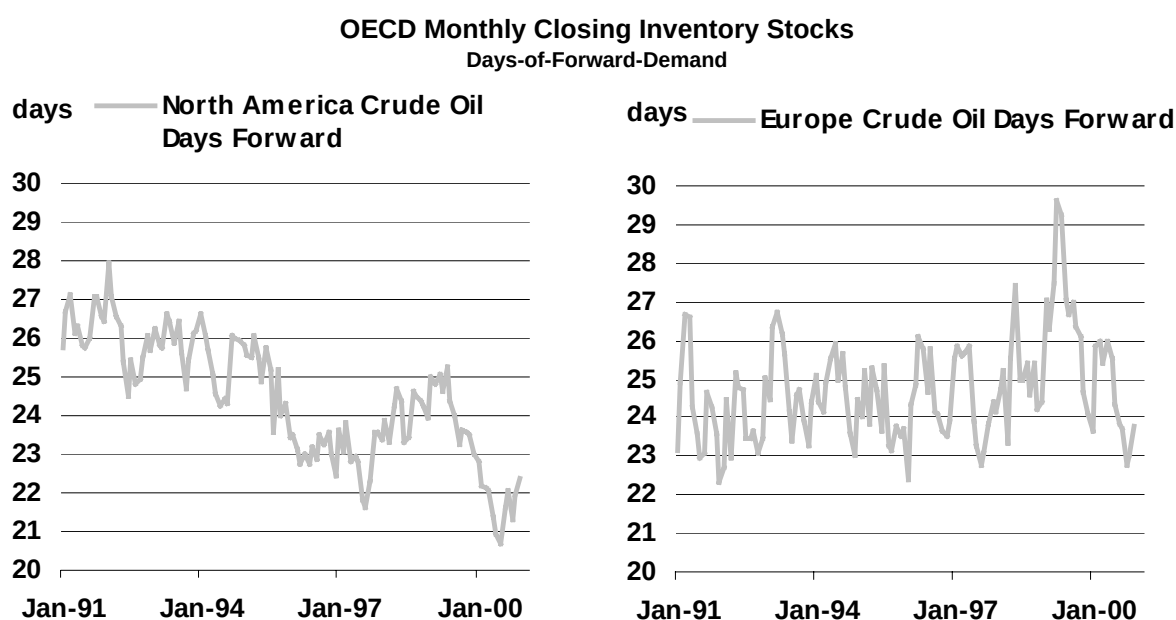
* Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States.

HOW LOW CAN THEY GO?

OECD industry stocks are low. By historical standards, they are low in absolute terms and even lower on a days-of-forward-demand basis. Low stocks contribute to volatility in supply and prices, which causes uncertainty and confusion in the market. Uncertainty fuels speculation, which leads to more volatility, which reinforces speculative pressures, and so on.

Crude oil stocks are low because supplies are tight. Consumers cannot build stocks if crude is unavailable. A tight market causes near-month prices to rise, pushing the market into backwardation. Backwardation distorts market decisions by placing a premium on short-haul crude creating a disincentive to build stocks, as commercial interests are unable to hedge forward without locking-in paper losses. This commercial disincentive reinforces the decline in crude stocks, especially for barrels destined to independent storage.

On a days-of-forward-demand basis, total OECD crude and product stocks are below what they were in 1996 and 1997 when high prices and improvements in information and communication technology, combined with cost-reduction programs, nudged industry in the direction of just-in-time inventory practices. These practices were momentarily overshadowed, however, as supplies increased and the Asian crisis constrained demand, pushing the market into contango.



With respect to the current situation, it is interesting that industry stocks across OECD regions have moved in different directions. On a days-of-forward-demand basis, North America has experienced the sharpest reduction, while European stocks have trended sideways. Government stock-holding policies account for the difference. Generally speaking, European governments require industry to hold minimum operating and strategic inventories. This establishes a floor for stocks. The situation is reversed in North America, where the government solely is responsible for managing US strategic reserves and industry is free to establish its own operating levels.

The underlying question remains: what are the minimum operating stocks, what are the optimum operating stocks, and are they necessarily the same?

It is widely expected that the US gasoline markets will be tight again this summer. Low stocks are contributing to a 'crisis' situation, first in gasoil and then in gasoline, as refiners attempt to balance their operations to meet peak seasonal product demand. Refiners on both sides of the Atlantic have had to adapt to the new market realities. They have shown remarkable flexibility and resilience. Nevertheless, tight crude and product stocks have contributed to significant uncertainty and end-user price volatility. This is a matter of concern for consumers, producers and governments alike.

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DEMAND

Summary

- This Report trims the assessment of world oil products demand growth in 2001 by 85 kb/d, to 1.325 mb/d. The drop reflects weaker than expected January deliveries in some countries, as well as expectations that the US economic slowdown, compounded by relatively high oil prices, will further reduce oil demand growth in those economies most dependent on US markets and on the strength of their communications and computer industries.
- While it appears that the economic slowdown in the US will be more protracted than expected, factors not directly linked with the performance of the economy, such as high natural gas prices and delivery concerns, have kept oil products demand in North America surprisingly buoyant. After growing 5.5% in January, North American demand gained another 3.2% in February, according to preliminary data. Early estimates point to robust US demand growth in March as well. Based on those early indications, the assessment of North American demand growth for 2001 is slightly raised, to 360 kb/d. That assessment assumes that the US economy will rebound in the second half. Should the economy suffer a more sustained downturn, oil demand growth would be lower.

Global Oil Demand from 1999 to 2001

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q99	75.8	3.1	2.3	-
2Q99	72.9	1.2	0.8	-
3Q99	74.0	1.3	0.9	-0.1
4Q99	76.5	1.5	1.1	-
1Q00	75.4	-0.4	-0.3	-0.1
2Q00	73.8	1.3	0.9	-0.1
3Q00	75.9	2.5	1.8	-
4Q00	76.4	-0.2	-0.1	-
1Q01	77.3	2.5	1.9	-
2Q01	74.9	1.4	1.0	-0.1
3Q01	76.6	0.9	0.7	-0.1
4Q01	78.1	2.3	1.7	-0.1
1999	74.8	1.7	1.3	-
2000	75.4	0.8	0.6	-
2001	76.7	1.8	1.3	-0.1

* year-on-year change

- In other OECD economies, oil demand growth continues to slow down. Comparatively robust oil products demand growth in January in the four largest European economies and OECD Pacific reflected mostly transient factors such as Y2K distortions in Japan and stockpiling of gas oil by German consumers. Absent those factors, oil products demand fell nearly 3% year-on-year in the four leading European economies in February, and edged lower in OECD Pacific as well, according to preliminary data.
- Oil demand growth in non-OECD economies appears most at threat from the spill-over effect of the slowdown in the US economy and recession concerns in Japan. Lower forecasts of GDP growth in such export-based, technology-oriented economies as Malaysia, Thailand or the Philippines for 2001 point to lower oil products demand growth there as well. Despite two consecutive drops in Chinese implied demand in December and January, Beijing's infrastructure projects should keep demand buoyant in 2001. But China too could see its growth stunted by the US woes. As a result, this Report cuts the assessment of non-OECD oil demand growth in 2001 by 90 kb/d.

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2000	1999	2000	2001	1999	2000	2001
North America	24.00	0.74	0.14	0.36	3.2	0.6	1.5
Europe	15.74	-0.18	-0.11	0.17	-1.1	-0.7	1.1
OECD Pacific	8.59	0.22	-0.04	0.14	2.6	-0.5	1.6
China	4.79	0.30	0.30	0.22	7.3	6.6	4.6
Other Asia	7.22	0.31	0.16	0.14	4.5	2.3	1.9
<i>Subtotal Asia</i>	20.59	0.83	0.42	0.49	4.3	2.1	2.4
FSU	3.52	-0.23	0.02	-0.05	-6.1	0.7	-1.4
Middle East	4.38	0.12	0.09	0.17	2.9	2.1	3.9
Africa	2.34	-0.02	0.01	0.05	-0.7	0.5	2.2
Latin America	4.80	0.02	0.02	0.13	0.4	0.4	2.6
<i>World</i>	75.38	1.28	0.58	1.33	1.7	0.8	1.8

OECD*Demand Growth Slows Down In February*

Early estimates of oil products deliveries from selected OECD countries confirm prior expectations that the strength of January oil products demand would fade in February. OECD oil products deliveries for January totalled 48.64 mb/d, up 415 kb/d, or nearly 0.9%, from the same month last year, according to final submissions from member countries. In February, deliveries totalled 49.62 mb/d, a gain of only 362 kb/d, or 0.7%, based on preliminary data from some of the largest OECD economies.

While demand growth followed the same downward trend in all OECD regions, the underlying dynamics of demand varied. In North America, exceptionally strong power generation demand for residual fuel and heating oil, due to high natural gas prices and delivery concerns, continued to fuel strong increases in demand at the margin, even though the pace of demand growth slowed a bit from 5.5% in January. Preliminary estimates of inland deliveries peg February demand growth at 3.2%, though a slightly more conservative estimate has been used here.

In the four largest European economies, a growth in consumption of 3% in January was nearly cancelled out by a symmetrical decline of 2.9% in February, based on preliminary estimates of inland deliveries. In sharp contrast with North America, the decline was led by a continued drop in demand for heating oil and residual fuel oil, the very products that propelled much of the growth across the Atlantic. Each of the economies in the group saw demand contract in February.

In the OECD Pacific, likewise, oil products demand swung from a steep gain in January to a slight contraction in February. Japanese demand growth of 11.6% exceeded expectations in January, but much of that gain stemmed from the abnormally depressed demand of January 2000, following precautionary stock building in December 1999 on Y2K concerns. Japanese demand fell back to 0.8% in February, according to preliminary reports. In Korea, revised submissions for January peg demand growth at a lower than expected 3.3%, and early estimates show that demand contracted by 3.8% the following month.

Preliminary figures for inland deliveries of petroleum products in the nine largest OECD markets during February show a total of 39.32 mb/d, up 1.2% on the year. As in January, much of the aggregate increase in demand reflects North American fuel switching by commercial and industrial power generators either unable or unwilling to process natural gas due to high prices and scarce supplies. Demand for residual fuel oil in those nine economies grew more than for any other product, up 7% to 3.19 mb/d, though much less than in January, when it soared by 12.5%. North America, more specifically the US, again accounted for virtually all of the increase. By contrast, demand continued to fall in Italy and France, reflecting in part a structural switch from oil to LNG and natural gas by power utilities. High precipitation volumes in Europe also insured adequate hydroelectric generation.

The second largest gain in demand was realised in jet/kerosene, with inland deliveries up 3.6% on average. Smaller jet/kerosene markets in each OECD region posted double-digit growth rates, including Mexico in North America, Korea in the Asia-Pacific, and Italy in Europe. Only Japan, the second largest market, showed a decline, down 1.4%, but that was on the heels of a 26.9% jump in January.

Preliminary Inland Deliveries – February 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	Mb/d	% pa	mb/d	% pa	mb/d	% pa	Mb/d	% pa	mb/d	% pa	Mb/d	% pa
United States ³	8.14	-1.0	1.72	5.5	2.58	2.4	1.45	17.3	1.03	33.4	5.05	2.7	19.97	3.5
Canada	0.65	1.3	0.12	0.9	0.40	-1.5	0.16	5.9	0.17	26.7	0.17	-17.3	1.66	0.7
Mexico	0.54	2.5	0.06	10.9	0.28	-1.4	0.00	-100.0	0.49	9.5	0.37	-2.4	1.74	2.7
Japan	0.98	2.0	1.11	-1.4	0.74	-2.6	0.67	1.4	0.58	-5.3	1.88	4.8	5.96	0.8
Korea	0.14	-17.2	0.06	14.3	0.34	-2.3	0.29	-24.7	0.39	5.4	0.97	1.9	2.19	-3.8
France	0.29	-3.1	0.13	3.8	0.58	3.3	0.43	2.3	0.07	-52.4	0.48	0.6	1.98	-2.5
Germany	0.62	-5.4	0.15	6.4	0.53	-2.3	0.56	-4.6	0.11	4.9	0.46	-4.3	2.43	-3.3
Italy	0.37	-3.5	0.07	13.0	0.40	2.5	0.16	-3.5	0.30	-16.1	0.50	1.4	1.80	-2.6
UK	0.49	0.7	0.33	5.8	0.32	-1.0	0.15	-16.4	0.04	20.4	0.25	-6.3	1.58	-3.1
Total	12.23	-1.0	3.73	3.6	6.16	0.6	3.87	2.1	3.19	7.0	10.15	-2.2	39.32	1.2

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, UK PIA, Italy Ministry of Industry, Statistics Canada, Mexico Pemex, Korea PEDCO

Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated

Demand for “other gasoil” grew much more slowly in February than in January, down to a growth rate of 2.1% from 8.8% a month earlier. The drop occurred despite wide increases in heating oil demand in the US and Canada on cold weather, and fuel switching, and reflects mostly lower demand growth in France and negative growth in Germany, following a surge in consumer stock piling in January.

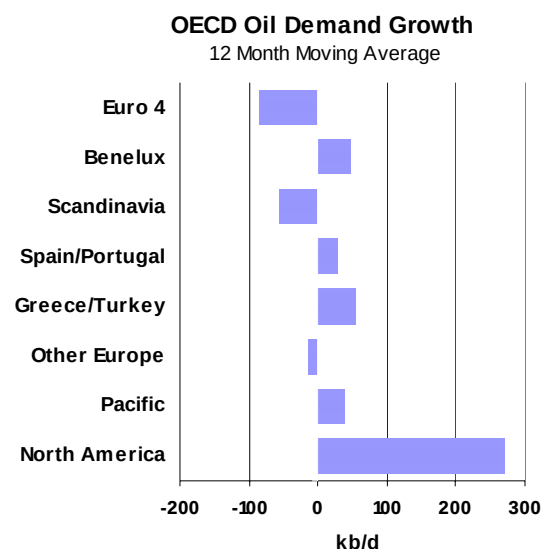
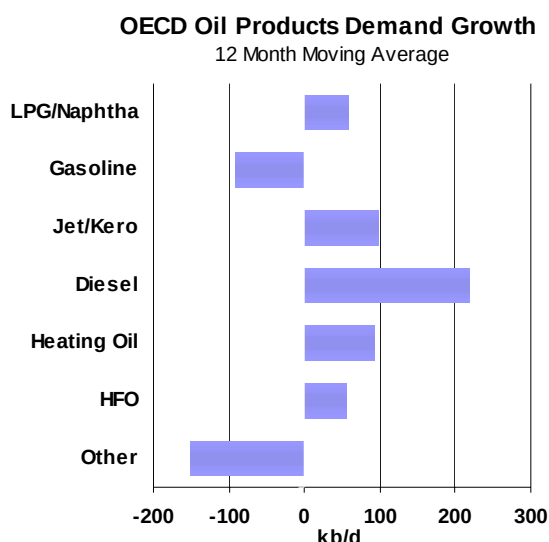
The effects of the economic slowdown and high oil prices seemed most tangible in the area of transportation fuels. Diesel and gasoline were among the weakest products in February, as lower manufacturing output cut into demand for the former and price effects helped cause a contraction in gasoline consumption. Gasoline demand declined substantially in Germany, Italy and France. In Korea, a steep contraction in February demand corrected a dramatic increase in the previous month.

Moving Annual Average Change in Oil Demand – February 2000

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-5.0%	16.8%	-0.3%	3.0%	4.6%	5.3%	11.3%	-4.4%	0.6%	129
Canada	15.9%	-5.9%	0.1%	0.1%	0.8%	6.8%	14.0%	0.3%	4.4%	90
Mexico*	1.0%	-53.9%	3.9%	3.9%	3.3%	3.3%	5.0%	-13.0%	1.9%	38
Japan	2.2%	2.2%	2.0%	3.8%	-2.2%	1.7%	-5.1%	-4.3%	0.2%	12
Korea	5.8%	4.0%	-2.9%	-8.3%	5.4%	-8.2%	3.0%	-41.9%	1.6%	33
France	-4.8%	1.2%	-4.9%	4.2%	0.9%	-1.2%	-16.7%	1.0%	-1.9%	-38
Germany	0.6%	0.4%	-4.8%	4.5%	7.2%	-0.7%	15.0%	-20.0%	-0.2%	-5
Italy	5.9%	9.4%	-4.7%	-1.6%	5.0%	-1.7%	-7.4%	4.3%	-1.0%	-18
UK*	-13.1%	-16.7%	-0.7%	7.5%	1.9%	1.9%	-14.6%	-2.7%	-1.5%	-25
Total	-1.1%	2.8%	-0.5%	2.6%	3.3%	1.8%	2.1%	-4.2%	0.5%	204
Kb/d	-48	71	-62	91	180	65	72	-165	204	

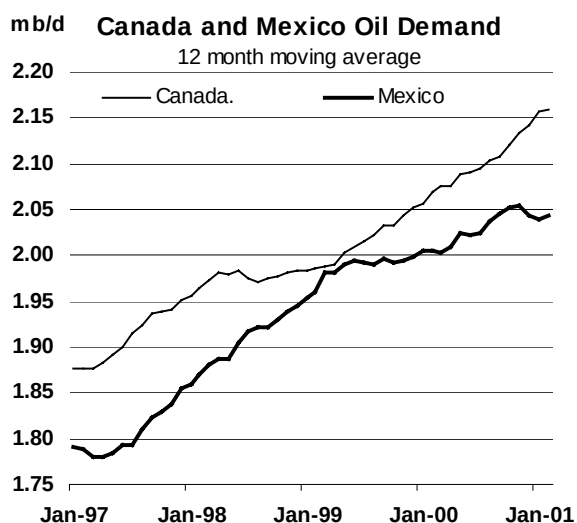
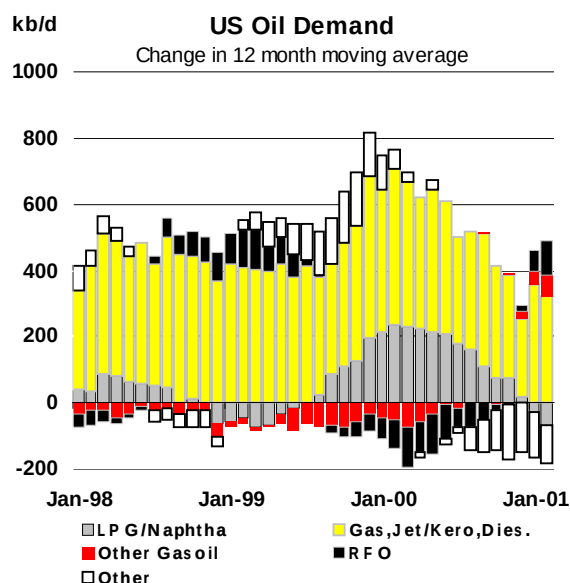
* near-month data are estimated

The protracted effects of the US natural gas price spikes helped push the twelve-month moving average of oil demand growth for the nine largest markets, shown above, further into positive territory in February. Product demand reached 0.5% growth on average in February, up from 0.4% in the previous month and negative growth in December. Demand growth for residual fuel oil showed the biggest month-on-month increase, up to 2.1% from 0.4% in January. The move is clearly an effect of high natural gas prices in North America. Conversely, LPG demand swung into decline, falling 1.1% in February after rising 0.6% in January, as heavy demand for natural gas absorbed LPG demand in the US. Demand for gasoline edged further down, falling by 0.2 percentage point, reflecting persistent contraction of demand across European markets. The moving averages of demand for diesel and jet/kerosene, both of which are seen as leading economic indicators, advanced further in February. That would seem to support the view that the slowdown in the major OECD economies might be nearing its end.



North America

Even as it has been weakened by reduced economic activity and lower industrial output in the US, North American demand has been bolstered at the margin by the US natural gas crisis – a growing imbalance between US gas supply and demand that has sent prices soaring and end-users scrambling for substitutes. Based on the strength of early estimates of first-quarter consumption, and reflecting the underlying severity of the gas problems, the assessment of North American oil products demand has risen marginally by 30 kb/d, even though the US economic slowdown now appears likely to be more protracted than it did earlier.



Prospects for North American demand for the remainder of the year depend mostly on two factors: how quickly the US economy will recover, and how fast the gas crisis will be resolved. The answer to the first question has become a cause of growing divergence among economists, in part because deep changes in the global economy make it hard to look for historical precedents. Economic indicators point in opposite directions. One indicator that had long remained positive, the strength of the US labour market, has weakened, as massive job cuts announced by a host of corporations start making their way into the unemployment statistics. On the other hand, industry-wide changes in inventory management in the age of the internet are a cause for optimism, fuelling hopes that corporations will be able to draw down stocks as quickly as they had built, paving the way to a rebound in industrial demand.

Also unclear is the degree to which natural gas prices and delivery problems will keep fuelling oil products demand. With the winter heating season now over, North American natural gas storage

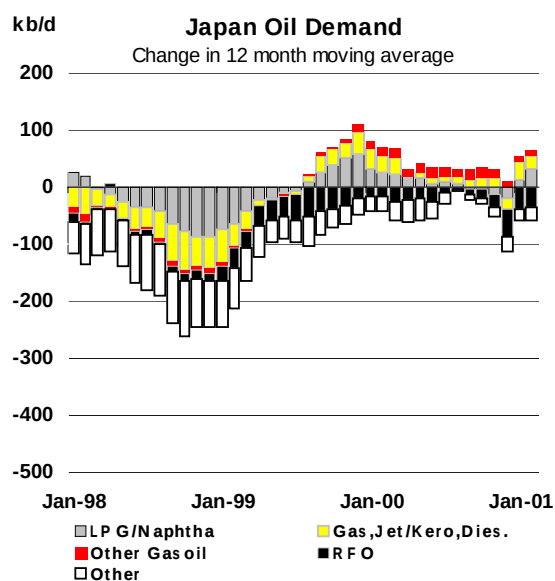
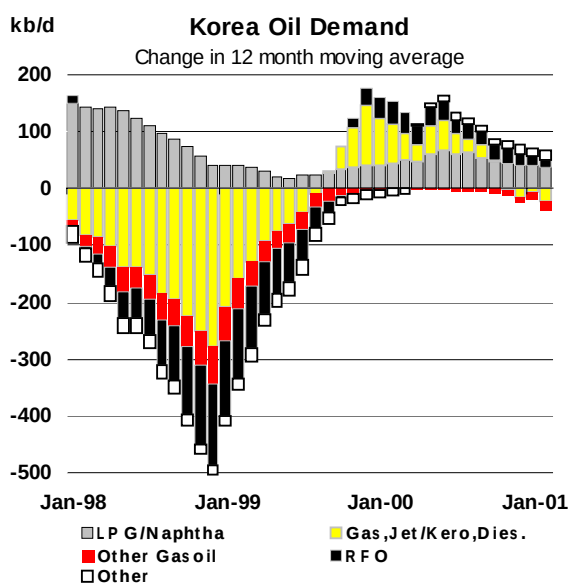
levels are refilling seasonally, leading to lower gas prices and less fuel switching demand. However, US natural gas demand is once again expected to surge during the summer cooling season, causing residual fuel oil and heating oil demand to rebound.

The present assessment of 2001 North American oil products demand reflects the assumption that the US economy will manage a U-shape recovery this year and that fuel-switching demand will continue to bolster oil consumption, albeit to a lesser extent than early this year. It also reflects the view that the strong growth indicated by early assessments of US gasoline demand in the first quarter is not sustainable. US gasoline demand jumped 6.3% in January. Preliminary estimates peg February demand down 1% but March demand up again strongly. Part of the gain, which runs contrary to the pace of US economic growth, reflects early stockpiling in anticipation of much higher gasoline prices this summer. Refinery switching from winter-grade to summer-grade gasoline may also have triggered a temporary demand surge for operational reasons.

Pacific

The assessment of demand growth in OECD Pacific has been trimmed marginally, reflecting early indications of slightly weaker than expected first-quarter deliveries in Korea, Australia and New Zealand. Japanese demand growth, while very strong in January, was distorted by the effects of Y2K precautionary stock building a year earlier, and slowed down dramatically in February. First-quarter oil products demand in the region is now pegged at 9.53 mb/d, up 250 kb/d on the year, but 20 kb/d less than earlier expected.

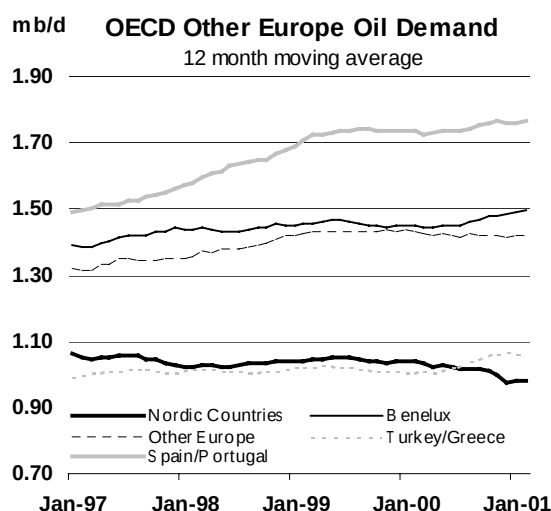
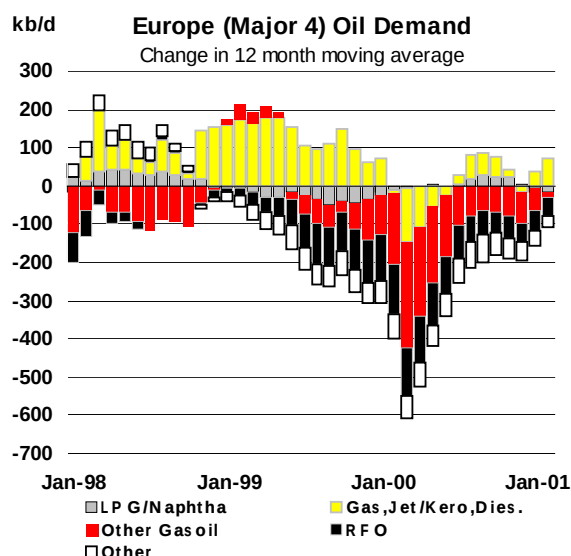
Due to the uncertainty of the economic outlook in North America, and because OECD Pacific economies are relatively diversified, no further major reduction has been made to the 2001 oil products demand assessment for those countries. Should the US or Japanese economies worsen, however, demand growth for the remainder of the year would be lowered.



Europe

While European economies are generally seen as relatively insulated from the vagaries of the US economy, oil products demand in OECD Europe was particularly weak in February. Unlike in the US, oil demand in OECD Europe received little support from the power industry. High precipitation volumes this winter and spring insured adequate hydroelectric production, while natural gas pricing pegged to oil on a lagged basis help stabilise utility demand for oil.

Much of the latest contraction in European demand also reflected policy shifts whose effects have been exacerbated or accelerated by high oil prices: on one hand, ongoing fiscal policies that encourage transportation fuel switching from gasoline to diesel, and on the other hand a deliberate shift by state utilities away from residual fuel oil toward natural gas and NGL for power generation. Residual fuel oil demand fell 18% in February in the four largest European economies, according to preliminary data, while gasoline demand continued to contract by 3%.



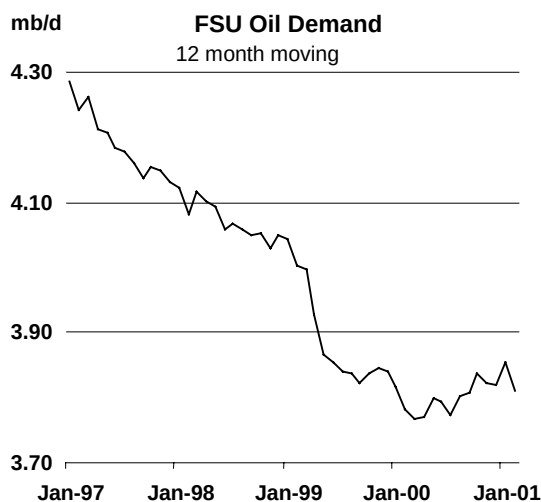
While influenced by high oil prices, those changes also stem from a structural shift in demand patterns, and thus are not directly related to the economic outlook. To a degree, European economies are sheltered from the direct effects of the turbulence befalling American or Asian markets, inasmuch as most of the European trade takes place internally, between European countries. However, despite a tightening of the labour market, most notably in France, European economies face their own set of downward looking economic indicators, including worsening consumer confidence indices and falling equity prices. Europeans also hold substantial equity investments in the US, and so downward revisions of OECD Europe oil demand estimates cannot be ruled out.

Non-OECD

Former Soviet Union

Apparent FSU demand of 3.56 mb/d in February was slightly higher than expected due to gains in crude oil production, but still only 1.7% higher than a year earlier. The increase was lower than the 4.5% posted in January, when apparent FSU demand reached 3.9 mb/d, its highest level since April 1998. For the full year 2001, FSU demand is still expected to contract by 1.4%, as the FSU continues to favour exports over domestic consumption. At the same time, higher oil revenues over the last year have failed to result in a corresponding increase in investments in areas other than the oil industry itself.

Anecdotal evidence points to pockets of demand strength for selected regions and products. Having successfully invested upstream in crude oil production over the last year, several Russian companies recently announced plans to boost downstream investments in domestic refining and marketing, in a bid to tap growing gasoline retail markets around Moscow and elsewhere. While internal Russian crude oil prices remain discounted compared to those in international markets, encouraging crude exports, domestic prices for refined products are closer to world prices, making domestic marketing of refined products financially more rewarding, especially in an environment of falling world prices.



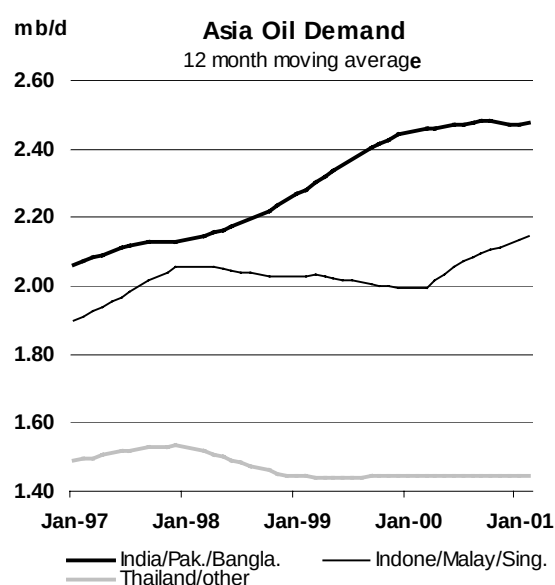
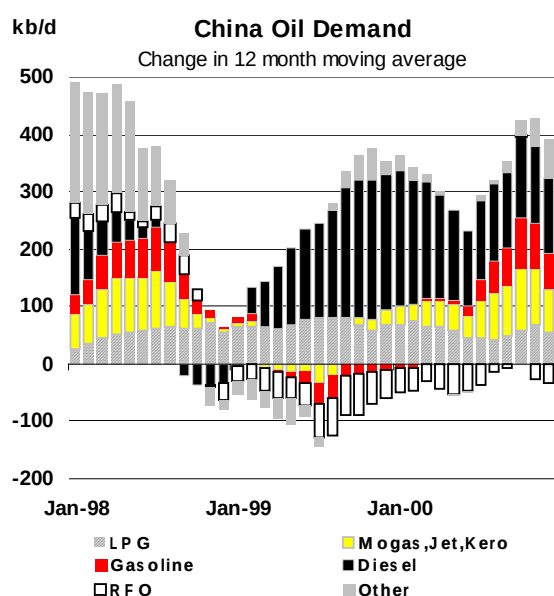
However, even if growth can be expected in FSU gasoline demand, such gains are unlikely to offset a policy-driven drop in oil demand for power generation, as natural gas and coal are being actively promoted to free up oil for export. Oil demand growth will also be affected by an expected slowdown in Russian GDP growth this year, as last year's rebound appears increasingly choked off by lack of investment. Russian industrial production rose only 0.8% in February year-on-year, its smallest gain since the end of the 1998 financial crisis. Official forecasts of GDP growth are now nearly half the rate of 2000.

China

Chinese implied demand edged down further in January, falling roughly 7% year-on-year to 4.52 mb/d, and extending the slowdown that led from double-digit growth rates last summer to 3% growth in November and a 5.5% decline in December.

However dramatic this recent development may look, Chinese oil demand is still likely to grow substantially in 2001. Deregulation of the Chinese oil market has led to dramatic month-to-month swings in import and implied-demand patterns, so that monthly data should be seen in perspective. The latest slowdown seems mostly to reflect an effort to draw down commercial products stocks that had been allowed to build dramatically at some refineries. This would pave the way for a resumption of implied demand growth once brimming storage terminals are emptied.

Like other Asian markets, China is partly dependent on US imports, so that any further decline in US economic activity carries potential implications for Chinese economic growth as well. In the case of China, however, the relationship between domestic oil demand growth and the US economy is especially difficult to pinpoint. Much of the country's near-term demand growth prospects appear tied to domestic infrastructure projects, rather than to short-term market developments.



India

Indian oil demand recovered slightly from a 3.6% drop in December to a 2.2% gain in January compared to the same month a year earlier, only to contract again, by 2.1%, in February. Demand for high-speed diesel, the mainstay of the Indian oil market, continued to fall beneath year-earlier levels in both months. The trend reflected the sustained appeal of trains (where prices are controlled) over trucks for commercial transportation, rather than reduced industrial output.

A potentially more worrisome sign of falling Indian demand may be found in the slowdown of consumer demand for cooking fuels. Unlike high-speed diesel, whose consumption steadily declined through most of last year, LPG, which is used in India predominantly for cooking and makes up a substantial part of the products mix, had shown dramatic demand growth over the last few years, often at double-digit rates. Growth in demand for LPG in February remained significant, at 3.8%, but was down sharply from 15.1% in January and 10.6% in December. Whether the drop is a one-off dip or the beginning of a trend remains to be seen.

Other Non-OECD

Even if the US and other developed economies manage to stage a quick economic recovery from the current slowdown, oil demand growth in export-based economies of the developing world may suffer from the dip for months afterwards. GDP growth forecasts for countries such as Malaysia, the Philippines, Taiwan and Thailand, all of which are heavily dependent on electronics exports, much of them to the US, have all been revised downward in recent weeks to levels well below last year's. The slowdown of the IT industry in the US might have only a marginal effect on oil demand growth. But for export-dependent countries, lower US corporate investment in IT infrastructure means less import demand, and can have a deeper impact on the economy. Slower exports are expected to result in slower private consumption and investment growth, higher unemployment, lower consumer confidence and internal demand. As a result, the assessment of 2001 demand growth in "Other Asia" – non-OECD Asia minus China - is revised down by a combined 70,000 b/d, to 1.9 mb/d.

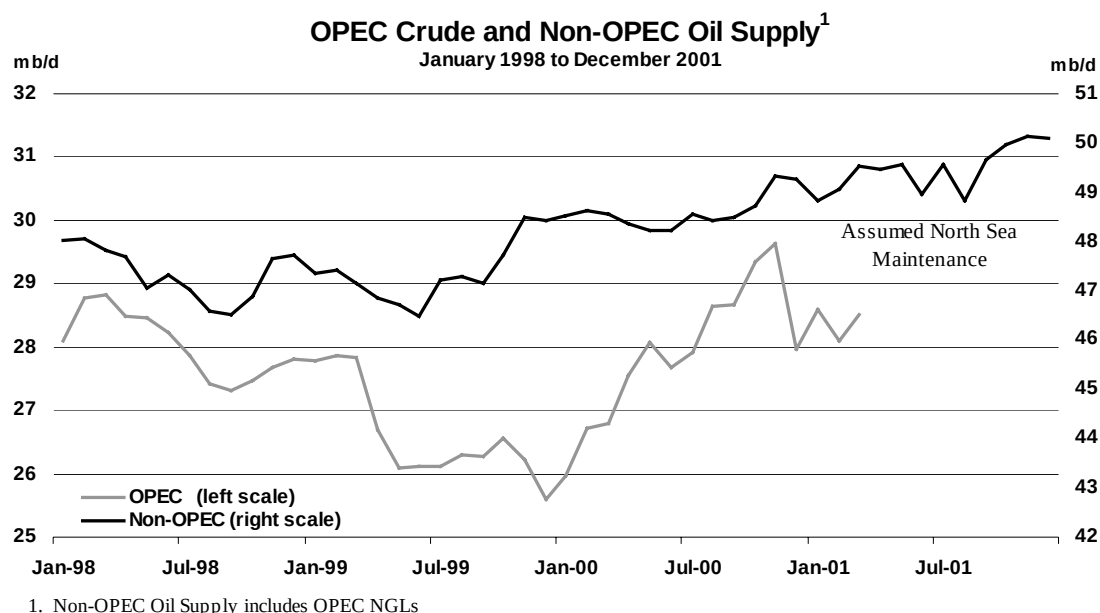
Summary of Global Oil Demand

	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
Demand (mb/d)																
North America	23.13	23.58	23.51	24.15	24.23	23.87	23.59	23.73	24.34	24.35	24.00	24.45	23.87	24.53	24.62	24.37
Europe	15.28	15.77	14.36	14.68	15.65	15.12	15.07	14.51	15.05	15.32	14.99	15.26	14.59	15.11	15.65	15.15
Pacific	8.41	9.40	7.86	8.16	9.10	8.63	9.28	8.03	8.29	8.75	8.59	9.53	8.06	8.36	8.96	8.72
Total OECD	46.82	48.75	45.73	46.99	48.98	47.61	47.95	46.27	47.68	48.42	47.58	49.24	46.52	47.99	49.23	48.25
FSU	3.73	3.63	3.28	3.44	3.66	3.50	3.55	3.41	3.46	3.68	3.52	3.65	3.41	3.34	3.51	3.48
Europe	0.76	0.80	0.74	0.69	0.74	0.74	0.81	0.75	0.69	0.75	0.75	0.81	0.76	0.70	0.76	0.76
China	4.19	4.38	4.61	4.33	4.64	4.49	4.73	4.55	5.05	4.82	4.79	4.77	4.98	5.02	5.27	5.01
Other Asia	6.75	6.98	7.08	7.05	7.10	7.05	7.10	7.30	7.27	7.19	7.22	7.25	7.33	7.41	7.43	7.35
Latin America	4.76	4.64	4.79	4.87	4.83	4.78	4.67	4.85	4.89	4.81	4.80	4.78	4.95	5.01	4.98	4.93
Middle East	4.17	4.26	4.35	4.37	4.17	4.29	4.26	4.41	4.52	4.33	4.38	4.41	4.58	4.70	4.50	4.55
Africa	2.35	2.32	2.31	2.32	2.36	2.33	2.37	2.32	2.32	2.35	2.34	2.40	2.35	2.38	2.42	2.39
Total Non-OECD	26.70	27.00	27.18	27.06	27.51	27.19	27.49	27.57	28.21	27.93	27.80	28.07	28.35	28.56	28.86	28.46
World	73.52	75.75	72.91	74.04	76.49	74.80	75.44	73.84	75.89	76.35	75.38	77.31	74.87	76.56	78.10	76.71
of which:																
US	18.92	19.21	19.22	19.80	19.83	19.52	19.11	19.29	19.82	19.80	19.51	19.88	19.39	19.94	20.03	19.81
Euro 4	8.67	8.96	7.89	8.21	8.76	8.45	8.37	7.99	8.35	8.46	8.30	8.40	7.94	8.29	8.66	8.32
Japan	5.52	6.17	5.02	5.24	5.86	5.57	5.98	4.98	5.38	5.60	5.48	6.20	4.99	5.34	5.65	5.55
Korea	1.92	2.26	1.85	1.94	2.20	2.06	2.31	2.04	1.93	2.16	2.11	2.34	2.04	2.03	2.29	2.17
Mexico	1.95	2.05	1.98	1.96	2.01	2.00	2.06	2.06	2.06	2.00	2.04	2.07	2.08	2.08	2.03	2.07
Canada	1.98	2.00	2.03	2.09	2.09	2.05	2.10	2.09	2.16	2.23	2.14	2.16	2.10	2.20	2.22	2.17
Brazil	2.08	2.02	2.09	2.14	2.14	2.10	2.02	2.12	2.18	2.21	2.13	2.18	2.24	2.28	2.20	2.20
India	1.84	2.04	2.00	1.94	2.01	2.00	2.09	2.04	1.99	2.07	2.05	2.16	2.10	2.18	2.16	2.14
Annual Change (% per annum)																
North America	1.9	4.1	2.3	3.0	3.5	3.2	0.1	0.9	0.8	0.5	0.6	3.6	0.6	0.8	1.1	1.5
Europe	1.8	2.5	-2.2	-3.3	-1.4	-1.1	-4.4	1.0	2.5	-2.1	-0.8	1.2	0.5	0.4	2.2	1.1
Pacific	-6.0	2.5	1.6	2.6	3.5	2.6	-1.3	2.1	1.6	-3.8	-0.5	2.7	0.4	0.8	2.4	1.6
Total OECD	0.3	3.3	0.7	0.9	1.9	1.7	-1.6	1.2	1.5	-1.1	-0.1	2.7	0.5	0.7	1.7	1.4
FSU	-1.6	-7.4	-10.2	-4.0	-2.9	-6.1	-2.0	3.8	0.8	0.5	0.7	2.7	0.0	-3.7	-4.5	-1.4
Europe	-2.8	-2.2	-2.4	-2.5	-2.5	-2.4	1.1	1.4	1.3	1.3	1.3	0.0	1.3	1.3	1.3	1.0
China	-0.4	9.7	10.7	6.7	2.5	7.3	8.1	-1.4	16.6	3.8	6.6	0.8	9.4	-0.6	9.2	4.6
Other Asia	1.1	6.2	5.2	4.9	2.0	4.5	1.7	3.1	3.1	1.2	2.3	2.1	0.4	1.8	3.3	1.9
Latin America	0.6	1.5	-0.5	-0.4	1.1	0.4	0.6	1.1	0.5	-0.4	0.4	2.4	2.1	2.5	3.5	2.6
Middle East	4.5	4.7	4.1	1.1	1.7	2.9	-0.1	1.2	3.5	3.7	2.1	3.7	3.9	4.0	3.9	3.9
Africa	2.9	-1.4	-0.9	2.2	-2.8	-0.7	2.1	0.1	0.1	-0.4	0.5	1.3	1.6	2.9	2.9	2.2
Total Non-OECD	0.9	2.7	2.0	2.0	0.7	1.8	1.8	1.5	4.3	1.5	2.2	2.1	2.8	1.3	3.3	2.4
World	0.5	3.1	1.2	1.3	1.5	1.7	-0.4	1.3	2.5	-0.2	0.8	2.5	1.4	0.9	2.3	1.8
Annual Change (mb/d)																
North America	0.42	0.93	0.52	0.69	0.83	0.74	0.02	0.22	0.19	0.12	0.14	0.86	0.15	0.19	0.27	0.36
Europe	0.27	0.39	-0.32	-0.49	-0.22	-0.16	-0.70	0.15	0.37	-0.33	-0.12	0.18	0.07	0.06	0.33	0.16
Pacific	-0.54	0.23	0.12	0.21	0.31	0.22	-0.12	0.17	0.13	-0.34	-0.04	0.25	0.03	0.07	0.21	0.14
Total OECD	0.15	1.55	0.32	0.40	0.92	0.80	-0.80	0.54	0.69	-0.55	-0.03	1.29	0.25	0.31	0.81	0.66
FSU	-0.06	-0.29	-0.37	-0.14	-0.11	-0.23	-0.07	0.12	0.03	0.02	0.02	0.10	0.00	-0.13	-0.17	-0.05
Europe	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01
China	-0.02	0.39	0.45	0.27	0.11	0.30	0.35	-0.07	0.72	0.18	0.30	0.04	0.43	-0.03	0.45	0.22
Other Asia	0.07	0.41	0.35	0.33	0.14	0.31	0.12	0.22	0.22	0.09	0.16	0.15	0.03	0.13	0.24	0.14
Latin America	0.03	0.07	-0.02	-0.02	0.05	0.02	0.03	0.05	0.03	-0.02	0.02	0.11	0.10	0.12	0.17	0.13
Middle East	0.18	0.19	0.17	0.05	0.07	0.12	0.00	0.05	0.15	0.15	0.09	0.16	0.17	0.18	0.17	0.17
Africa	0.07	-0.03	-0.02	0.05	-0.07	-0.02	0.05	0.00	0.00	-0.01	0.01	0.03	0.04	0.07	0.07	0.05
Total Non-OECD	0.25	0.71	0.53	0.52	0.18	0.49	0.48	0.40	1.15	0.42	0.61	0.58	0.78	0.35	0.93	0.66
World	0.40	2.26	0.85	0.92	1.11	1.28	-0.32	0.93	1.85	-0.13	0.58	1.88	1.03	0.67	1.74	1.33
Changes from Last Month's Report																
North America	-	-	-	-	-0.02	-0.01	-	-	-	-0.03	-0.01	0.17	-	-	-0.06	0.03
Europe	-	-	-	-	-	-	-	-	0.01	0.06	0.02	-0.02	-0.03	-0.02	0.06	-
Pacific	-	-	-	-	-	-	-	-	-	-0.03	-0.01	-0.02	-	-	-0.03	-0.01
Total OECD	-	-	-	-	-0.02	-0.01	-	-	0.01	0.01	-	0.13	-0.03	-0.02	-0.03	0.01
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-0.09	-0.01	-	0.01	-0.02
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-0.06	-0.08	-0.07	-0.06	-0.07
Latin America	-	-	-	-	-	-	-	-	0.01	0.01	-	0.01	-	-	0.01	-
Middle East	-	-0.01	-0.01	-0.01	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-0.01	-0.01	-0.01	-0.01	-0.01	-0.02	-0.02	-0.02	-0.01	-0.01	-0.16	-0.11	-0.09	-0.06	-0.11
World	-	-0.01	-0.01	-0.01	-0.03	-0.01	-0.02	-0.02	-0.01	-	-0.01	-0.02	-0.15	-0.11	-0.09	-0.09

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 78.21 mb/d in March, an increase of 890 kb/d from February. The bulk of the increase came from Iraq and the US. Iraqi supply rose by 530 kb/d, while US production increased by 320 kb/d. Two major incidents during the month, an offshore platform accident in Brazil and a stoppage of production at the Arun gas field in Indonesia, had only a limited volumetric impact.
- OPEC crude supply**, including Iraq, gained 410 kb/d to 28.51 mb/d in March, compared to an upwardly revised 28.10 mb/d for February. Iraqi exports under the UN “oil-for-food” programme were up 680 kb/d over the previous month and the country’s production is estimated to have averaged 2.66 mb/d. Excluding Iraq, OPEC production *dropped* by 120 kb/d, to 25.85 mb/d, still 650 kb/d higher than the March OPEC target of 25.2 mb/d. OPEC NGL production decreased by 60 kb/d, due to the loss of Arun Condensate. Meanwhile, in Vienna, OPEC ministers decided to cut production by 1 mb/d effective as of 1 April.
- Non-OPEC oil supply** rose by 540 kb/d to 46.81 mb/d in March. **OECD** output was up 470 kb/d. US NGL production increased by 280 kb/d in line with falling natural gas prices. North Sea production rebounded from February’s loss due to freezing temperatures. **Non-OECD** oil production was 70 kb/d higher. Brazilian production fell by 40 kb/d after the accident of platform P-36. Output increased in Colombia, Ecuador and Oman.
- The “**call on OPEC crude plus stock change**” for the second and third quarters of 2001 stands at 25.6 mb/d and 27.2 mb/d, respectively. The “call” for the two quarters remained unchanged, as downward revisions in total demand and non-OPEC supply cancelled each other out. The “call” for 2001 also remained unchanged, at 27.2 mb/d. Global demand in 2001 was lowered by 0.1 mb/d, while non-OPEC supply was reduced by 0.1 mb/d.



All world oil supply figures for March discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary March crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 100 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

OPEC ministers met in Vienna on 16 and 17 March and decided to cut production, excluding that of Iraq, by 1 mb/d from 1 April. The new production targets are shown in the table below. This reduction came on top of a 1.5 mb/d cut, which went into effect on 1 February. Five non-OPEC countries sent observers to the Vienna meeting; Angola, Kazakhstan, Mexico, Oman and Russia. Mexico was the only non-OPEC country to announce that it would cut its exports, by 40 kb/d to 1.71 mb/d from 1 April. An extraordinary OPEC meeting is scheduled for 5 and 6 June.

OPEC Crude Production

(million barrels per day)

	1 Feb 2001 Target	Cut	1 Apr 2001 Target	Mar 2001 Production	Sustainable Production Capacity ¹	Spare Capacity vs. 1 Apr 2001 target
Algeria	0.805	0.032	0.773	0.81	0.90	0.13
Indonesia	1.307	0.052	1.255	1.24	1.25	0.01
Iran	3.698	0.146	3.552	3.78	3.90	0.35
Kuwait ³	2.021	0.080	1.941	2.14	2.50	0.56
Libya	1.350	0.054	1.296	1.39	1.45	0.15
Nigeria	2.075	0.082	1.993	2.13	2.20	0.21
Qatar	0.653	0.026	0.627	0.71	0.75	0.12
Saudi Arabia ³	8.189	0.324	7.865	8.35	10.50	2.64
UAE	2.201	0.088	2.113	2.34	2.50	0.39
Venezuela	2.903	0.116	2.786	2.98	3.05	0.26
Subtotal	25.200	1.000	24.201	25.85	29.00	4.80
Iraq				2.66	2.80	0.14 ²
Total				28.51	31.80	4.94

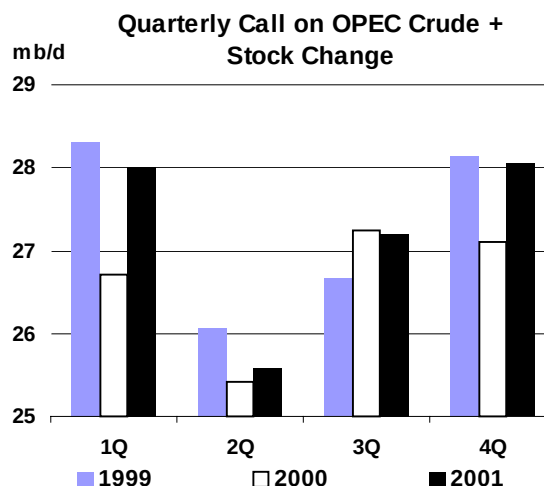
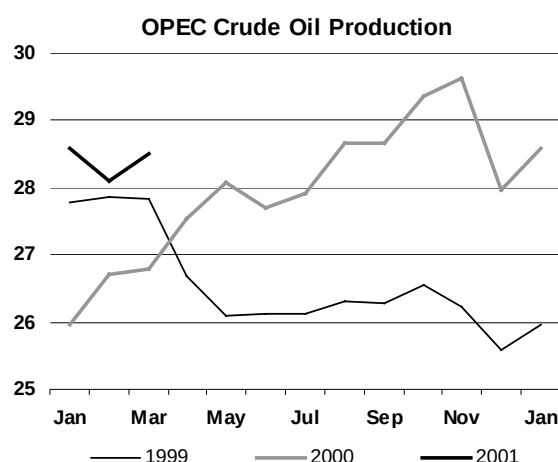
¹ Capacity levels can be reached within three months and maintained for more than six months

² Capacity versus March production

³ Includes half of Neutral Zone production

Preliminary estimates are that March OPEC crude supply excluding Iraq, decreased by 120 kb/d from the previous month, to 25.85 mb/d, 650 kb/d above the March target. Including Iraq, output averaged 28.51 mb/d, an increase of 410 kb/d. An increase of 530 kb/d in Iraqi production outweighed production decreases from the OPEC 10. OPEC crude production in February has been revised upwards by 290 kb/d from 27.81 mb/d in the last Report, to 28.10 mb/d. The UAE saw the largest upward revision, of 210 kb/d. Production volumes of Murban, Lower Zakum and Umm Shaif grades have been revised upwards. Iranian production was also increased by 140 kb/d. In contrast, Saudi Arabia had a downward revision of 90 kb/d. OPEC's production above target is having a bearish impact on prices. Concerns are being raised in producers' circles about the level of compliance and OPEC's ability to cut production in a high-price environment.

Saudi Arabian crude supplies (excluding the Neutral Zone, but including the Abu Safa field) are estimated to have increased by 110 kb/d to 8.01 mb/d, while **Iranian** output decreased by the same amount to 3.78 mb/d. Production from **Kuwait** (excluding the Neutral Zone) and **Nigeria** remained almost unchanged at 1.80 mb/d and 2.13 mb/d in March. **UAE** output fell by 110 kb/d from the upwardly revised 2.45 mb/d in February, to 2.34 mb/d.



Venezuelan supply remained unchanged at 2.98 mb/d. The Petrozuata project, a joint venture between US's Conoco and Venezuela's state-owned PDVSA to produce and upgrade Orinoco extra-heavy oil, dispatched its first shipment of 480,00 barrels of synthetic crude to Conoco's Lake Charles refinery on the US Gulf Coast in mid-March. In February, the joint venture completed construction of its upgrader located at the Caribbean port of Jose. The new facility can upgrade 120 kb/d of extra-heavy crude into some 103 kb/d of lighter synthetic crude.

OPEC Production Capacity Update

OPEC's sustainable crude production capacity by country is shown in the table above. Sustainable production capacity is defined as a level that can be reached within three months and maintained for more than six months. **Kuwaiti** production capacity rose by 0.30 mb/d from the estimates in November of last year, to 2.50 mb/d, with the completion of two crude and gas gathering stations in the country. **Venezuelan** and **Iranian** production capacity increased by 0.10 mb/d and 0.17 mb/d as foreign investment projects in the two countries started operating. The **UAE's** capacity was also up, as evidenced by recent strong performances. **Indonesia** was the only country among the OPEC 10 that saw a significant decrease in capacity, as the country's production could not catch up with the target increases during last year. Production capacity in other OPEC countries remained unchanged. As a result, OPEC crude production capacity, excluding that of Iraq, has been revised upwards by 0.57 mb/d to 29.00 mb/d, reflecting price effects and rising investment in the upstream sector.

Iraqi production capacity has been revised downwards by 0.20 mb/d to 2.80 mb/d, due to deteriorating conditions of reservoirs, production wells and facilities. Output from such fields as Rumalia and Kirk is reportedly declining at an annual rate of 10%. Virtually no work-over and drilling activities have been carried out since the Gulf War in 1991. Although the country's production averaged 2.8-3.0 mb/d last autumn, it was not sustained.

It is economic pressure, not resource-base constraints, which prevents **non-OPEC** countries, with the exception of Mexico, from having spare production capacity. This capacity means shut-in production wells and idle facilities. New oil field developments are usually multi-billion dollar projects, and companies want to recover their investment as quickly as possible, in order to improve project economics and company financial performance. They try to bring fields on-stream as early as possible and, once production starts, maintain the maximum rates under good reservoir management practices. Thus, although production capacity increases, *spare capacity* is rare in non-OPEC countries.

Iraqi output rose in March. Iraqi supply increased by 530 kb/d to 2.66 mb/d, including 2.01 mb/d of exports under the UN "oil-for-food" programme and 650 kb/d produced for domestic consumption and border trade. Based on UN data through 30 March, "oil-for-food" exports increased by 680 kb/d from the previous month. The March estimate of 650 kb/d for domestic consumption and border trade

is 150 kb/d lower than the February estimate. Iraq's border trade with Turkey was reportedly halted during most of March, due to economic uncertainty in Turkey. Turkish traders were unable to pay for crude and products in US dollars following depreciation of the Turkish lira. Trade resumed at the end of March as the Turkish Government raised its domestic fuel prices.

Indonesian crude output remained almost unchanged from the previous month, at 1.24 mb/d. In March, it was the country's LNG production, not its crude production, which attracted attention, as ExxonMobil halted its operation at the Arun gas field in northern Sumatra on 9 March and, on 12 March, evacuated expatriates and local workers due to a worsening security situation. Although the Indonesian military is guarding the field facilities and waging a campaign against the separatist Free Aceh Movement, it is not clear when operation will resume.

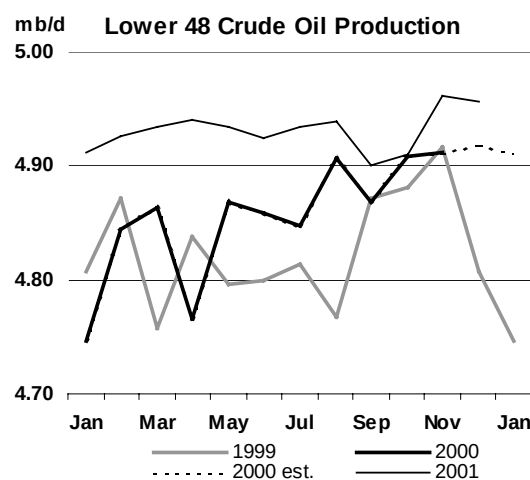
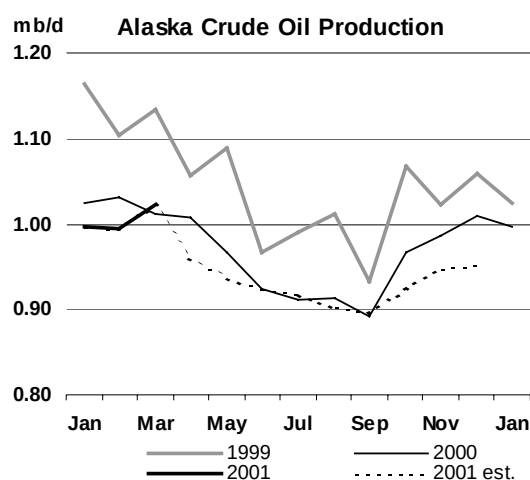
Indonesia is the world's largest LNG supplier, with exports of 27 million tonnes per year. The Arun gas field, with one of two LNG facilities in the country, supplies 5.8 million tonnes per year of LNG (140 kb/d oil equivalent) to Japanese and Korean utilities. The gas field normally produces 80 kb/d of NGLs called Arun Condensate. In March, it is estimated that NGL output averaged only 20 kb/d. Since LNG plants usually operate at capacity, little LNG is available on a spot basis and, therefore, the dependant utilities may have to substitute oil and coal for LNG if the outage continues. This disruption has had an impact on the regional oil market, with the Tapis-Brent differential widening in March. In addition to the Arun LNG, one of three trains of the North West Shelf LNG project in Australia was shut down for ten days in March, due to technical problems.

OECD

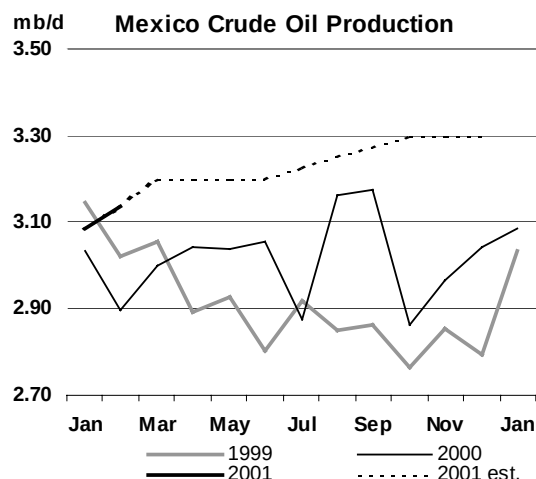
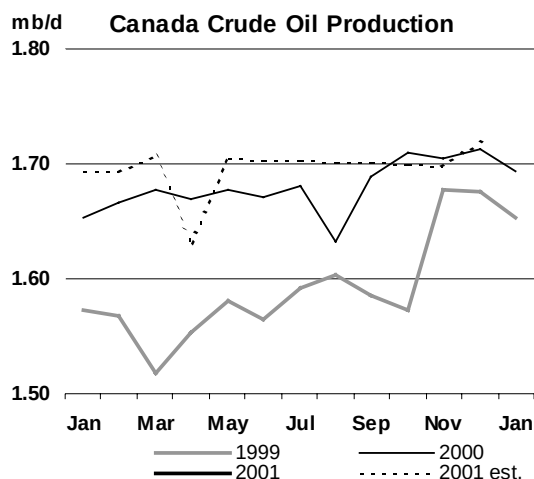
North America

US - March - Alaska actual, other estimate: US crude and NGL production is estimated to have averaged 5.96 mb/d for March, up 320 kb/d from the previous month. Crude production rose by 40 kb/d, while NGL production increased by 280 kb/d. Alaskan crude output increased by 30 kb/d to 1.02 mb/d. Prudhoe Bay production rose by 20 kb/d, while production at the new Alpine field continued its growth. Output from the Kuparuk field remained unchanged. In California, supply is estimated to have increased by 10 kb/d in March. Heavy crude producers that depend on steam injection resumed their operations as natural gas prices eased. Production in the Gulf of Mexico is estimated to have gained 10 kb/d, due to output from the new Hickory field, which came onstream in December. Crude output from the other states is thought to have declined slightly.

The latest data show that US NGL production in January fell by 200 kb/d from the previous month, to 1.38 mb/d. This is the lowest in more than two decades. High natural gas prices made it attractive for some natural gas processing plants, particularly on the US Gulf Coast, to leave more propane, ethane, butane and other components in the gas stream, selling "wetter" gas, and reducing the output of liquids. Output, however, was recovering in February and March due to falling natural gas prices, averaging 1.62 mb/d and 1.90 mb/d, respectively.



Canada - January actual, February and March estimates: Canadian crude production dropped in January by 20 kb/d from the previous month, to 1.69 mb/d. The bulk of the decrease came from the offshore Hibernia field, whose production fell to 130 kb/d from 140 kb/d. Synthetic crude production decreased by 30 kb/d to 330 kb/d. As in the US, high natural gas prices reduced Canadian NGL production to the lowest point in two years. January output averaged 680 kb/d, a decrease of 70 kb/d from December. NGL production is estimated to have recovered in February and March.



Mexico - February actual, March estimate: In February, Mexican crude production rose by 50 kb/d to 3.14 mb/d. The increase came from the Cantarell field complex, where a nitrogen injection project was under way. Full operation of the nitrogen generation plant started in December of last year. Crude production in March is estimated to have increased to 3.20 mb/d. Meanwhile, February NGL production fell by 20 kb/d from the previous month, to 430 kb/d.

Following OPEC's decision to cut crude production for the second time this year, Mexico announced on 23 March that it would reduce its crude exports by 40 kb/d, to 1.71 mb/d, from 1 April. Mexico had pledged to hold February and March exports at 1.75 mb/d, in line with the OPEC's previous production cut. Mexican exports averaged 1.75 mb/d for January and 1.76 mb/d for February. Mexico committed itself to curtail crude exports, not production. It is assumed that production will be put into inventory or used domestically, possibly offsetting natural gas as a fuel source.

North Sea

UK - January actual, February and March estimates: UK offshore crude and NGL production in January fell by 120 kb/d to 2.56 mb/d. Crude supply from the Forties system decreased by 30 kb/d to 770 kb/d, while that for deepwater West of Shetland dropped by the same amount to 170 kb/d. Offshore NGL production remained virtually unchanged. UK offshore crude and NGL production is estimated to have remained low, at 2.55 mb/d, in February because of freezing temperatures, but rebounded to 2.62 mb/d in March.

Norway - February actual, March estimate:

Norwegian crude production averaged 3.15 mb/d in February, down 170 kb/d from the previous month. The cold weather that hit the North Sea at the beginning of February had a large impact on production operations in the Norwegian sector. Production from the Oseberg-Troll Area fell by 60 kb/d, while that for the Haltenbanken Area dropped by 100 kb/d. March production is thought to have increased slightly to 3.16 mb/d.

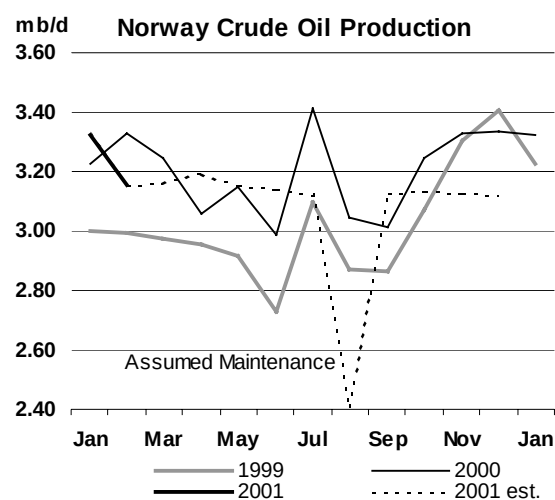
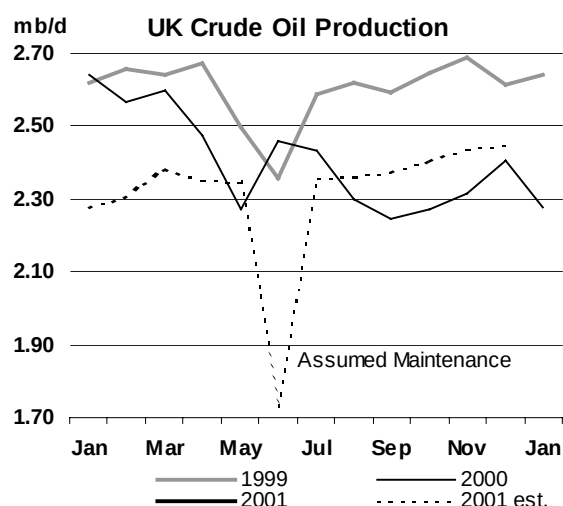
North Sea Oil Production Outlook

March - August 2001
(thousand barrels per day)

	Mar 01	Apr 01	May 01	Jun 01 ¹	Jul 01	Aug 01 ²
UK	2622	2571	2545	1910	2516	2521
Norway	3359	3401	3358	3345	3328	2557
Denmark	369	364	364	362	359	358
Other*	38	39	38	38	48	57
Total	6388	6374	6304	5654	6250	5492

1 offshore Netherlands and offshore Germany

2 includes assumed field maintenance



Pacific

Australia – January actual, February and March estimates: Australian crude production increased by 60 kb/d to 730 kb/d in January. Crude production is thought to have averaged 730 kb/d for February and 680 kb/d for March. Meanwhile, Australian NGL production rose by 20 kb/d to 80 kb/d in January.

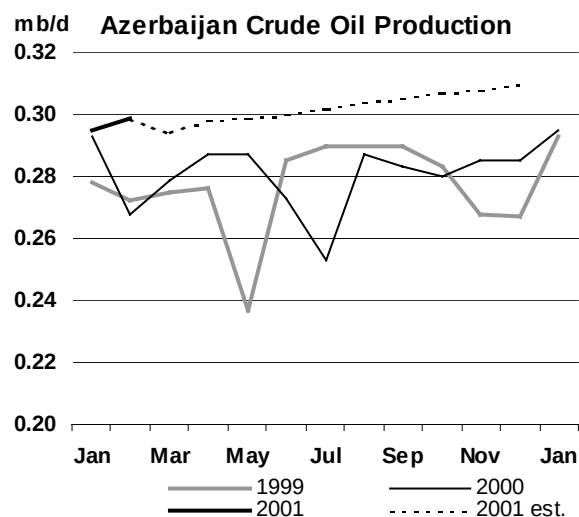
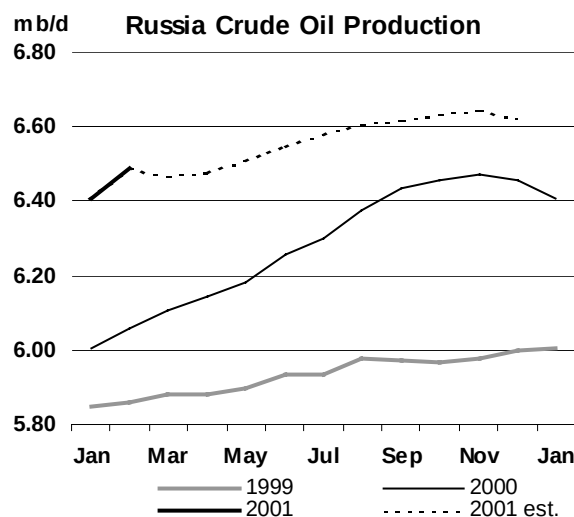
Former Soviet Union (FSU)

Russia - February actual, March estimate: Russian crude production rose by 80 kb/d to 6.49 mb/d in February. Most major oil companies increased output. Lukoil gained 30 kb/d, while Yukos bounced back from a loss in the previous month. Production from the Polar Lights, a joint venture between US's Conoco and Russian partners of Arkhangelskgeoldobycha and Rosneft, averaged 31 kb/d for the month, down 4 kb/d from January. The joint venture's Ardalín field began production in August 1994 under the arctic tundra environment of the Timan-Pechora basin, some 1,600 km northeast of Moscow. The field's cumulative production surpassed 10 million tonnes (75 million barrels) in February. TotalFinaElf's "Horizons 2 and 3" project at the Kharyaginskoye field in the same Timan-Pechora basin produced 11 kb/d of crude, almost unchanged from January.

Kazakhstan - February actual, March estimate: Kazakhstan's crude and NGL production in February rose by 30 kb/d to 800 kb/d. Crude production from the Tengiz field increased by 20 kb/d to 260 kb/d, after a loss in January. On 26 March, the Governments of Kazakhstan and Russia, as well as oil companies, celebrated the first crude injections into the CPC pipeline in Atyrau, a Kazakh town on the northern coast of the Caspian Sea. The 1,580 km pipeline connects the Tengiz field with the Russian port of Novorossiysk on the Black Sea and the first shipment out of the port is expected at the end of June. The new CPC blend is expected to be 42° API, compared to 33° API of the Russian Urals grade, which is also exported from Novorossiysk. Meanwhile, NGL production from the Karachaganak field remained unchanged at 130 kb/d.

In mid-March, Italy's ENI, operator of the Offshore Kazakhstan International Operating Company (OKIOC), announced that OKIOC had completed its second exploration well on the Kashagan structure and detected hydrocarbons at the location. A well testing programme will be undertaken following the completion of the logging activities. ENI said that it was too early to comment on the characteristics of the hydrocarbons found at the location and that further information would be available upon completion of the testing programme. The second well is situated some 40 km west of the first well, and the drilling rig will return to the region of the initial well to commence an appraisal drilling campaign.

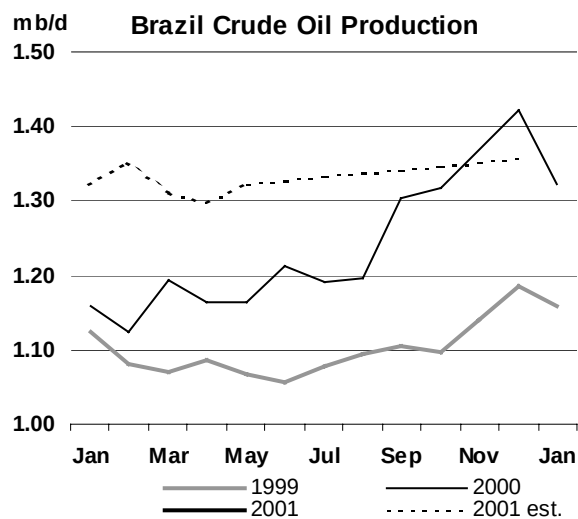
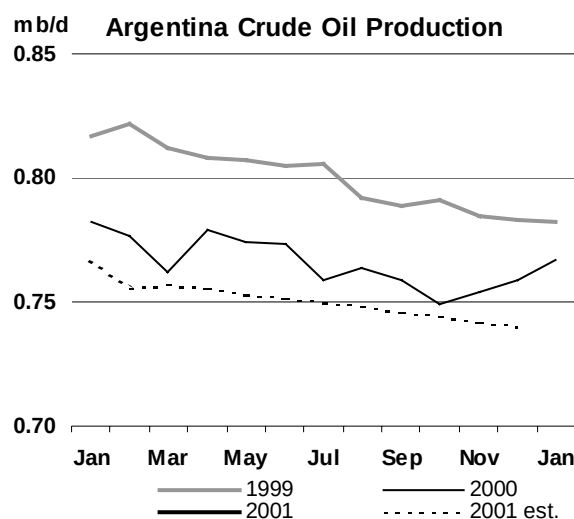
Azerbaijan - February actual, March estimate: February crude production in Azerbaijan was flat at 300 kb/d, including 180 kb/d from Socar-operated fields and 120 kb/d from the Chirag field, operated by the Azerbaijan International Operating Company (AIOC). AIOC started production from the Chirag-1 platform in November 1997 and has produced some 100 million barrels of crude to date.



Other Non-OPEC

Argentina – January actual, February and March estimates: Argentine crude production in January increased slightly by 10 kb/d from the previous month, to 770 kb/d. January's performance is not thought to represent a change in the declining trends, and February and March production is estimated to have fallen back to the December levels.

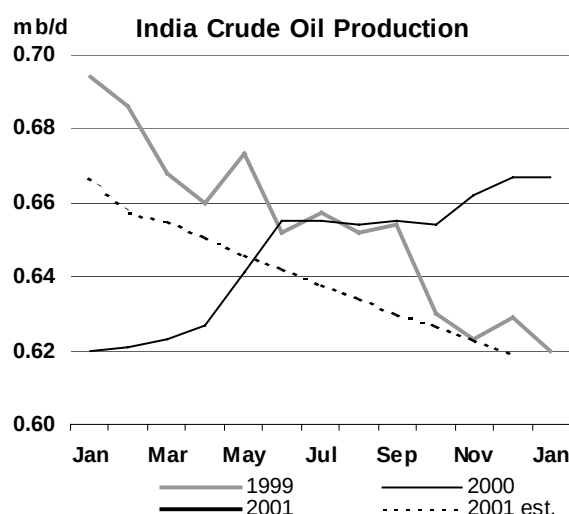
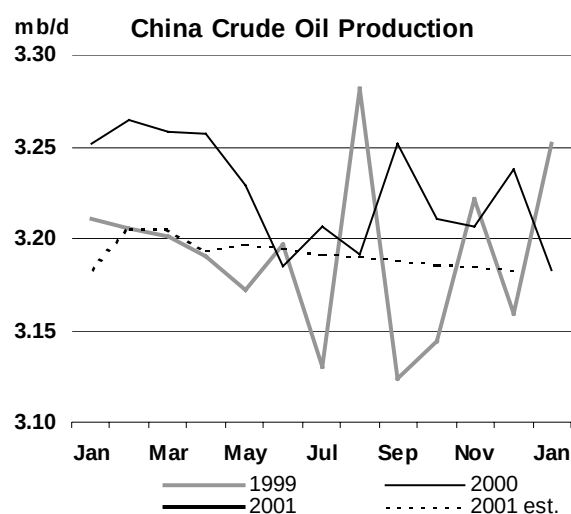
Brazil – January actual, February and March estimates: On 15 March, a series of explosions took place on Petrobras' P-36 production platform, operating at the Roncador field in the deepwater Campos basin offshore Rio de Janeiro. Despite rescue efforts, the world's largest offshore platform sank into the Atlantic Ocean five days later. Eleven workers were killed in the accident. Petrobras released the platform's daily logs, which reported a problem in its vent system three days before the accident. Brazil's National Petroleum Agency and Port and Coastal Authorities are investigating the accident.



The Roncador field, discovered in 1996, is one of the largest deepwater oil fields in the world, with proven reserves of 1.2 billion barrels. Development of the field is technologically challenging since the field is located at a water depth of 1,500-2,000 meters. It is at the Roncador field that Petrobras holds the world deepwater oil production record of 1,853 meters. P-36 was installed at the field in August 1999, and production started in May 2000. The platform was producing 80 kb/d of crude at the time of accident. Production from P-36 was expected to reach its peak of 180 kb/d by the end of 2003. Petrobras was planning a second phase development, in which production from the Roncador field would be raised to 370 kb/d by 2008.

Latest data from the National Petroleum Agency show that Brazilian crude production averaged 1.32 mb/d in January, after posting a record-high of 1.42 mb/d in December. January output fell, due to scheduled maintenance. February output is estimated to have increased by 30 kb/d from January to 1.35 mb/d and March production decreased by 40 kb/d from February due to the accident. Production estimates for the remainder of this year have been reduced by 80 kb/d, because of the loss of P-36. As a result, Brazilian production growth for 2001 is now estimated at 100 kb/d, a downward revision of 70 kb/d from the last Report. It is unclear at this time whether Brazil will be able to make up for the loss of the Roncador field by increasing production from other fields, or if the country's production will be lowered further in order to implement new safety measures in the wake of the P-36 accident.

Ecuador – January actual, February and March estimates: Ecuadorian crude supplies rose by 40 kb/d from the previous month, to 420 kb/d, in January. February output is estimated to have dropped by 40 kb/d, as indigenous protestors occupied oil fields and disrupted operations. In March, production is thought to have returned to the January levels.



Chinese – January actual, February and March estimates: Chinese crude production fell in January by 60 kb/d from the previous month, to 3.18 mb/d. Offshore output declined by 90 kb/d to 330 kb/d. In contrast, production from the onshore Daqing and Shengli fields rose by 10 kb/d and 20 kb/d.

India – January actual, February and March estimates: Indian crude output remained unchanged at 670 kb/d in January. Production from the offshore Bombay High field decreased by 10 kb/d to 340 kb/d; however, the loss was compensated by gains in onshore production.

Oman: Oman crude and NGL output in February is estimated to have remained unchanged at 970 kb/d. Last summer, Petroleum Development Oman (PDO), owned 60% by the Oman Government, started production from three new fields and raised the country's production to 1 mb/d. However, January and February output was lower, due to technical problems. Production is thought to have returned to 1.01 mb/d in March.

Revisions to Non-OPEC Oil Supply

Estimated non-OPEC supply has been decreased by 140 kb/d for 2001 and revised downwards by 10 kb/d for 2000. As a result, non-OPEC supply growth for this year is now estimated at 620 kb/d, some 130 kb/d lower than in the last Report. (For details, see the relevant country sections.)

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			this month v last month		
	2000	2001	01 vs. 00	2000	2001	01 vs. 00	2000	2001	01 vs. 00
North America	14.31	14.58	0.26	14.32	14.54	0.22	0.00	-0.04	-0.04
Europe	6.78	6.69	-0.09	6.78	6.63	-0.15	0.00	-0.07	-0.07
Pacific	0.85	0.83	-0.02	0.84	0.84	0.00	-0.01	0.01	0.02
Total OECD	21.95	22.10	0.16	21.94	22.01	0.07	-0.01	-0.10	-0.08
Former USSR	7.94	8.29	0.36	7.94	8.34	0.40	0.00	0.04	0.04
Europe	0.18	0.18	0.00	0.18	0.18	0.00	0.00	0.00	0.00
China	3.23	3.21	-0.02	3.23	3.19	-0.04	0.00	-0.02	-0.02
Other Asia	2.28	2.32	0.04	2.28	2.32	0.04	0.00	0.00	0.00
Latin America	3.77	3.88	0.12	3.77	3.83	0.06	0.00	-0.06	-0.06
Middle East	2.00	2.03	0.04	1.99	2.02	0.02	0.00	-0.01	-0.01
Africa	2.85	2.87	0.02	2.85	2.87	0.02	0.00	0.00	0.00
Total Non-OECD	22.24	22.78	0.54	22.24	22.74	0.50	0.00	-0.04	-0.04
Processing Gains	1.72	1.76	0.05	1.72	1.76	0.05	0.00	0.00	0.00
Total Non-OPEC	45.90	46.65	0.75	45.89	46.51	0.62	-0.01	-0.14	-0.13

OMR = Oil Market Report

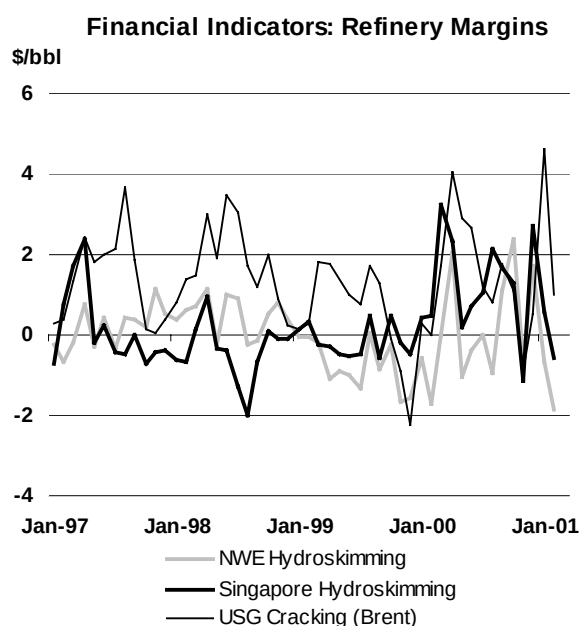
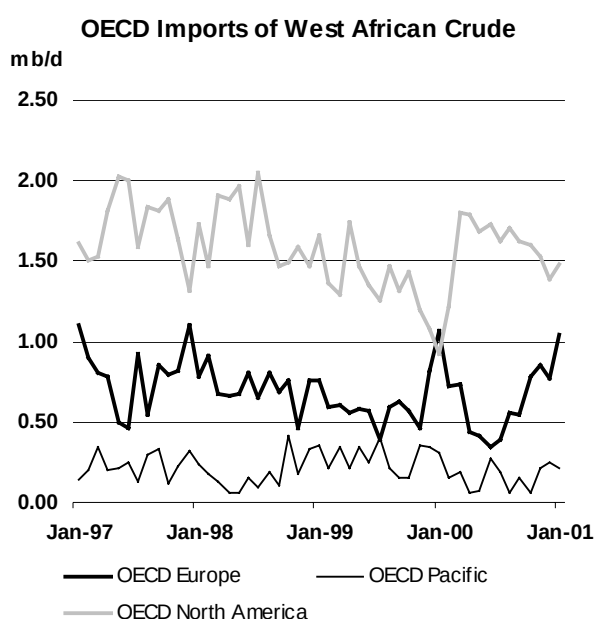
TRADE

West African Crude Trade

West African crude and NGL production currently totals 3.7 mb/d, of which three-fifths is Nigerian and one-fifth Angolan; Gabon, the Congo and Equatorial Guinea contribute the balance. Domestic requirements account for a relatively low share, leaving 90% for exportation. The region has good production growth potential, particularly from offshore deepwater blocks. In the latest such development, ExxonMobil on 3 April announced a tenth successful discovery well on their Angolan Block 15. Reserves in place are estimated at 3.5 billion barrels of oil-equivalent, or enough to support a production plateau totalling 300 kb/d.

West African crudes are light to medium in gravity and have extremely low sulphur content, making them easy for even unsophisticated refineries to process. The lightest crudes have high gasoline yields, while the medium gravity crudes have high gasoil yields. The United States and Europe are their traditional markets, but product demand growth and tightening product specifications in Asia have pulled the grades increasingly east.

In January, West African crude imports by refiners in OECD Europe hit their normal seasonal high of just over 1 mb/d. But mild weather in Europe reduced gasoil demand and the margin for a simple (hydroskimming) refinery in Rotterdam disappeared in January and became a nearly-\$2 loss in February. With the heating season essentially over for refiners, Europe would be progressively less interested in cargoes in February and March; this can be seen in the relative price of distillate-rich Nigerian Forcados crude, which slipped from a 15 cent premium to dated Brent in November to an 80-cent discount by March. With US gasoline stocks relatively low, North American buyers have been looking to increase their West African volumes, particularly of high-gasoline-yield crudes such as Nigerian Brass River. They will face increasing competition from Asian buyers for April and May cargoes.



Most of Asia's pull on West African crude shows up outside OECD trade statistics. Asian customers reportedly bought 600 kb/d in February and March, but that total jumped to 800 kb/d or even 1 mb/d in April, buoyed by a narrower Brent-Dubai differential and lower freight rates. Freight rates have softened from winter highs with refinery turnarounds and run cuts related to a seasonal decline in product demand and the slowing of the global economy.

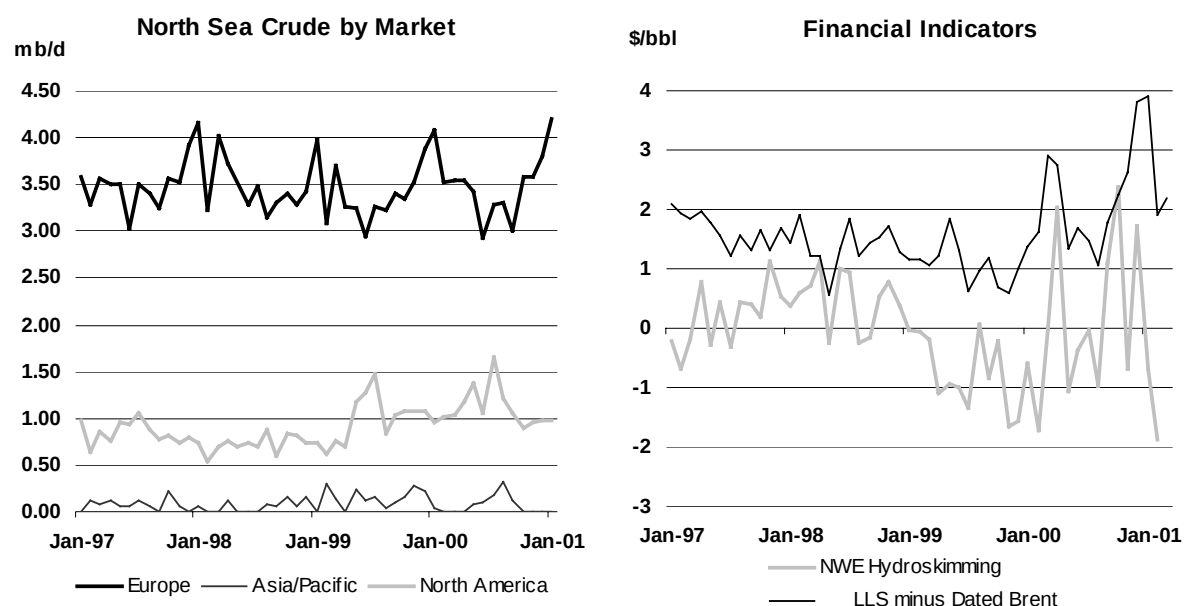
The Indian Oil Company normally runs 300 kb/d of West African crude, and the 500 kb/d Reliance refinery also buys Nigerian crude under term contracts. China imported about 250 kb/d last year, 70% of that Angolan, but may be taking as much as 400 kb/d in April. Taiwan's Chinese Petroleum

Corporation regularly runs light, sweet West African crudes such as Congo Djeno and Nigerian Odudu, reportedly buying 3 spot VLCC cargoes for April and May (about 90 kb/d) versus a “normal” closer to 200 kb/d. Indonesia’s state oil company Pertamina was buying similar spot volumes in April and May, with one May VLCC cargo of Nigerian crude and another of Algerian Saharan Blend, similar to Nigerian Brass River. Such crudes are typically sold on a delivered basis to the Far East at a negotiated differential to dated Brent, with the current May premium of roughly \$3 per barrel covering quality differences, insurance and freight.

West African crude also moves to Latin America. Brazil’s Petrobras is said to regularly import about 75 kb/d West African crude (two to three VLCC cargoes per month). In the near term, Petrobras is looking for incremental cargoes to blend with heavier Brazilian crude, making a ‘cocktail’ similar to the Roncador production lost with the March sinking of its P-36 offshore platform.

North Sea Trade

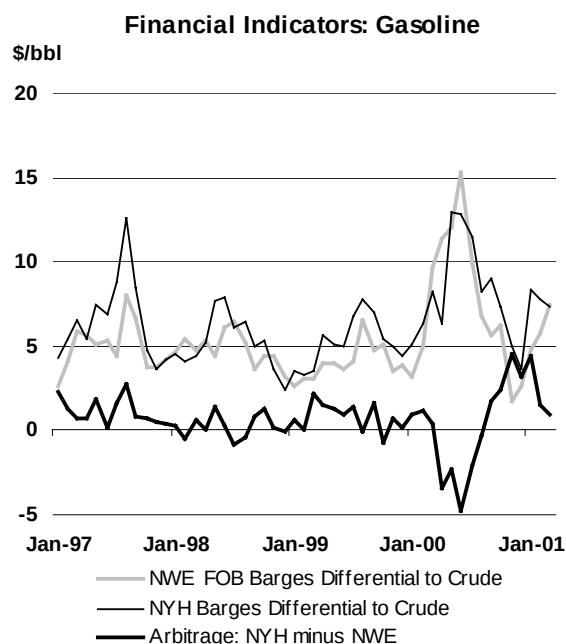
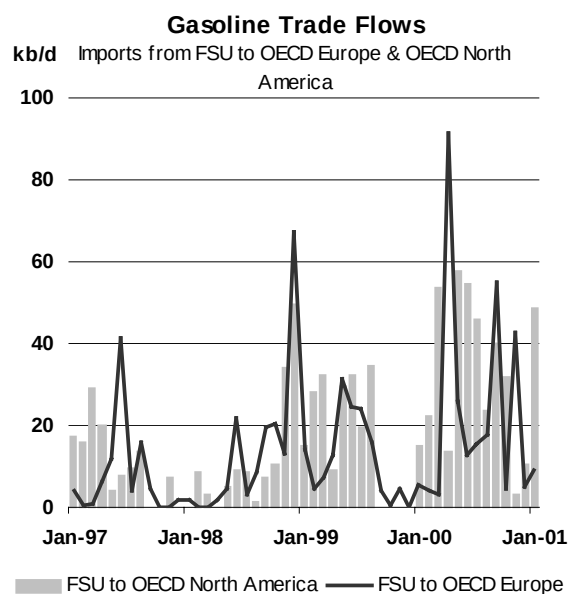
Deliveries of North Sea crude to OECD Europe peaked at 4.2 mb/d in January, just as deliveries to North America bottomed at 970 kb/d. From this point, European deliveries typically begin to fall toward their summer low of 3 mb/d, freeing up volumes for North America and to a modest extent for Asia/Pacific. January’s financial indicators signalled the changes to come. The average refining margin at a simple (hydroskimming) refinery in Northwest Europe collapsed over \$2 per barrel between December and January, and the premium of Louisiana Light Sweet on the US Gulf Coast to the price of Brent at Sullom Voe widened \$0.50 per barrel to \$3.71. These figures result from the supply push from North Sea crude in excess of European requirements (because the winter heating oil season is over, as signalled by shrinking European margins) and North American demand pull on North Sea crude as US refiners gear up for the summer driving season. This situation continued through February, with Rotterdam margins worsening to losses of nearly \$2 per barrel, and the LLS-Brent differential still wide enough, at \$2, to cover freight via a VLCC to the US Gulf Coast.



In March, dated Brent’s premium to Asian marker crude Dubai shrank to \$1 per barrel, making shipments to the Far East of Brent and Brent-related crudes once again economically viable. China reportedly came back into the market for at least one April cargo of Norwegian North Sea crude.

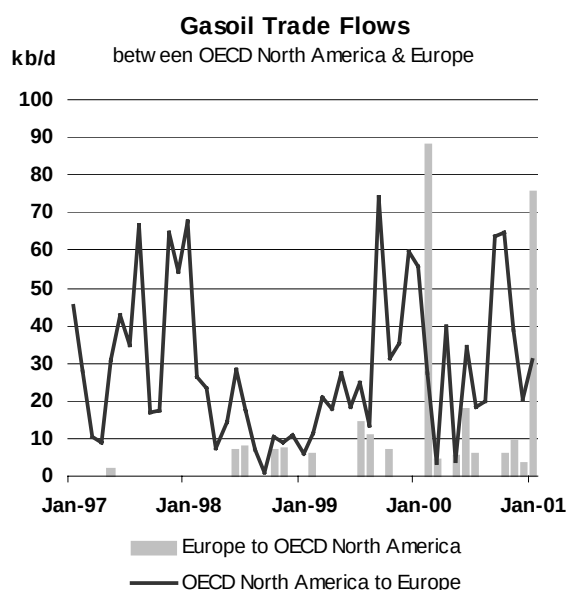
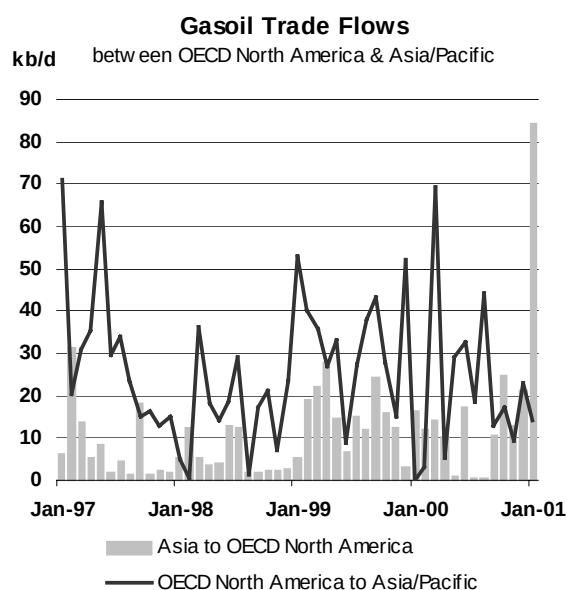
OECD Product Trade

The price premium of New York Harbour **motor gasoline** to crude more than doubled between December and January, enough to attract 270 kb/d of finished gasoline from Europe and 50 kb/d from the Former Soviet Union to North America: in combination 70% more than in December. Total US gasoline and blendstock imports averaged 540 kb/d in March, 8% more than in March 2000, yet East Coast stocks fell almost 7% short of year-earlier levels and Midwest stocks an even-steeper 10%. The Midwest shortfalls will tend to reduce the shipments of Gulf Coast gasoline to the East Coast, increasing imports.

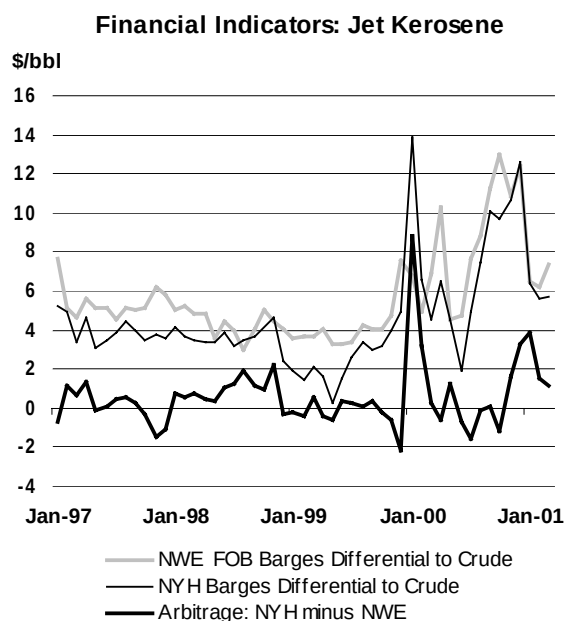
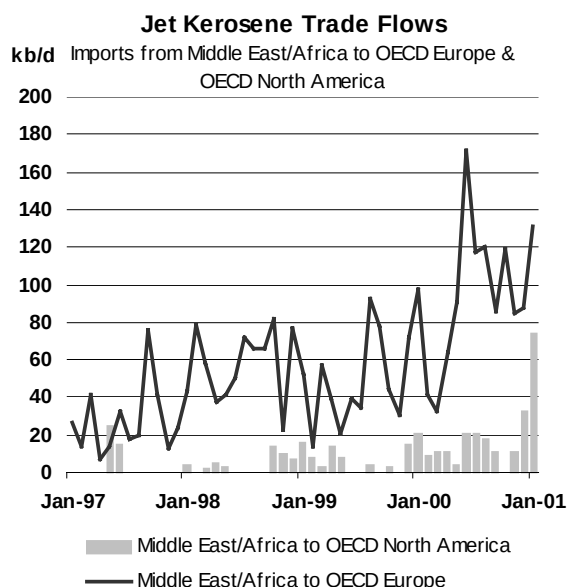


Turning to the US West Coast, the arbitrage between Los Angeles and Singapore held roughly constant between December and January but tripled to over \$15 per barrel in February on the back of strong West Coast gasoline prices. A spread this wide can attract 50 or even 70 kb/d of Asian finished gasoline, two to three times the normal level, and Chinese gasoline blendstocks are already moving. With West Coast refinery output limited by environmental pressure and some newly-built Asian refineries configured with tighter-specification export markets in mind, this is likely to be an expanding trade.

In January, **North American gasoil** imports surged, supported on both coasts by industrial switching away from extremely high-priced natural gas into distillate fuel oil. Imports from Europe shot from 5-10 kb/d in the fourth quarter to 75 kb/d in January, imports from Central and South America doubled to nearly 150 kb/d in December and January, and Asia/Pacific supply quadrupled from December to hit a record-high 85 kb/d in January. This spike in imports was required to support US deliveries of non-diesel gasoil averaging 1.6 mb/d in December and January, 220 kb/d more than a year earlier and more than 400 kb/d higher than as recently as November.



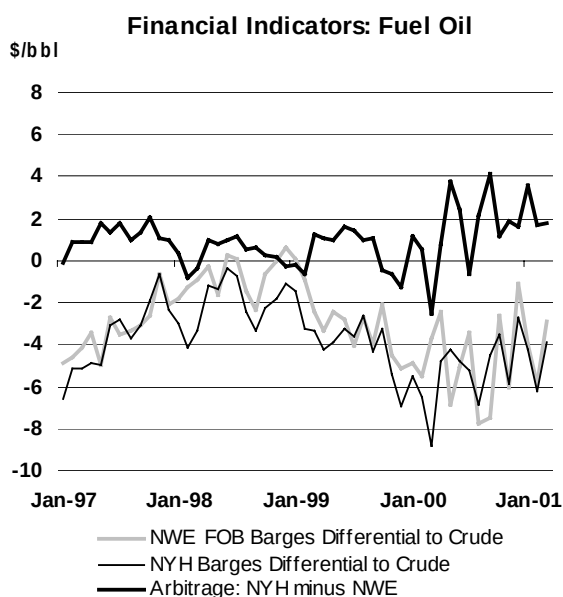
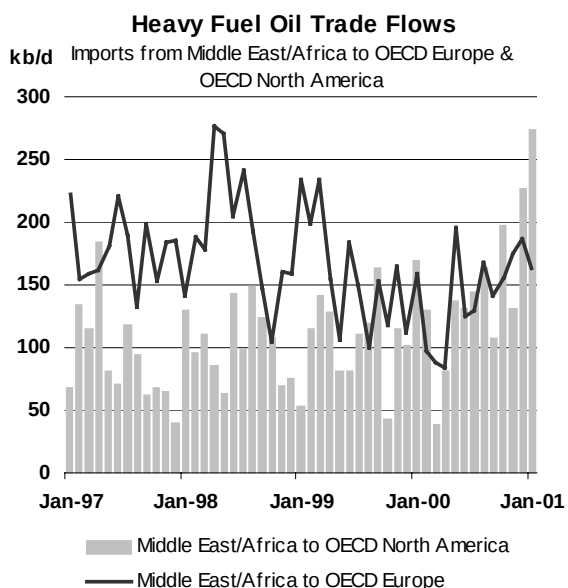
Last month's Report described the US West Coast's **jet** fuel shortage, created by tighter diesel specifications. OECD Europe has shown the same phenomenon, with total imports of jet kerosene stepping up from 230 kb/d in 1998 to an average 300 kb/d in 1999 and 2000, or over one-quarter of total demand. Denmark, one of the first to tighten standards with its ultra-low-sulphur "city diesel", became 100% dependent on jet imports despite local refineries.



As the right-hand graph indicates, jet fuel's price premium to crude in both New York and Rotterdam doubled between 1999 and 2000 with the 1 January implementation of the first phase of the European Union's Auto Oil Programme, when diesel specifications tightened.

Looking at swing supply from the Middle East and Africa (MENA), European jet imports from this refining region doubled from 1999 to an average 90 kb/d in 2000. January's sharp increases in MENA jet imports by both North America and Europe seem to have been motivated by spiking jet-to-crude price spreads earlier this winter. The flood of imports those spreads attracted halved the spread by January.

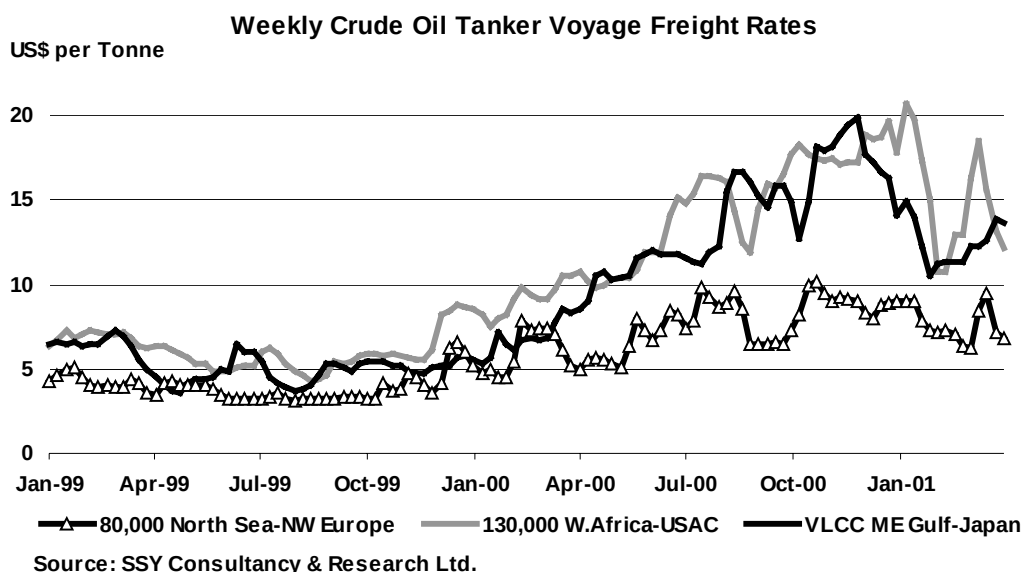
Middle East and African refiners are also major swing exporters of **heavy fuel oil**. With New York heavy fuel oil prices nearly \$4 above Rotterdam in December and a still-wide \$2 in January and February, MENA's shipments to North America averaged 225 kb/d in December and 275 kb/d in January, more than double October's volumes. The price signal results from utility and industrial buyers in North America seeking a lower-priced alternative to natural gas.



European fuel oil prices have been moderated by steadily-higher supplies of fuel oil from the Former Soviet Union. OECD Europe received an average 330 kb/d of fuel oil from the FSU between November 2000 and this January, nearly 15% more than a year earlier, despite European fuel oil demand in structural decline.

Freight

Spot freight for crude oil carriers peaked between mid-November and mid-January at rates two to three times those in January 2000, forced into price-rationing territory by winter-peaking product demand, low stocks, OPEC production increases that came late, and fleet limits. Spot rates for 250-280,000 dead-weight tonne (DWT) crude carriers from the Persian Gulf to Japan and the US peaked in mid-November at triple their January 2000 rates.



Over the same period, long-haul OPEC supply rose by 3.8 mb/d to 32.5 mb/d, while all other supply increased by only 0.7 mb/d to 46.6 mb/d. Freight rates lost support in December, January and February, when global supply averaged 1.7 mb/d less than in November, with 1.4 mb/d of the decline from OPEC. With cutbacks steepest in the Persian Gulf, spot rates for VLCCs from the Persian Gulf collapsed in January, with the price of fixtures to the US Gulf Coast declining a quarter, and those to Japan, by nearly half.

Trade in the FSU, China and India

According to preliminary statistics, net crude and product exports from the **Former Soviet Union** increased slightly to 4.3 mb/d in March, only 30 kb/d more than a year earlier. Bad weather continued to restrict tanker loadings in March, and Tengiz exports are being reduced by an average 100 kb/d as the pipeline and its associated storage facilities are being filled: a total requirement of 9 million barrels. In any case, the preliminary figures tend to be too low. Final figures for the twelve months ending November 2000 show net exports 0.6 mb/d higher than a year earlier. This increase results from much higher production and essentially flat demand.

In the medium term, all signs point to continuing increases in exports. Crude export duties were halved in mid-March and crude export restrictions are being loosened. The structure of pipeline tariffs is being changed to equalise rates between domestic and export shipments. Pipelines are beginning to use block rates (with unit rates declining as quantity increases) and long-term tariffs are being agreed. Export pipelines are under construction, including lines by-passing the high-cost Ukraine, and new export terminals are being added on the Baltic Sea, despite spare capacity at existing terminals averaging 35% last year. Capacity additions will pressure rates.

The physical infrastructure available to export Russian crude is being expanded dramatically and routes are being plotted to avoid transit through other CIS Republics. The 560 kb/d Caspian Pipeline designed to carry Kazakh and Russian crude to the Black Sea port of Novorossiysk is complete and being filled now. The first Caspian Pipeline Consortium (CPC) cargo may be loaded in late June or early July, with regular shipments beginning a few months later. Tengiz crude at 47 °API and 0.5%

sulphur is as light as high-gasoline-yield Nigerian Brass River, but when shipped mingled in the “Russian Urals” blend, emerges as only about 33 °API. CPC intends to have a “quality bank”, with shippers paying or being paid for the difference between the qualities of the crude they ship and that which they receive. Comprehensive quality-bank legislation has not passed Russia’s Duma, but CPC may do better, given deputy-premier Kristenko’s order that legislative obstacles to CPC be removed. Chevron declares itself unwilling to start up CPC until the issue is resolved.

Transneft is building a 500 kb/d pipeline bypass loop around the Ukraine to Novorossiysk, scheduled for completion by mid-year; tariffs will be substantially reduced. And the first stage of Transneft’s Baltic Pipeline System is under construction: a pipeline with initial capacity of 240 kb/d and a terminal at Primorsk, on the Gulf of Finland, designed for 150,000 DWT tankers. The first cargo is expected to be loaded by end-year. Initial capacity can be doubled via relatively inexpensive expansion of pumping capacity and the selective laying of parallel pipe. Transneft is also looking to create the capacity for Druzhba Adriatic-Mediterranean exports via the reversal of the existing Adria pipeline to the port of Omisalj in Croatia; this would be relatively quick and inexpensive, but the project is being delayed by the Ukraine’s unwillingness to agree to the same tariffs as accepted by the other republics that the route goes through.

Expansion of production capacity at the 400-million-barrel Kharyaga field is being made economic by Transneft’s agreeing to a fixed tariffs for ten years and the right to export 100% of its production. Such terms are highly unusual, though they may become less so as pipeline capacity expands. Certainly, Shell has not been able to strike a similar deal for its twenty-times-larger project in Western Siberia.

Net FSU Exports
(million barrels per day)

	2000	2Q00	3Q00	4Q00	1Q01	Dec 00	Jan 01	Feb 01 ^r	Mar 01 ^p
Black Sea Exports ¹	1.79	1.84	1.95	1.75	1.78	1.65	1.82	1.70	1.82
Baltic Sea Exports	1.37	1.51	1.42	1.16	1.30	1.19	1.22	1.34	1.34
Total Seaborne	3.16	3.35	3.37	2.91	3.08	2.84	3.04	3.05	3.16
Druzhba Pipeline ²	1.03	1.01	1.01	1.07	1.11	1.17	1.11	1.12	1.11
Other	0.12	0.09	0.19	0.13	0.05	0.09	0.04	0.05	0.05
Total Exports	4.31	4.46	4.57	4.12	4.24	4.10	4.19	4.22	4.32
Imports	0.02	0.01	0.01	0.04	0.01	0.02	0.02	0.01	0.00
Net FSU Exports	4.29	4.45	4.55	4.08	4.23	4.08	4.17	4.20	4.32
NB: Crude	3.05	3.07	3.10	3.08	3.09	3.09	3.16	3.03	3.08
Products	1.24	1.38	1.45	1.00	1.14	1.00	1.02	1.18	1.24

¹ Includes a small amount of non-Russian crude oil exports
^r revised

² crude oil only
^p preliminary

With the Tengiz field now linked to the Russian Black Sea port of Novorossiysk via the new CPC pipeline, attention is turning to the effect the incremental volumes will have on tanker traffic through the Straits of the Bosphorus. Most of the concerns relate to the pipeline’s ultimate capacity of 1.35 mb/d (67 million tonnes per year: itself alone, 80% as much as total Bosphorus transit volumes last year). Initial pipeline capacity will be only 560 kb/d; given Tengiz’s 240 kb/d current production and making an allowance for production increases and the inclusion of other crudes, initial throughput is likely to be 300-400 kb/d, and increases in pipeline throughput will slow when tanker traffic becomes limiting. Worries about the effect on the tanker market, if the production should go to the Far East, have also been floated. It seems far more likely that the crude will continue to go to Europe and occasionally North America, with production increases freeing up swing crudes such as West African for Far East destinations. Chevron, for one, hopes with the quality improvement to increase sales of CPC blend to Northwest Europe, pulling volumes away from less sophisticated Mediterranean refineries.

In **China**, refinery runs in January were 335 kb/d lower than a year earlier. The run cut primarily affected production of fuel oil and “other feedstocks” such as straight-run fuel oil, pushing up fuel oil imports as a consequence. Although runs came off only modestly between December and January, falling from 3.49 to 3.41 mb/d, net crude imports dropped a dramatic 500 kb/d to just 718 kb/d. Crude imports totalled 875 kb/d: 540 kb/d Middle East crude, 80 kb/d West African and 100 kb/d other African crude, 140 kb/d Asia/Pacific crude (two-thirds from Vietnam) and 15 kb/d from the FSU. African producers bore the brunt of the decline, their January volumes just half those in

December, and FSU imports shrank to a trickle, with winter making Sakhalin volumes unavailable until spring.

China's crude exports were greatest to Japan, at 60 kb/d in June. Japan takes light, waxy, sweet Daqing crude under term contracts as one of the crudes burned directly under utility boilers to generate electric power. Japanese purchases of Daqing averaged 80 kb/d last year, but the term contracts signed for 2001 are at only three-quarters that volume, in line with declining Japanese reliance on oil-fired power. However, near-term Japanese interest in Daqing and other sweet crudes suitable for electricity generation will be supported by the loss of Indonesian Arun LNG.

As China's refiners invest to become more competitive, crude import quality is changing to include heavier, sourer crudes. The latest such changeover is at Sinopec's 200 kb/d Qilu refinery in eastern Shangdong. Its sour crude processing capacity has been expanded by 70 kb/d, positioning it to run more Middle East sour and letting Sinopec sell out the sweet Shengli crude the refinery will no longer require.

Indian refinery utilisation rates fell to 89% in January; crude runs averaged just 2.02 mb/d, still 130 kb/d higher than a year earlier. Refining capacity and petroleum product demand were lost due to the earthquake at Gujarat. At Reliance, vibration sensors automatically shut down all units on 26 January, but the company began a phased start-up within two days. The fluid catalytic cracker reportedly was not back in service until a month after the quake. The capacity loss reduced LPG production by 60 kb/d, increasing the government's import requirement.

Indian Oil Company's crude imports totalled 924 kb/d in January: 590 kb/d Middle Eastern crude, with OPEC's big three of Kuwait, Saudi Arabia and Iran supplying all but 100 kb/d of that; 300 kb/d Nigerian crude; and 30 kb/d Malaysian crude. These figures exclude any crude imported directly by Reliance Refining or by Mangalore Refinery and Petrochemicals Ltd, the latter via Caltex. Crude imported by entities other than Indian Oil Company apparently averages about 400 kb/d.

Net Indian imports of petroleum imports remain extremely low, with naphtha and jet/kerosene still in short supply. Domestic refiners are required to produce at least 7.5% kerosene, and the government would like to raise the requirement to 10% in order to reduce imports further. January's net imports were 40 kb/d higher than in December due to refinery runs 50 kb/d lower, and continuing refinery expansions are slated to push product imports lower still. Reliance now plans to add a third atmospheric crude distillation unit to its Jamnagar refinery by end-2002, in addition to revamping the existing two units, expanding crude capacity by 260 kb/d.

China - Crude Oil and Product Trade (thousand barrels per day)

	kb/d			Latest Month vs	
	Jan 01	Dec 00	Jan 01	Dec 00	Jan 00
Crude Imports	875	1346	1064	-471	-189
Crude Exports	156	132	219	24	-63
Net Crude Imports	718	1214	845	-496	-126
Total Net Imports	1037	1472	1246	-435	-209
Net Product Imports					
LPG	122	155	189	-34	-67
Naphtha	-13	-23	1	11	-14
Gasoline	-92	-165	-38	73	-55
Kerosene	38	4	-16	34	54
Diesel	3	3	-16	-1	18
RFO	273	179	244	94	29
Other Products	-12	104	36	-116	-48
Total Products	318	257	401	61	-83

India - Crude Oil and Product Trade (thousand barrels per day)

	kb/d			Latest Month vs	
	Jan 01	Dec 00	Jan 00	Dec 00	Jan 00
Crude Imports	924	1047	799	-122	125
Crude Exports	0	0	0	0	0
Net Crude Imports	924	1047	799	-122	125
Product Imports	190	159	357	31	-168
Product Exports	0	7	0	-7	0
Net Product Imports	190	152	357	38	-168
Total Net Imports	1114	1199	1157	-85	-43
Net Product Imports					
Gasoil	0	0	81	0	-81
Gasoline	0	0	0	0	0
Fuel Oil	24	24	38	0	-14
LPG	26	31	41	-5	-15
Naphtha	79	63	72	16	7
Kerosene	54	26	118	28	-65
Other	8	9	8	-1	0
Total	190	152	357	38	-168

Source: Indian Ministry of Commerce, Indian Port Authorities and IEA estimates

OECD STOCKS

Industry Stock Changes in February 2001

Preliminary industry stocks of total oil at the end of February stood at 2514.4 million barrels, down by 9.3 million barrels or 0.33 mb/d from revised January figures. While crude oil stocks in the OECD increased over February by 7.8 million barrels, total product stocks dropped significantly by 18.6 million barrels. This translates into a third consecutive OECD stock draw for total oil stocks since December 2000. The February draw of 0.33 mb/d follows a revised draw in total oil stocks for the month of January of 0.92 mb/d.

Total products weighed heavily on the February draw as distillates declined by 0.32 mb/d and other products declined by 0.39 mb/d. Crude stocks rose by 0.28 mb/d in line with future markets switching to mild contango with the prompt month at discount to first and second future months. Developments in the early months of the year indicate a weakness in the market on the product side rather than the crude side as crude oil consumption measured by refinery runs is following a more stable season pattern. During the first quarter, the usual refinery turnarounds took place.

Preliminary Industry Stock Change in February and the Fourth Quarter 2000

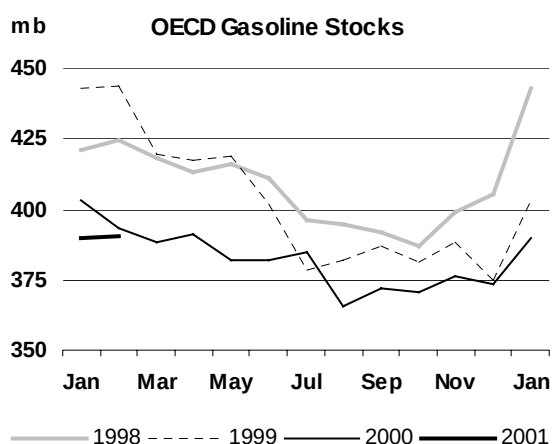
(million barrels per day)

	February (preliminary)				Fourth Quarter			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	-0.30	0.18	0.39	0.28	0.04	-0.07	0.04	0.01
Gasoline	-0.03	0.04	0.01	0.02	0.03	0.01	-0.02	0.02
Distillates	-0.05	-0.10	-0.17	-0.32	0.09	0.08	0.01	0.18
Residual Fuel Oil	0.07	-0.03	-0.02	0.02	-0.01	0.08	-0.01	0.06
Other Products	-0.15	0.00	-0.24	-0.39	-0.33	0.05	0.00	-0.28
Total Products	-0.15	-0.09	-0.42	-0.67	-0.22	0.22	-0.01	-0.01
Other Oils ¹	0.11	0.01	-0.06	0.06	-0.15	0.03	0.00	-0.12
Total Oil	-0.33	0.09	-0.09	-0.33	-0.32	0.18	0.02	-0.12

¹includes feedstocks, NGLs and other hydrocarbons

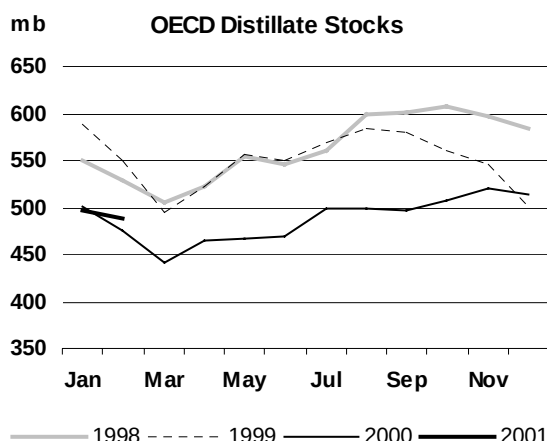
North American crude stocks trends were at odds with the rest of the OECD. During February, crude stocks dipped by 0.30 mb/d in North America whereas they gained ground in Europe by 0.18 mb/d and 0.39 mb/d in the Pacific.

Total products declined across all OECD regions, however more noticeably in the OECD Pacific, where the stock draw of 0.42 mb/d accounted for 60 per cent of the total decline. At the end of the first quarter, attention on the product side shifted to gasoline ahead of the summer driving season. Whereas revised January figures indicate a seasonal gasoline stock build for OECD of 0.51 mb/d, gasoline stock figures for February gained only a modest 0.02 mb/d heading into the prime stock building season.

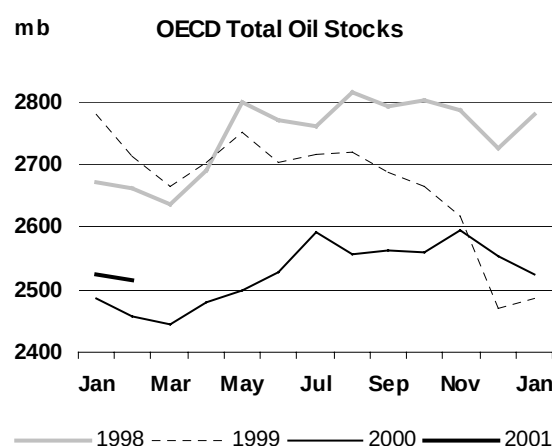


Keeping crude supply tight, with a consequent protracted backwardation on futures markets, affects industry behaviour as product stock building is deterred. As of yet, gasoline stocks have failed to fully materialise and remain too low to buffer any future supply/demand imbalances. As North American gasoline stocks declined by 0.8 million barrels in February, stocks in Europe and the Pacific posted only modest gains over last month of 1.2 and 0.3 million barrels respectively. Should a prolonged period of limited feedstocks to refineries set in with OPEC production cuts, this will be conducive to a tight gasoline market. Consequently, price spikes through the peak demand season are a possibility to contend with.

As we leave peak winter demand, pressure on the middle to heavy end of the barrel has subsided. Distillate stocks are at comfortable levels, though declining by some 0.32 mb/d during February. The overall stock level benefited from a yield squeeze in favour of distillates to the detriment of gasoline. Milder weather conditions over Europe tempered the draw on stocks. During February, stocks declined in all three of the OECD regions. OECD Pacific led the draw with a decline of 0.17 mb/d. Gasoil and heating oil respectively on the IPE and NYMEX exchanges remained in backwardation. The prompt month premiums over future months discouraged any incremental builds. OECD residual fuel oil stocks emerged virtually flat over the month, gaining ground only in North America.



Overall, total oil stocks, despite falling 9.3 million barrels, remained above last year's levels. Refinery turnarounds in the United States beginning January combined with discretionary run cuts and maintenance in Europe in February, restrained product builds and encouraged some of the build in crude. The draw in the fourth quarter 2000 now stands at 0.12 mb/d, incremented by an additional 0.05 mb/d over last month's report. So far, the combined January to February stock change for total oil and total products registered a decline of 0.64 mb/d and 0.62 mb/d respectively while crude oil stocks remained flat. Revisions in January data show a stock draw in total oil during the month of 0.92 mb/d, leaving the partial first quarter average draw at roughly 0.64 mb/d.



Revisions versus 14 March 2001 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Dec 00	Jan 01	Dec 00	Jan 01	Dec 00	Jan 01	Dec 00	Jan 01
Crude Oil	2.3	10.4	0.9	-4.8	0.2	-9.5	3.4	-4.0
Gasoline	1.1	-0.5	0.0	-0.5	-0.6	-0.7	0.5	-1.7
Distillates	1.0	1.3	-3.4	-6.0	-1.6	-1.7	-4.0	-6.4
Residual Fuel Oil	0.4	0.6	0.4	0.8	0.4	0.1	1.2	1.5
Other Products	-2.7	1.3	-0.5	-3.3	1.2	2.2	-2.1	0.2
Total Products	-0.2	2.8	-3.6	-9.0	-0.6	-0.2	-4.4	-6.3
Other Oils ¹	-1.8	-7.5	0.4	-2.8	0.5	0.0	-0.9	-10.2
Total Oil	0.3	5.7	-2.3	-16.6	0.0	-9.6	-1.9	-20.5

¹ Other Oils includes NGLs, Feedstocks and other hydrocarbons

Revisions to preliminary figures in last month's report are once again significant. OECD industry inventories for total oil in January were revised downwards by 20.5 million barrels. The revision stems from a somewhat balanced downward revision in both crude and product stocks by 4.0 and 6.3 million barrels respectively, and other oils by some 10.2 million barrels. On the product side, gasoline stocks were revised downwards across all regions whereas the slide in distillate remained centered in Europe. North American upward revisions in crude stocks, on the other hand, were partly offset by declines in the Pacific and to a lesser extent in Europe. Gains in other oils in last month were wiped out by downward revisions, notably in North America.

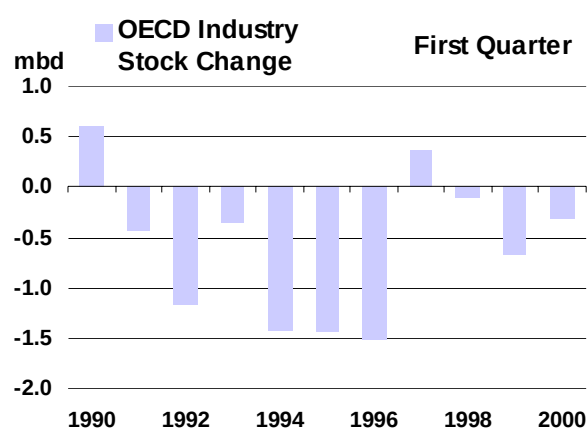
OECD Industry Stock Changes: Effects for January and the Fourth Quarter

(million barrels per day)

	January				Fourth Quarter 2000			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.26	-0.19	-0.31	-0.24	0.03	0.00	0.00	0.03
Gasoline	-0.05	-0.02	0.00	-0.07	0.01	0.00	-0.01	0.00
Distillates	0.01	-0.08	0.00	-0.08	0.01	-0.05	-0.02	-0.06
Residual Fuel Oil	0.01	0.01	-0.01	0.01	0.00	0.00	0.00	0.01
Other Products	0.13	-0.09	0.03	0.08	-0.03	0.00	0.01	-0.02
Total Products	0.10	-0.17	0.01	-0.06	0.00	-0.06	-0.01	-0.07
Other Oils ¹	-0.18	-0.10	-0.02	-0.30	-0.02	0.01	0.01	0.00
Total Oil	0.17	-0.46	-0.31	-0.60	0.00	-0.05	0.00	-0.05

includes feedstocks, NGLs and other hydrocarbons

This month's revisions affect fourth quarter 2000 figures only marginally. The changes to January figures are, however, anticipatory of more typical draws that occurs during the first quarter of the year. The effect on January total oil stocks is equivalent to an additional draw of 0.60 mb/d. Combined with preliminary February figures the quarterly draw is in the general vicinity of the previous two years levels. Given current trends, the direction of future developments will depend on movements in product inventories rather than crude stocks. The short-term contango in crude futures markets should encourage stocks to build over the course of the following months – whether this proves to be a sufficient financial incentive, however, remains to be seen.



Preliminary Stocks at the End of February

OECD industry stocks of total oil closed out the month of February at 2514.4 million barrels, up 56.2 million barrels over stock levels a year earlier and at a deficit of 197.1 million barrels from February 1999 levels. In comparison to 1996, a year when industry was considered as operating with leaner inventory levels, total oil and crude stocks show a surplus of 86.5 and 13.6 million barrels respectively. This raises the question of desired stock levels. From an industry perspective, just in time management may seem appropriate. However, given the current level of stocks, this leaves little room in terms of flexibility as days of forward demand coverage have fallen. Looking ahead to the second quarter, stocks will need to rise to provide for peak demand later in the year. Delayed output could potentially run up against both capacity and distribution constraints.

Product stocks are above 2000 levels by 37.2 million barrels due to higher levels of distillates and residual fuel oil coming out of the winter season. Gasoline stocks at 390.1 million barrels present a small deficit of 3.1 million barrels versus last year. This deficit widens to 53 million barrels, however, when compared to 1999. Crude oil stocks, at 894 million barrels, are 9.6 million barrels higher than in February 2000, but remain some 57.8 million barrels below levels in 1999. Combined government and industry total oil stocks in the OECD stood at 3.73 billion barrels. OECD North America, OECD Europe and OECD Pacific combined stocks respectively stood at 1685, 1294, and 750 million barrels.

Year-on-Year Industry Stock Comparisons for February 2001

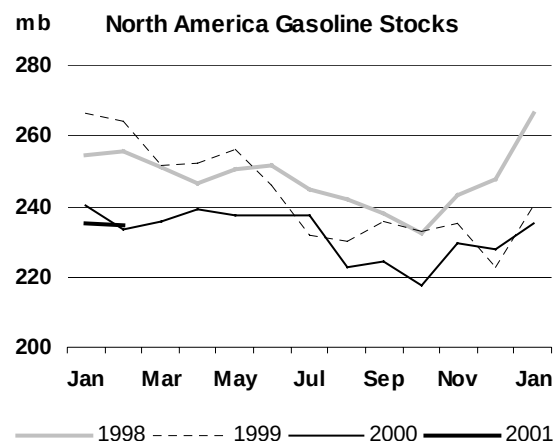
	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	1.7	3.9	4.1	9.6	Total Oil	0.8	0.2	0.7	0.6
Total Products	26.8	5.0	5.4	37.2	<i>Versus 2 years ago</i>	-6.7	-3.3	-2.1	-4.8
Other Oils ¹	7.9	1.4	0.1	9.4	<i>Versus 3 years ago</i>	-5.5	-2.1	-7.8	-5.0
Total Oil	36.3	10.3	9.7	56.2	Total Products	0.8	0.0	0.5	0.5
<i>Versus 1999</i>	-134.4	-55.1	-7.6	-197.1	<i>Versus 1999</i>	-4.4	-2.1	-1.5	-3.2
<i>Versus 1998</i>	-74.3	-32.8	-39.4	-146.5	<i>Versus 1998</i>	-3.4	-0.7	-2.7	-2.6

1includes feedstocks, NGLs and other hydrocarbons

Regional Stock Developments

North America

North American crude oil stocks are at historic lows. The expected rise in crude inventories in February was adversely affected by weather conditions on the **US Gulf Coast** where deliveries of seaborne cargoes were hindered by fog. Crude stocks in the **United States**, according to EIA weekly data, took however a bearish rebound over March. In addition, the crude outlook was also supported for the medium term by the DOE's approval to five out of nine oil companies to delay the planned August return of 80% last year's 30 million barrels SPR swap. Crude stocks picked up from 280 million barrels in late February to reach a more comfortable level of 303.2 million barrels at the end of March. Concerns focused on the landlocked **US Midcontinent** (PADD II) where crude stocks hit lows of 56.6 million barrels in mid February, before rebounding to 66.9 million at the end of March, supported by imports of sweet crudes from **Canada**.



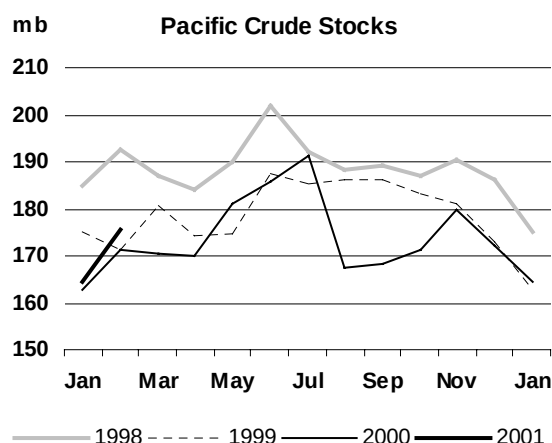
On the product side, despite a fall in distillate stocks to 104 million barrels, attention in March focused on **US** dwindling gasoline stocks. In its 4 April *Motor Gasoline Watch*, the EIA quoted total motor gasoline stocks at the primary storage level at 193 million barrels or 11.2 million barrels below the previous year. The apparent tightness in gasoline may be mitigated in part by a rebound in imports and to an extent by a high pre-emptive demand of secondary and tertiary holdings in preparation for the summer driving season. Nevertheless, stocks of cleaner burning reformulated gasoline (RFG), required at a third of US pumps, is matter of concern. RFG stocks fell in the last week of March by 1.7 million barrels to 35.9 million barrels. In addition to past difficulties in meeting Phase 2 RFG specification requirements, tightness in the **US Midcontinent** may surface in light of capacity constraints as foreshadowed by the planned maintenance on the Explorer pipeline (560 000 kb/d). Compounding this issue is the availability of MTBE (produced from natural gas), an additive needed in the production for RFG. MTBE production and stock levels are falling while prices for the additive are rising.

Europe

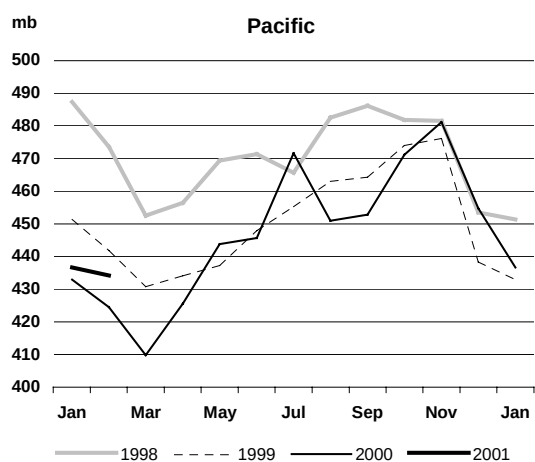
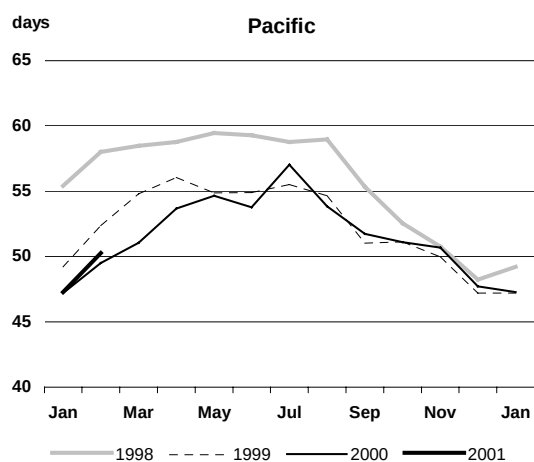
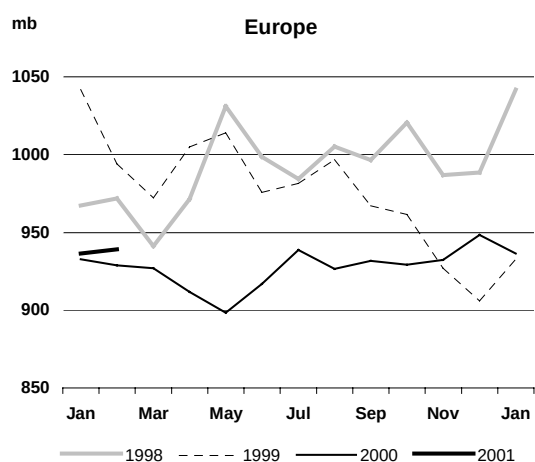
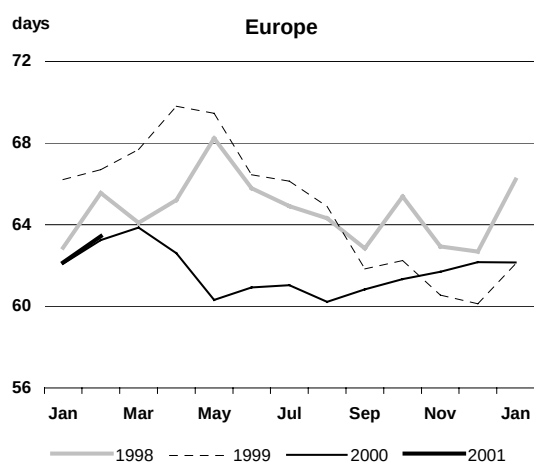
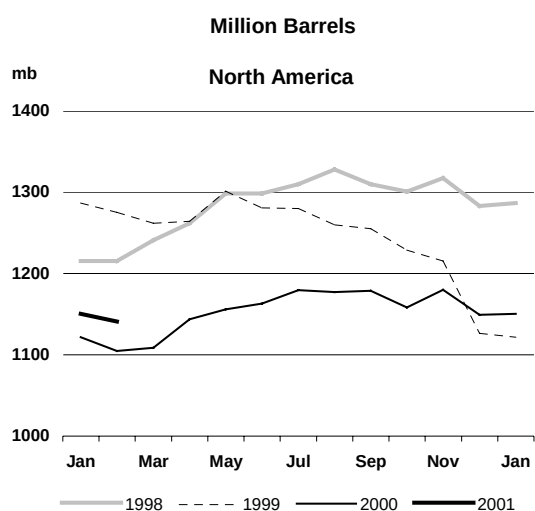
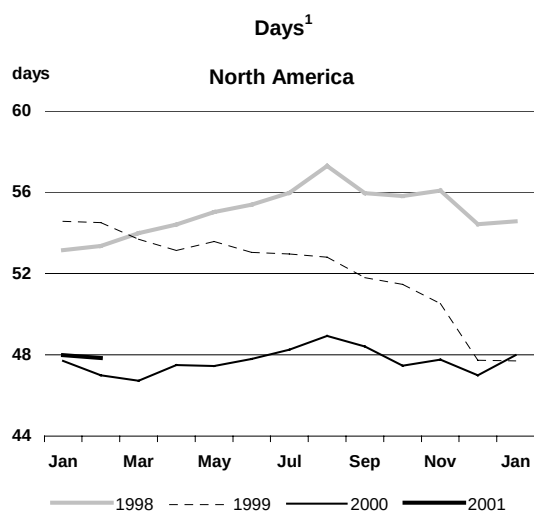
Total oil stocks in OECD Europe were up by 2.6 million barrels in February progressing in the major European economies apart from **Italy**. The rise in total oil was prompted by an increase in crude stocks of some 5.1 million barrels in February while total products stocks declined by 2.6 million barrels mainly due to decreases in distillates and residual fuel oil. Industry total oil stocks in **France** increased the most (6 million barrels) during the month of February while **Germany** and the **UK** trailed with gains of 2.4 and 1 million barrels respectively. In the coming months, as European refineries increase production of low RVP gasoline, transatlantic trade to the US Gulf Coast should continue to increase gasoline builds in Europe.

Pacific

Crude stocks have risen noticeably in both **Korea** and **Japan**. Korean crude stocks rose by 6 million barrels in February as industry replenished stocks ahead of futures excise duties on crude oil imports. Japanese crude stocks increased in similar proportions by 5 million barrels. On the product side, Pacific stocks fell heavily in February by some 11.8 million barrels. Distillates declined seasonally by 4.7 million barrels while Gasoline stocks rose marginally by 0.3 million barrels. Asian demand for gasoline has been depressed and the rise in gasoline stocks has been moderate, while arbitrage opportunities to US West Coast have opened. Korean Cargoes to US are reported to consist of unfinished gasoline and reformat to be used as blenstocks.



Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

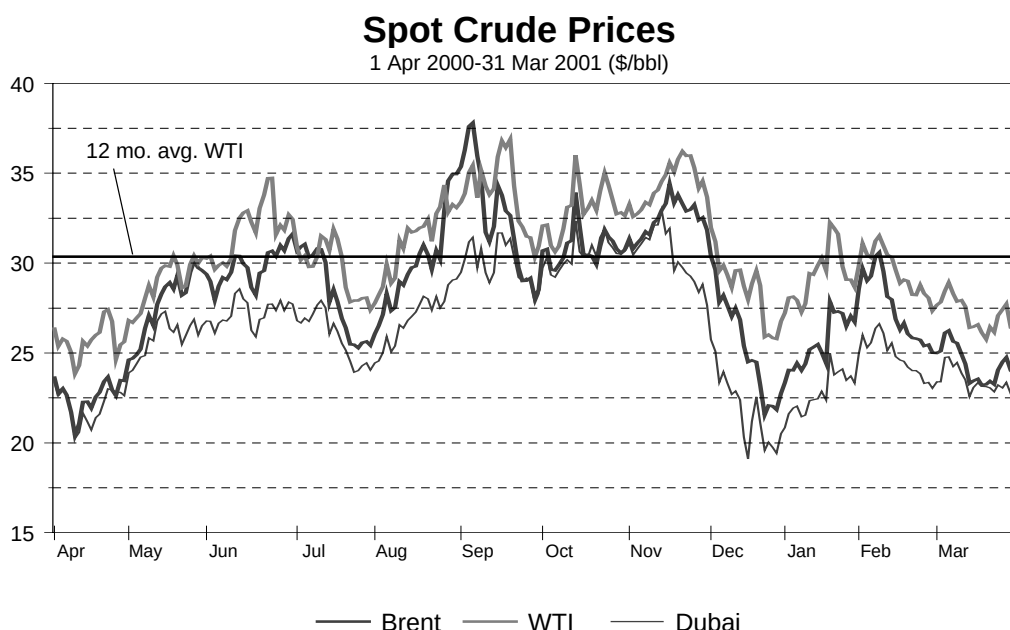


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- **Crude oil prices** fell in March. The prompt physical markets were weak and more than adequately supplied, especially in the Atlantic Basin, where refinery maintenance was heavy. Concerns about the US and world economy and the health of future oil demand persisted, underscored by major declines in world stock markets. During the second half of March, however, low Atlantic Basin gasoline inventories and expectations of a tight gasoline market this summer emerged as a major source of support for crude prices. This support was tempered somewhat by reports of OPEC overproduction.
- **Spot WTI, dated Brent and Urals** prices declined by \$2.44/bbl, \$3.13/bbl and \$3.27/bbl in March. Compared to the Atlantic Basin marker crudes, prices for Middle East and Asian grades held up better. The Asian refinery maintenance season had not yet begun in March, while OPEC production cuts appear to be targeted more at Asia than at the Atlantic Basin. **Dubai** and **Tapis** prices fell by \$1.40/bbl and \$1.00/bbl.
- The **dated Brent-Dubai price differential** narrowed from \$2.68/bbl in February to \$0.95/bbl in March. This increased the Asian pull on West African crude, and eastbound shipments reportedly increased by almost 500 kb/d.
- **Product prices** also fell during the month, but not as much as crude prices. Gasoline prices rose during the second half of the month, there was some late-winter heating oil strength and fuel oil prices held up well throughout March.
- With crude prices falling faster than product prices, and tanker rates also continuing to ease, **refining margins** in all four major refining centres moved higher. Atlantic Basin refining margins rose by roughly \$1-2/bbl. With Dubai crude prices more resilient, Singapore margins gained only \$0.50-\$1/bbl.
- **Refinery throughput** in OECD countries rose by 150 kb/d in February, to an average of 39.6 mb/d. Runs were higher in North America and in the Pacific, but lower in Europe, due to run cuts aimed at supporting margins. OECD refinery utilisation rates averaged 91.8% in February, a gain of 0.4% over the January figure.



Crude Oil Prices

Spot Crude Prices and Differentials

If the prompt physical crude markets were adequately supplied in February, then they were better supplied during March. This was reflected in falling prices for all of the main marker crude. Atlantic Basin crudes fell further than the Middle East/Asian grades.

Spot Crude Oil Prices and Differentials

(monthly and weekly averages, \$/bbl)

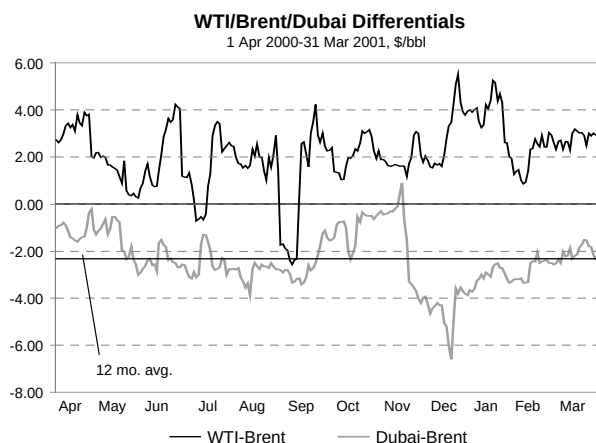
	Jan	Feb	Mar	Change	Week Ending:					
					23 Feb	02 Mar	09 Mar	16 Mar	23 Mar	30 Mar
WTI	29.30	29.57	27.13	-2.44	28.56	27.84	28.38	26.99	26.32	26.82
Brent Dated	25.53	27.49	24.36	-3.13	25.86	25.19	25.89	23.92	23.45	24.19
Urals (del. Mediterranean)	24.46	24.92	21.65	-3.27	22.84	21.87	22.76	21.33	21.01	21.72
Dubai	22.73	24.81	23.40	-1.40	24.03	23.29	24.56	23.27	23.09	22.93
Tapis	26.05	27.85	26.86	-0.99	27.38	27.03	27.83	26.93	26.17	26.70
Brent minus Dubai	2.80	2.68	0.95		1.83	1.90	1.33	0.65	0.36	1.26
WTI minus Brent	3.77	2.08	2.77		2.70	2.65	2.49	3.07	2.87	2.63
Tapis minus Brent	0.52	0.36	2.51		1.52	1.84	1.94	3.01	2.72	2.51
Brent 1st month minus 2nd month	0.08	0.40	-0.49		0.38	-0.05	-0.36	-0.51	-0.65	-0.44
WTI 1st month minus 2nd month	1.22	0.23	-0.18		-0.16	-0.01	-0.13	-0.18	-0.31	-0.14

Early in the month, talk about the production cuts expected at the 16 March OPEC meeting put a floor under prices, halting the previous month's declines. However, the support proved to be only temporary, with prices actually starting to fall again even before the OPEC meeting.

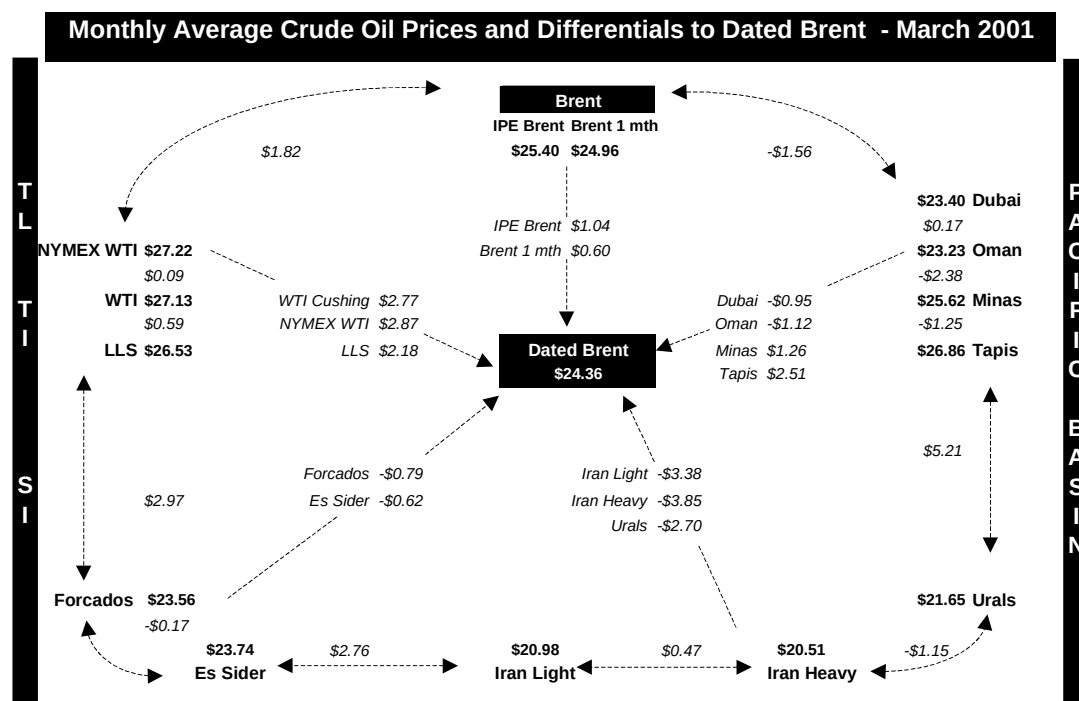
The crude markets appear to be driven by market fundamentals, both current and anticipated. The prompt physical markets in the Atlantic Basin were soft, as refinery turnarounds peaked in the US and were heavy in Europe, in advance of an April peak. Accordingly, weekly figures showed that crude inventories built in the US. In addition to the downward price pressure from the immediate physical markets, concerns about the health of future oil demand remained. The flow of negative macroeconomic news regarding the US and the rest of the world continued and was underscored by major weakness in most of the world's major equity markets.

During the second half of March, however, the US and broader Atlantic Basin gasoline situation emerged as a major support for crude prices (see below). This price support is based on the fundamentals and appears as though it will endure through the summer. Gasoline is not the only product affecting the crude markets. In the US, fuel-switching away from expensive natural gas is continuing to bolster demand for distillates and fuel oil. Late in the month, however, the crude price support from products was tempered somewhat by various reports of OPEC overproduction.

During March, Dubai and Tapis crude prices were more resilient than Brent and WTI. Although there were some discretionary run cuts in March, Asian refinery demand had not yet been affected by the main turnaround season, which only got underway in April and will not peak until May. In addition, both the February and April OPEC production cuts appear to be targeted more at Asia than at the Atlantic Basin, which tends to support Dubai and Tapis. The loss of Arun LNG during the month may also have been a contributing factor. The improvement in Dubai relative to Brent improved the opportunities to profitably ship West African crude to Asia during March. It was reported that during the month, almost 500 kb/d more West African crude was shipped eastwards to Asia than in February.



There is presently an unusually wide range of crude price forecasts for the rest of the year. The two key factors are the world economy/oil demand and the level of OPEC production, including Iraq. The bullish analysts have a more optimistic view of oil demand growth and expect OPEC production to be tightly managed. The bearish analysts feel that the macroeconomic situation may continue to deteriorate, pulling down oil demand growth and that OPEC may have difficulty managing the market in such a situation.

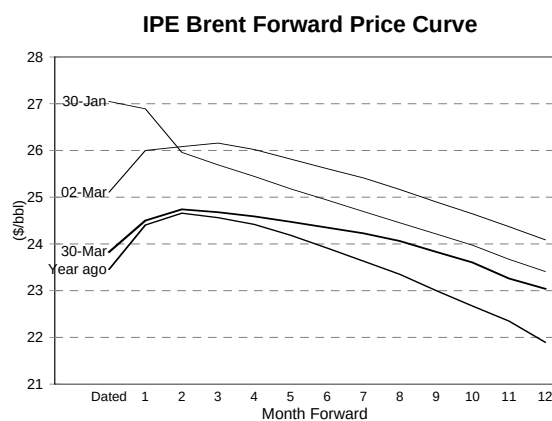
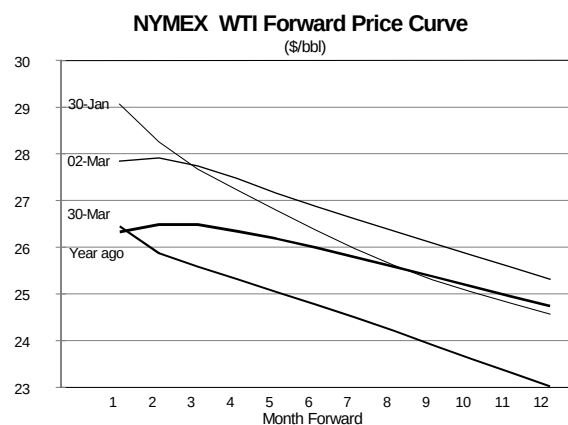


There are two issues regarding OPEC. The first is OPEC 10 production and whether they will produce at their targets or above them. Whatever one's view of OPEC, the simple fact is that, compared to the second half of last year, there is now more spare capacity in OPEC (see Supply section). Importantly, the spare capacity is more widely distributed than last year, when almost all of it resided in Saudi Arabia. So some countries now have an ability to overproduce that they did not have before. In addition, during a period of production cuts, as opposed to production increases, the temptation to overproduce may exist where it did not before. The second OPEC issue is, as always, the Iraqi variable. Because of recovering Iraqi volumes, OPEC crude production in March was only 80 kb/d lower than in January, despite the February cut. Iraq's future production, and how the rest of OPEC reacts to it, is a major uncertainty.

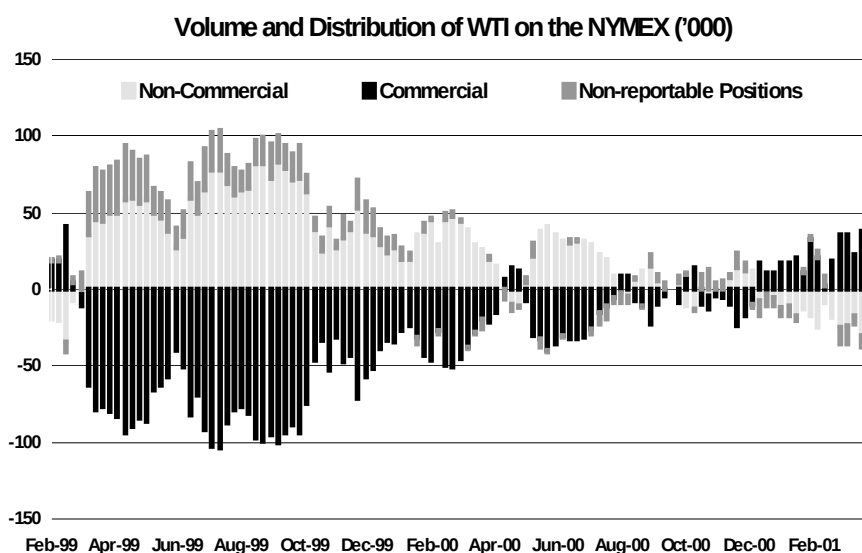
Crude Futures

The physical crude situation in March - heavy turnarounds, weak refinery demand, and more than adequate prompt supply - was reflected in the futures markets for both NYMEX WTI and IPE Brent. For both grades, front-month prices fell along with spot prices, and the entire forward curves maintained their shapes and shifted downwards. The only slight difference is that for WTI, the lightly-traded outer months fell slightly less than the near-months.

The most important feature of the forward curves is that the near-month contango (upward-sloping curve) continued. As of the end of March, the contango was shallow and extended out only three months for WTI and two months for Brent. The first month-third month spread for NYMEX WTI was only 7 cents, and it was only 4 cents for IPE Brent, a slight incentive to build crude inventories if one owns or operates under-utilised storage.



On the NYMEX, the non-commercial speculators remained bearish in their outlook for WTI. Their net short position continued, but did not increase and merely went sideways. The non-commercials typically wait for a turning point in the markets and take positions that accentuate the emerging trend. Thus, the sideways trend may indicate that the speculators are watching and waiting for a clear indication of market direction. The emerging strength in Atlantic Basin gasoline, and its potential to lead the crude markets, may well indicate that direction.



Delivered Crude Prices

The IEA CIF crude import price averaged \$24.67/bbl in January, a decline of \$2.37 from the previous month. The decreases were \$1 in Europe, \$2 in North America and \$6 in the Pacific. In Europe and North America, marker crudes WTI and dated Brent gained modestly during the month. However, this was more than offset by a collapse in tanker rates in January, with the net result of lower CIF import prices. In the Pacific, although the price of Dubai was higher, costs for regional crudes such as Tapis, Minas and Duri fell. This added to the impact of lower tanker rates and helped CIF prices to decline more than in other parts of the world.

Weighted-Average CIF Crude Import Cost by Area**

	\$/ bbl			
	Total IEA	IEA Europe	IEA North America	IEA Pacific
Aug 00	28.41	28.33	28.23	28.97
Sep 00	30.82	31.01	30.72	30.53
Oct 00	30.45	30.23	29.75	32.30
Nov 00	31.05	31.31	29.89	32.60
Dec 00*	27.04	26.17	26.01	30.81
Jan 01	24.67	25.17	23.95	24.83

* preliminary, based on partial submissions

** CIF = cost, insurance and freight

Product Prices

Spot Product Prices

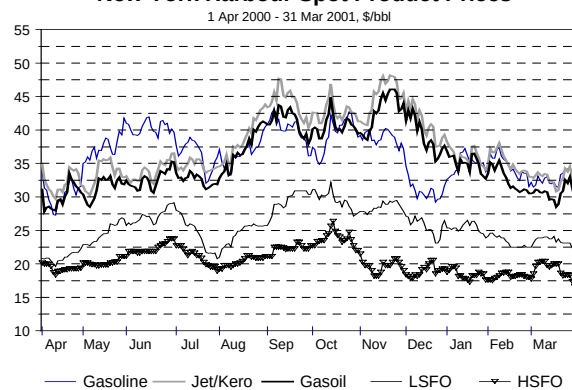
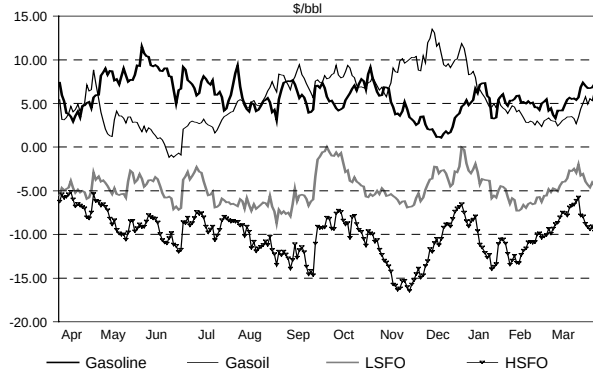
In the US, refinery maintenance peaked in March and continued into April. Average gasoline prices fell by \$2.75 compared to the previous month. However, the real story was the gasoline price strength during the second half of March. US gasoline has emerged to provide price leadership. Moreover, gasoline is putting upward pressure on crude prices - pressure that is expected by many to be maintained through the summer driving season.

Spot Product Prices

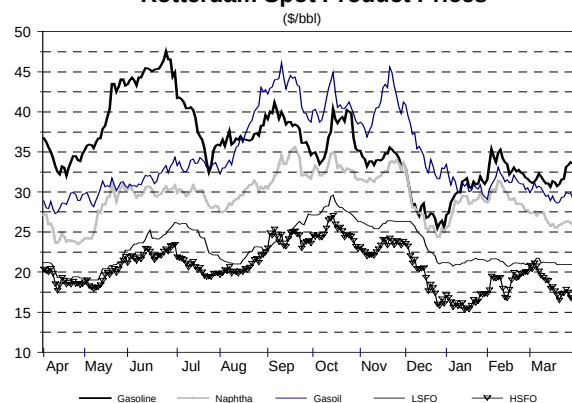
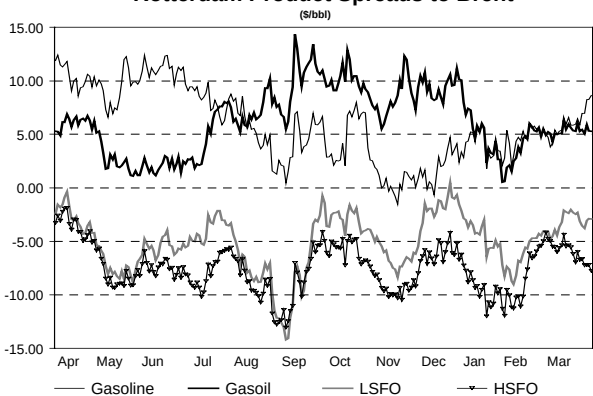
(monthly and weekly averages, \$/bbl)

	Jan	Feb	Mar	Mar-Feb	% Chg	Week ending					Jan	Feb	Mar
						02 Mar	09 Mar	16 Mar	23 Mar	30 Mar			
Rotterdam, Barges FOB											Differential to Brent		
Premium Unleaded (Cargo)	30.29	33.22	31.85	-1.37	-4.1%	31.63	31.77	31.13	31.20	33.53	4.75	5.73	7.50
Regular Unleaded	29.63	32.02	30.41	-1.61	-5.0%	30.35	30.50	29.86	29.46	32.00	4.10	4.53	6.05
Naphtha	28.49	29.39	26.48	-2.92	-9.9%	27.68	27.38	26.41	25.84	26.10	2.96	1.90	2.12
Jet/Kerosene	32.27	33.69	31.78	-1.91	-5.7%	32.99	32.76	31.28	31.04	31.90	6.74	6.20	7.42
Gasoil	30.79	31.24	29.69	-1.55	-5.0%	30.41	30.75	29.49	28.96	29.59	5.26	3.75	5.34
Fuel Oil 1.0%S	21.27	21.20	21.13	-0.07	-0.3%	21.00	21.48	21.20	21.00	20.96	-4.26	-6.29	-3.23
Fuel Oil 3.5%S	16.26	18.87	18.43	-0.44	-2.3%	20.24	20.40	18.69	17.18	16.98	-9.27	-8.62	-5.92
Mediterranean – Basis Italy, Cargoes FOB											Differential to Urals		
Premium 0.15 g/l	31.26	33.44	32.33	-1.11	-3.3%	31.96	32.34	31.54	31.46	34.26	6.80	8.51	10.68
Naphtha	25.58	26.43	24.00	-2.43	-9.2%	24.86	24.60	23.80	23.57	23.89	1.12	1.50	2.35
Jet/Kerosene	27.67	28.96	28.59	-0.38	-1.3%	28.91	29.03	28.00	28.26	29.09	3.21	4.04	6.93
Gasoil	27.38	30.92	26.73	-4.20	-13.6%	30.49	28.74	26.24	25.02	25.95	2.92	6.00	5.08
Fuel Oil 1.0%S	20.77	19.36	19.36	0.01	0.0%	18.89	18.88	19.21	19.71	19.78	-3.69	-5.57	-2.29
Fuel Oil 3.5%S	15.15	17.53	16.80	-0.73	-4.2%	17.84	17.81	17.42	16.02	15.78	-9.32	-7.39	-4.85
NY Harbour, Barges											Differential to WTI		
Premium Unleaded 93	37.78	37.31	34.56	-2.75	-7.4%	33.96	34.10	33.80	34.62	36.23	8.48	7.74	7.43
Regular Unleaded 87	34.82	34.66	32.77	-1.89	-5.4%	32.46	32.37	32.41	32.79	33.80	5.52	5.09	5.64
Jet/Kerosene	36.05	35.21	32.94	-2.27	-6.5%	33.33	33.32	32.69	32.22	33.61	6.75	5.65	5.81
No.2 (Heating Oil)	35.47	32.98	31.09	-1.89	-5.7%	30.96	31.16	30.39	30.58	32.37	6.17	3.41	3.96
Fuel Oil 1.0%S (Cargo)	25.41	23.32	23.31	-0.01	-0.0%	22.70	23.81	23.93	23.30	22.50	-3.89	-6.25	-3.82
Fuel Oil 3.0%S (Cargo)	18.41	18.16	18.99	0.84	4.6%	18.08	20.13	19.88	19.03	17.52	-10.89	-11.41	-8.13
Singapore, Cargoes											Differential to Dubai		
Gasoline Unleaded 95	29.97	31.49	29.81	-1.67	-5.3%	30.63	31.88	30.26	28.60	28.51	7.24	6.68	6.41
Naphtha	24.85	27.12	26.54	-0.59	-2.2%	25.75	26.94	26.48	26.12	26.92	2.12	2.31	3.13
Jet/Kerosene	29.10	30.58	28.77	-1.81	-5.9%	30.03	30.19	28.71	27.67	28.25	6.37	5.77	5.37
Gasoil	28.42	27.48	26.81	-0.67	-2.4%	26.16	27.36	26.31	26.32	27.67	5.69	2.68	3.41
LSWR (0.3%S)	21.90	22.53	22.32	-0.21	-0.9%	21.96	23.03	22.41	21.90	22.12	-0.83	-2.28	-1.09
HSFO (3.5%S 180cst)	19.78	21.30	21.48	0.18	0.8%	21.45	22.30	21.47	20.91	21.54	-2.95	-3.51	-1.92
HSFO (3.5%S 380cst)	18.38	20.18	20.54	0.36	1.8%	20.06	21.46	20.48	20.01	20.57	-4.35	-4.63	-2.87

Recent gasoline price gains have been driven by weekly API and DOE inventory figures that show low stocks of total gasoline, reformulated gasoline (RFG) and MTBE, a key RFG blendstock. At the same time that gasoline production was limited by refinery maintenance, imports from Europe fell off sharply, particularly during the first half of March, when the arbitrage window was closed. Output of MTBE, a natural gas derivative, has been adversely affected by high natural gas prices and MTBE prices are high. With the late May kick-off of the peak driving season only six weeks away, a tight gasoline market in the US this summer is now widely anticipated.

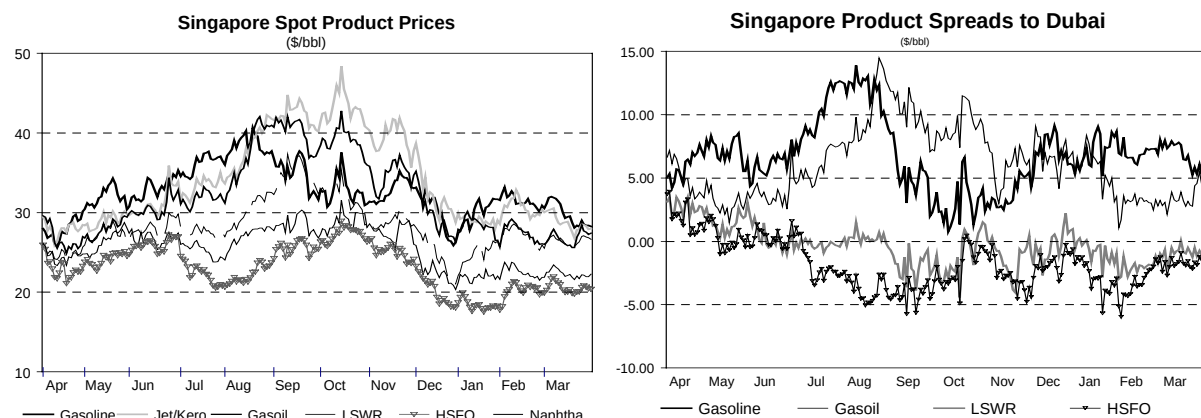
New York Harbour Spot Product Prices**NY Harbour Product Spreads to WTI**

US gasoil prices exhibited a pattern similar to gasoline. There was a month-to-month decline, but a rally in the second half of March, due to cold late-winter weather that increased heating oil demand. As with gasoline, this coincided with refinery maintenance and low imports. Low-sulphur fuel oil (LSFO) prices in March were even with the previous month, on the back of continued demand from utilities switching away from expensive natural gas. The latter was a factor for high-sulphur fuel oil (HSFO) as well, with prices gaining on a monthly basis. In addition, Mexican demand supported HSFO prices. Fuel switching, at the margin, has been an important element in US fuel oil demand, which has been running at 30-40% over year-earlier levels (see the Demand section).

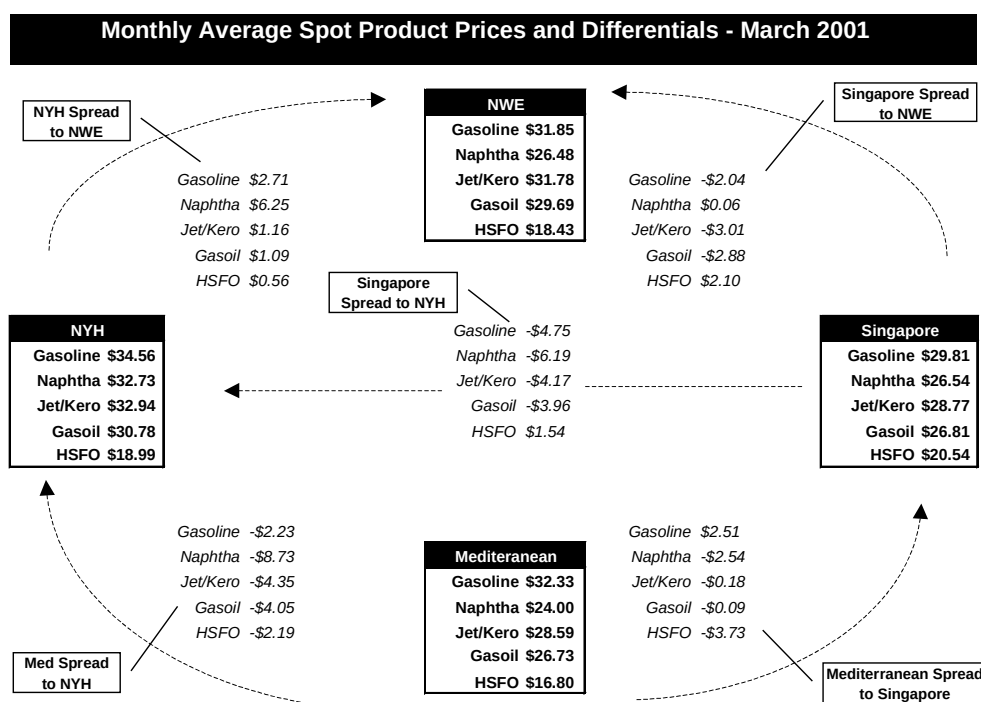
Rotterdam Spot Product Prices**Rotterdam Product Spreads to Brent**

European refinery maintenance began in earnest during March, ahead of an April peak. Despite the lack of arbitrage opportunities across the Atlantic for the first half of the month, refinery turnarounds supported gasoline prices. Then they picked up in line with US gasoline prices. European gasoline markets are closely tied to the US and the US gasoline tightness described above is more accurately described as Atlantic Basin tightness. Although European ability to export US-specification summer-grade gasoline is limited, European exports are still key, as the volumes go into the "blending pool".

Rotterdam gasoil prices eased, as buying by German consumers reportedly fell in March. Overall demand dropped with the end of winter, though there was a last gasp of cold in France and Germany in the second half of the month. However, Mediterranean gasoil prices fell much more sharply, due to weak local buying interest and competition from Russian gasoil. LSFO prices were steady in Europe, bolstered by export opportunities to the US in the second half of the month. HSFO prices fell on the back of weak demand and an inflow of Russian cargoes.



In **Singapore**, gasoline prices fell due to weak demand from Indonesia and Vietnam. In addition, there was an ample supply of low-octane Chinese gasoline available. This occurred despite some discretionary run cuts in March. The main Asian refinery maintenance season begins in April and will peak in May. Gasoil prices were moderately lower, due to delayed demand from key buyers, including Indonesia and Vietnam. In addition, India resumed gasoil exports after the January earthquake. Low-sulphur waxy residual fuel oil prices fell slightly. Stocks in Indonesia began the month on the high side, but there was demand from Japanese and Korean customers, in part to replace lost supply from the Arun LNG plant. HSFO prices rose modestly. Chinese demand was uncertain, following heavy buying in March. This was offset by the anticipated impact of OPEC production cuts, which are expected to be primarily in heavy sour grades. A majority of the cuts appear aimed at Asia, which should support prices for the heavy end of the product barrel.



End-User Product Prices

End-user product prices, summarised here and also shown in Table 9 at the end of the Report, were generally flat to down in March. Gasoline prices fell by 4.3% in the US, while elsewhere, declines ranged from 0-1%. In the UK, where the fuel duty dropped two pence a litre in March, gasoline prices were unchanged. Automotive diesel prices were off by 3.6% in the US and 3.4% in Canada; however, outside North America, decreases were smaller, ranging from 0-1.2%. As winter came to an end, domestic heating oil price declines were broad-based, led by falls of 2.2%-3.0% in the US, Germany, the UK and France. Heavy fuel oil for industry was the only product where prices rose, by 7.4% in Spain and a slight 0.4% in the UK; prices dropped or were flat elsewhere.

Mid-Month End-User Product Price Changes

March 2001 versus February 2001

Local Currency Including Taxes (%)

	Gasoline ¹	Automotive Diesel ³	Domestic Heating Oil	HFO for Industry ⁵
US	-4.3	-3.6	-3.0	na
Canada	-0.7	-3.4	na	na
France	-0.2	-0.4	-2.2	-1.0
Germany	-0.7	-1.1	-3.0	-1.5
Italy	0.0	-1.2	-1.1	-3.8
Spain	0.0	-0.6	-0.1	7.4
UK	0.0	0.0	-2.6	0.4
Japan	-1.0	0.0	-0.2	0.0

1 premium leaded gasoline for France, Italy, Spain, the UK; regular unleaded gasoline for Canada, Germany, Japan and the US

2 previous month's data

3 VAT excluded where it is refundable: Heavy Fuel Oil for Industry, Automotive Diesel for Industry

4 kerosene

5 high sulphur fuel oil price for France, Spain, the UK and Japan; low sulphur fuel oil price for Germany and Italy - details are shown in Table 9 at the back of the Report

Product Futures

On the NYMEX, front-month gasoline moved in synch with spot gasoline prices in New York Harbour, moving up strongly over the last two weeks of March on bullish inventory data. With the end of winter, gasoline futures are firmly in the spotlight. There are expectations of price volatility this summer and the non-commercials are firmly long for gasoline, and getting more so. The attention on gasoline is evidenced by the dramatic growth in open interest since December/January.

Refining Margins

Crude prices were lower due to ample prompt physical supply, especially in the Atlantic Basin, where heavy refinery maintenance reduced runs. Product prices also fell. However, gasoline prices rose in the second half of the month, there was some late-winter heating oil strength, and fuel oil prices held up better than other products for the month as a whole. In short, crude oil prices fell further than product prices. The net result is that refinery margins improved in all four main refining centres during March. Another contributing factor was that tanker rates continued to ease during the month.

Refining Margins in Major Refining Centres

(monthly and weekly averages, \$/bbl)

	Jan	Feb	Mar	Change	Week Ending:					
					23 Feb	02 Mar	09 Mar	16 Mar	23 Mar	30 Mar
NW Europe										
Brent (Hydroskimming)	-0.67	-1.87	-0.13	1.74	-0.48	-0.50	-1.16	-0.20	0.21	0.62
Brent (Cracking)	0.88	0.07	1.61	1.54	1.38	1.26	0.66	1.46	1.80	2.54
Mediterranean										
Urals (Hydroskimming)	-0.55	0.69	2.17	1.48	2.89	3.27	1.89	2.27	2.01	2.00
Urals (Cracking)	1.08	2.79	3.86	1.06	4.95	5.15	3.70	3.84	3.49	3.87
US Gulf Coast										
Brent (Cracking)	4.60	0.99	3.07	2.08	0.35	0.86	1.68	3.63	3.74	3.77
WTI (Cracking)	4.65	2.07	3.54	1.47	0.84	0.99	1.87	3.71	4.63	4.75
Singapore										
Dubai (Hydroskimming)	0.59	-0.59	0.34	0.93	0.07	0.46	0.09	0.39	0.00	0.86
Dubai (Cracking)	3.02	1.53	2.17	0.64	2.01	2.23	2.03	2.21	1.77	2.64

For the purposes of this Report, refining margins are calculated on the basis of an "average" refinery that is running a "typical" crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

US Gulf Coast refining margins were up by \$1.45-\$2.10, led by Brent-related crudes. **Northwest Europe** margins gained \$1.55-\$1.75, while **Mediterranean** margins gained \$1.05-\$1.50. In the Mediterranean, Urals crude fell by 13.1%, the most of all the marker crudes. However, product prices fared relatively poorly as well, limiting the improvement in margins. Of all the refining centres, the gains in **Singapore** were the smallest, at \$0.65-\$0.95. This was due to the fact that, with a monthly price decline of only 5.7%, Dubai held up the best of all the marker crudes during March.

In both the Mediterranean and in Singapore, the differential between cracking margins and hydroskimming margins narrowed in March. With hydroskimming operations reflecting the "marginal" barrel to be processed, this was another sign of strength in those two refining centres.

OECD Refinery Throughput

Preliminary data indicate that total OECD refinery throughput in February averaged 39.6 mb/d, an increase of 150 kb/d from January. OECD refinery utilisation was 91.8%, up from 91.4% the previous month.

Refinery Crude Throughput and Utilisation in OECD Countries

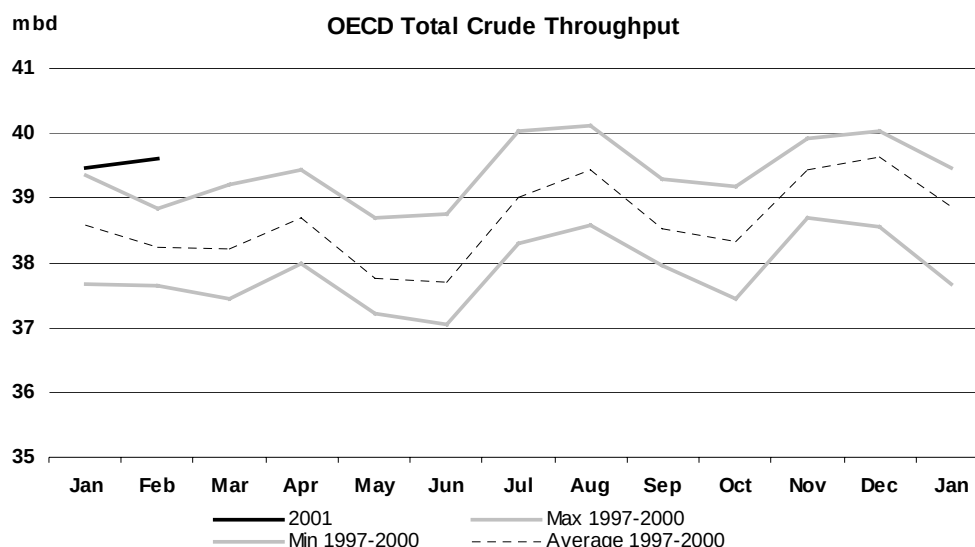
	million barrels per day						Change from Jan 00		Utilisation rate ²	
	Sep 00	Oct 00	Nov 00	Dec 00	Jan 01	Feb 01	mb/d	%	Feb 01	Feb 00
OECD North America										
US*	15.41	15.04	15.03	15.24	14.80	14.89	0.841	6.0	89.7	86.2
Canada	1.72	1.61	1.79	1.64	1.64	1.82	0.075	4.3	98.6	94.6
Mexico	1.12	1.05	1.12	1.16	1.12	1.15	-0.008	-0.7	74.3	73.6
Total	18.25	17.69	17.93	18.05	17.56	17.86	0.907	5.4	89.3	86.1
OECD Europe										
France	1.67	1.75	1.85	1.78	1.90	1.84	0.029	1.6	105.8	104.1
Germany	2.21	2.27	2.18	2.21	2.28	2.18	-0.029	-1.3	96.6	97.9
Italy	1.81	1.95	1.95	1.83	1.85	1.68	-0.020	-1.2	83.0	84.0
Netherlands	1.02	1.24	1.18	1.14	1.18	1.14	0.037	3.3	94.1	91.1
Spain	1.10	1.19	1.22	1.26	1.16	1.17	0.056	5.0	91.9	87.5
UK	1.66	1.74	1.66	1.73	1.68	1.61	-0.112	-6.5	92.4	98.8
Other OECD Europe	3.88	4.09	4.12	4.06	3.83	4.07	0.328	8.8	93.5	86.0
Total	13.36	14.22	14.15	14.01	13.89	13.70	0.288	2.1	93.8	91.8
OECD Pacific										
Japan	4.02	3.94	4.42	4.50	4.56	4.69	0.290	6.6	89.0	82.2
Korea	2.32	2.51	2.61	2.60	2.64	2.48	-0.054	-2.1	100.8	103.0
Other OECD Pacific	0.84	0.82	0.81	0.86	0.80	0.88	0.051	6.2	106.5	100.3
Total	7.18	7.27	7.84	7.96	8.01	8.06	0.287	3.7	94.1	89.9
OECD Total	38.78	39.18	39.92	40.02	39.47	39.62	1.482	3.9	91.8	88.8

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$50

In **North America**, US throughput gained 80 kb/d, but was still relatively low, as the refinery turnaround season continued. US utilisation rose from 89.1% in January to 89.7% in February. Canadian throughput was a somewhat surprising 180 kb/d higher. **European** throughput fell by 190 kb/d, as refiners cut runs in reaction to poor margins the previous month. In addition, some maintenance may have been brought forward from March to February. Runs were lower in France, Germany, Italy and the UK. Overall European utilisation dropped from 95.1% to 93.8%. **OECD Pacific** throughput rose by 50 kb/d, with gains in Japan, Australia and New Zealand more than offsetting lower runs in Korea. Utilisation in the region rose from 93.5% to 94.1%.



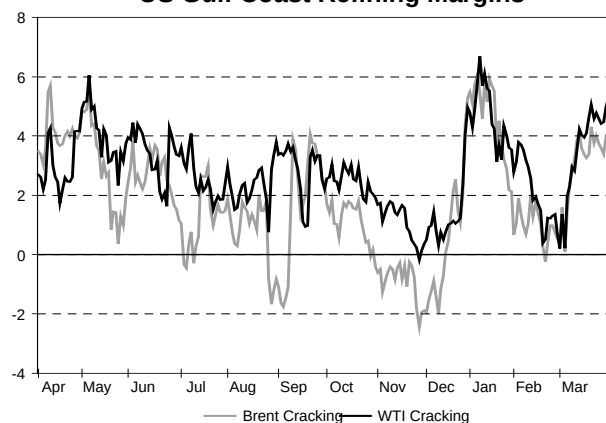
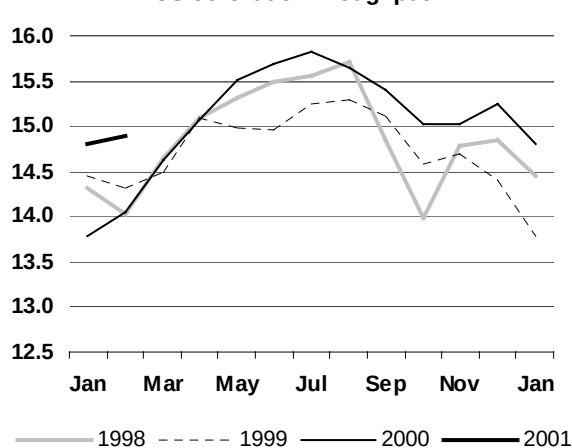
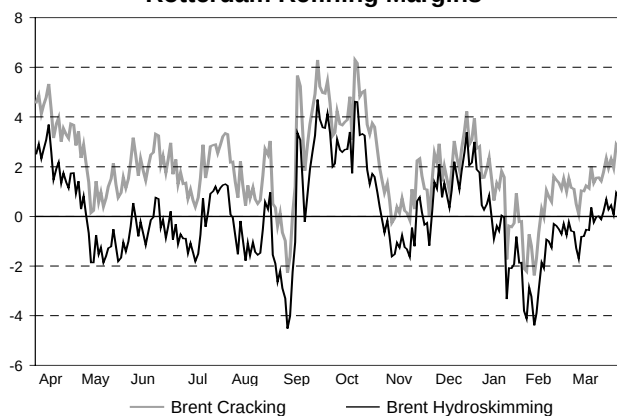
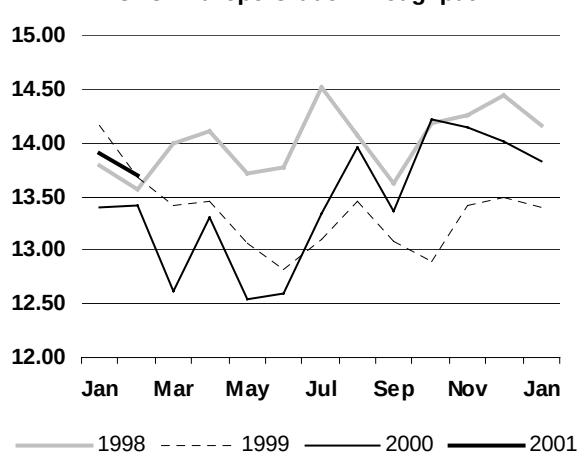
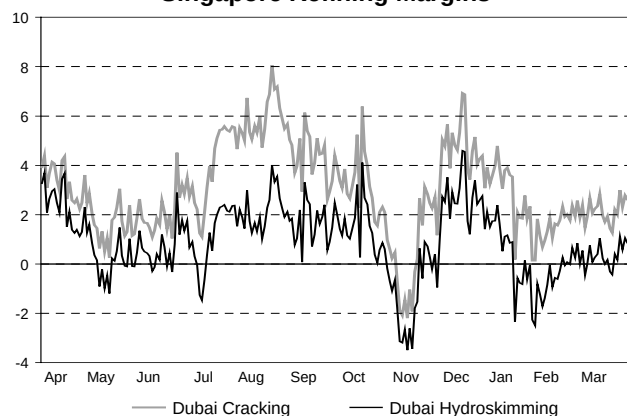
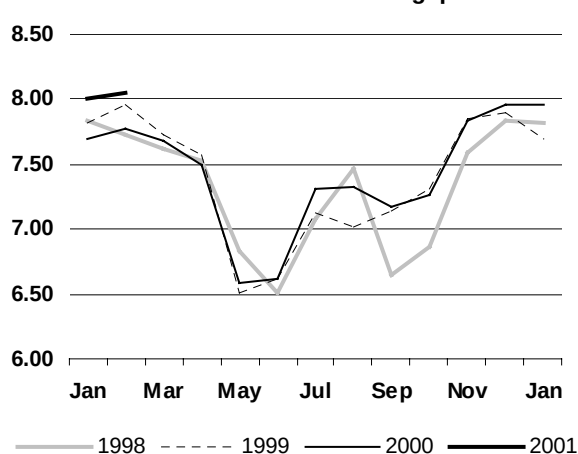
US Gulf Coast Refining Margins**US 50 Crude Throughput****Rotterdam Refining Margins****OECD Europe Crude Throughput****Singapore Refining Margins****OECD Pacific Crude Throughput**

Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	22.7	23.1	23.6	23.5	24.1	24.2	23.9	23.6	23.7	24.3	24.4	24.0	24.5	23.9	24.5	24.6	24.4
Europe	15.0	15.3	15.8	14.4	14.7	15.6	15.1	15.1	14.5	15.1	15.3	15.0	15.3	14.6	15.1	15.7	15.2
Pacific	9.0	8.4	9.4	7.9	8.2	9.1	8.6	9.3	8.0	8.3	8.8	8.6	9.5	8.1	8.4	9.0	8.7
Total OECD	46.7	46.8	48.7	45.7	47.0	49.0	47.6	47.9	46.3	47.7	48.4	47.6	49.2	46.5	48.0	49.2	48.2
NON-OECD DEMAND																	
FSU	3.8	3.7	3.6	3.3	3.4	3.7	3.5	3.6	3.4	3.5	3.7	3.5	3.6	3.4	3.3	3.5	3.5
Europe	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	4.2	4.2	4.4	4.6	4.3	4.6	4.5	4.7	4.5	5.1	4.8	4.8	4.8	5.0	5.0	5.3	5.0
Other Asia	6.7	6.7	7.0	7.1	7.1	7.1	7.1	7.1	7.3	7.3	7.2	7.2	7.3	7.3	7.4	7.4	7.4
Latin America	4.7	4.8	4.6	4.8	4.9	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.8	4.9	5.0	5.0	4.9
Middle East	4.0	4.2	4.3	4.4	4.4	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5
Africa	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4
Total Non-OECD	26.5	26.7	27.0	27.2	27.1	27.5	27.2	27.5	27.6	28.2	27.9	27.8	28.1	28.4	28.6	28.9	28.5
Total Demand¹	73.1	73.5	75.8	72.9	74.0	76.5	74.8	75.4	73.8	75.9	76.4	75.4	77.3	74.9	76.6	78.1	76.7
OECD SUPPLY																	
North America	14.6	14.5	14.1	13.9	13.9	14.1	14.0	14.3	14.4	14.3	14.2	14.3	14.3	14.5	14.6	14.8	14.5
Europe	6.7	6.7	6.8	6.5	6.7	7.1	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.4	6.8	6.6
Pacific	0.7	0.7	0.6	0.6	0.7	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.9	0.8	0.8	0.8	0.8
Total OECD	22.1	21.9	21.5	20.9	21.3	22.0	21.4	22.3	21.8	21.7	21.9	21.9	21.9	21.9	21.8	22.4	22.0
NON-OECD SUPPLY																	
FSU	7.2	7.3	7.4	7.4	7.5	7.6	7.5	7.7	7.8	8.0	8.2	7.9	8.2	8.3	8.4	8.4	8.3
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Other Asia	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Latin America	3.4	3.6	3.8	3.8	3.8	3.8	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.8	3.8	3.8	3.8
Middle East	1.9	1.9	1.9	1.9	1.9	2.0	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.7	2.8	2.7	2.7	2.8	2.9	2.8	2.9	2.9	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	20.9	21.2	21.5	21.5	21.6	21.8	21.6	21.9	22.0	22.4	22.7	22.2	22.7	22.7	22.8	22.8	22.7
Processing Gains ²	1.6	1.6	1.7	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8
Total Non-OPEC	44.5	44.7	44.6	44.0	44.6	45.5	44.7	45.9	45.5	45.8	46.4	45.9	46.4	46.3	46.3	47.0	46.5
OPEC																	
Crude	27.2	28.0	27.8	26.3	26.2	26.1	26.6	26.5	27.8	28.4	29.0	27.9	28.4				
NGLs	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0
Total OPEC	29.9	30.8	30.6	29.1	29.1	29.0	29.4	29.3	30.7	31.3	31.9	30.8	31.3				
Total Supply³	74.4	75.5	75.3	73.1	73.6	74.5	74.1	75.2	76.2	77.1	78.2	76.7	77.7				
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.3	0.2	-0.7	0.4	-0.2	-2.4	-0.7	-0.3	0.9	0.4	-0.1	0.2					
Government	0.0	0.1	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1					
Total	0.3	0.3	-0.7	0.4	-0.3	-2.5	-0.8	-0.3	0.9	0.5	-0.4	0.1					
Floating Storage/Oil in Transit	0.1	0.1	0.0	0.1	-0.1	-0.1	-0.1	0.0	0.1	0.0	0.4	0.1					
Miscellaneous to balance ⁴	0.9	1.6	0.2	-0.3	0.0	0.6	0.1	0.1	1.4	0.7	1.9	1.0					
Total Stock Ch. & Misc	1.3	2.0	-0.5	0.2	-0.4	-2.0	-0.7	-0.2	2.4	1.2	1.9	1.3	0.4				
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	25.9	26.0	28.3	26.1	26.7	28.1	27.3	26.7	25.4	27.2	27.1	26.6	28.0	25.6	27.2	28.1	27.2
Total Demand ex. FSU	69.3	69.8	72.1	69.6	70.6	72.8	71.3	71.9	70.4	72.4	72.7	71.9	73.7	71.5	73.2	74.6	73.2
Total demand exc. FSU (% ch) ⁶	3.1	0.7	3.7	1.8	1.5	1.7	2.2	-0.3	1.2	2.6	-0.2	0.8	2.5	1.5	1.1	2.6	1.9

¹ measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel and includes crude for direct burning,

oil from non-conventional sources and other sources of supply

² net of volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ includes changes in non-reported stocks in OECD and non-OECD areas

⁵ equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	-	-	-	-	-	-0.1	-	-	-	-	-	-	0.2	-	-	-0.1	0.1
Europe	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-0.1	-	-0.1	-
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-	-0.1
Total Demand	-	-	-	-	-0.1	-	-	-0.1	-0.1	-	-	-	-	-0.1	-0.1	-0.1	-0.1
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1	-0.1
Pacific	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	0.1	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.2	-	-0.1	-0.1	-0.1
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1	-0.1
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-0.1
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	-	-	-	-	-	0.1	-	-	-0.2	-0.1	-0.2	-0.1	-0.1
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supply	-	-	-	-	-	-	-	-	-	0.1	-0.1	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	0.1	-	-0.1	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous to balance	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	-
Total Stock Ch. & Misc	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	-	-	-0.1	-	-	-	-0.1	0.1	-	0.2	-	-	0.1	-
Total Demand ex. FSU	-	-	-	-	-	-0.1	-	-	-0.1	-	-	-	-	-0.1	-0.1	-0.1	-0.1

When submitting their monthly oil statistics, IEA Member countries periodically update data for earlier years. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	Third Quarter			October			November			December			Fourth Quarter		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%
North America															
LPG	2.85	2.78	-2.6	3.10	3.04	-1.7	2.90	2.93	1.0	3.53	3.40	-3.8	3.18	3.13	-1.7
Naphtha	0.35	0.40	13.7	0.40	0.41	2.3	0.32	0.44	38.4	0.38	0.34	-9.0	0.36	0.40	8.6
Motor Gasoline	9.89	9.88	-0.1	9.77	9.63	-1.4	9.49	9.58	0.8	10.16	9.87	-2.9	9.81	9.69	-1.2
Jet/Kerosene	1.95	2.05	5.0	1.99	2.02	1.4	1.95	1.97	1.2	2.07	2.12	2.4	2.00	2.04	1.7
Gasoil	4.25	4.44	4.5	4.62	4.63	0.3	4.52	4.67	3.2	4.77	5.17	8.5	4.64	4.83	4.1
Residual Fuel Oil	1.57	1.68	7.0	1.43	1.88	31.8	1.49	1.63	9.4	1.66	1.89	13.9	1.53	1.81	18.1
Other Products	3.28	3.11	-5.3	2.88	2.62	-9.1	2.82	2.44	-13.4	2.42	2.34	-3.3	2.71	2.47	-8.8
Total	24.15	24.34	0.8	24.18	24.24	0.2	23.50	23.66	0.7	25.00	25.14	0.6	24.23	24.35	0.5
Europe															
LPG	0.77	0.83	8.8	0.88	0.86	-2.3	1.00	0.95	-5.4	1.13	0.96	-14.9	1.00	0.92	-8.1
Naphtha	1.12	1.14	1.2	1.16	1.18	1.8	1.22	1.29	5.8	1.27	1.22	-4.3	1.22	1.23	1.0
Motor Gasoline	3.30	3.16	-4.1	3.09	2.99	-3.2	3.13	2.99	-4.4	3.13	3.01	-3.9	3.12	3.00	-3.9
Jet/Kerosene	1.15	1.20	4.8	1.10	1.15	5.0	1.05	1.06	0.8	1.08	1.04	-3.9	1.07	1.08	0.7
Gasoil	5.04	5.40	7.2	5.66	5.96	5.2	6.16	5.93	-3.6	6.12	5.73	-6.5	5.98	5.87	-1.8
Residual Fuel Oil	1.88	1.94	3.2	1.93	1.88	-2.4	2.08	1.97	-5.6	2.13	1.91	-10.2	2.05	1.92	-6.2
Other Products	1.42	1.37	-3.9	1.24	1.43	14.9	1.24	1.25	1.1	1.14	1.22	6.7	1.21	1.30	7.7
Total	14.68	15.05	2.5	15.06	15.45	2.6	15.88	15.44	-2.8	16.00	15.08	-5.8	15.65	15.32	-2.1
Pacific															
LPG	0.81	0.82	0.7	0.79	0.83	5.3	0.94	0.98	4.2	1.07	1.04	-2.5	0.93	0.95	1.9
Naphtha	1.42	1.45	2.3	1.41	1.36	-3.0	1.50	1.48	-1.4	1.51	1.50	-1.0	1.47	1.45	-1.8
Motor Gasoline	1.60	1.62	0.8	1.48	1.45	-2.0	1.52	1.54	1.0	1.62	1.58	-2.1	1.54	1.52	-1.1
Jet/Kerosene	0.72	0.77	5.8	0.87	0.84	-4.2	1.17	1.16	-1.0	1.80	1.62	-9.8	1.28	1.21	-5.9
Gasoil	1.81	1.81	-0.1	1.86	1.77	-4.6	1.97	1.91	-2.8	2.15	2.04	-5.3	1.99	1.91	-4.3
Residual Fuel Oil	1.16	1.18	1.2	1.15	1.12	-2.7	1.24	1.21	-2.4	1.38	1.17	-15.2	1.25	1.16	-7.3
Other Products	0.63	0.65	4.2	0.57	0.57	-1.2	0.62	0.56	-10.9	0.69	0.55	-19.2	0.63	0.56	-11.0
Total	8.16	8.29	1.6	8.12	7.93	-2.3	8.95	8.82	-1.5	10.21	9.50	-6.9	9.10	8.75	-3.8
OECD															
LPG	4.43	4.43	0.0	4.76	4.73	-0.7	4.84	4.85	0.3	5.73	5.40	-5.8	5.11	4.99	-2.3
Naphtha	2.89	2.98	3.2	2.96	2.95	-0.4	3.04	3.21	5.7	3.16	3.06	-3.3	3.06	3.07	0.6
Motor Gasoline	14.79	14.66	-0.9	14.34	14.07	-1.9	14.15	14.11	-0.3	14.91	14.45	-3.0	14.47	14.21	-1.8
Jet/Kerosene	3.82	4.02	5.1	3.96	4.01	1.2	4.17	4.19	0.5	4.95	4.78	-3.4	4.36	4.33	-0.8
Gasoil	11.11	11.66	5.0	12.14	12.36	1.8	12.65	12.51	-1.1	13.04	12.93	-0.8	12.61	12.60	0.0
Residual Fuel Oil	4.61	4.80	4.0	4.51	4.89	8.4	4.81	4.81	-0.1	5.17	4.97	-3.8	4.83	4.89	1.2
Other Products	5.33	5.13	-3.8	4.69	4.61	-1.8	4.68	4.25	-9.2	4.25	4.12	-3.2	4.54	4.33	-4.7
Total	46.99	47.68	1.5	47.36	47.61	0.5	48.33	47.93	-0.8	51.21	49.72	-2.9	48.98	48.42	-1.1

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	October			November			December			Fourth Quarter			January		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	2000	2001	%
United States²															
LPG	2.32	2.23	-3.9	2.12	2.10	-0.8	2.71	2.52	-6.9	2.39	2.29	-4.2	2.65	2.19	-17.6
Naphtha	0.31	0.31	-0.6	0.25	0.34	37.2	0.28	0.25	-9.3	0.28	0.30	7.3	0.24	0.34	44.5
Motor Gasoline	8.54	8.36	-2.1	8.24	8.30	0.7	8.86	8.57	-3.2	8.55	8.41	-1.6	7.59	8.06	6.3
Jet/Kerosene	1.78	1.81	1.6	1.74	1.75	1.1	1.86	1.92	2.7	1.79	1.83	1.8	1.75	1.86	6.3
Gasoil	3.75	3.72	-0.8	3.61	3.74	3.7	3.89	4.28	10.0	3.75	3.92	4.4	3.81	4.28	12.4
Residual Fuel Oil	0.72	1.03	43.1	0.76	0.84	9.6	0.85	1.10	29.0	0.78	0.99	27.2	0.74	1.15	55.8
Other Products	2.45	2.23	-9.0	2.38	2.00	-16.1	2.04	1.99	-2.3	2.29	2.07	-9.4	1.99	2.02	1.1
Total	19.87	19.69	-0.9	19.09	19.06	-0.1	20.50	20.64	0.7	19.83	19.80	-0.1	18.77	19.90	6.0
Japan³															
LPG	0.50	0.50	-1.4	0.60	0.62	3.4	0.71	0.69	-3.0	0.61	0.60	-0.5	0.57	0.67	17.4
Naphtha	0.77	0.79	3.2	0.87	0.84	-3.5	0.89	0.85	-4.9	0.84	0.83	-1.9	0.77	0.85	10.4
Motor Gasoline	0.95	0.95	-0.6	0.98	0.98	0.7	1.05	1.06	0.4	0.99	1.00	0.2	0.85	0.89	4.1
Jet/Kerosene	0.55	0.55	0.5	0.76	0.79	3.4	1.25	1.15	-7.9	0.85	0.83	-2.8	0.95	1.21	26.9
Diesel	0.72	0.68	-4.9	0.73	0.71	-3.1	0.75	0.73	-2.6	0.73	0.71	-3.5	0.59	0.62	6.1
Other Gasoil	0.47	0.48	2.7	0.56	0.55	-1.1	0.72	0.65	-8.8	0.58	0.56	-3.3	0.57	0.60	6.0
Residual Fuel Oil	0.66	0.60	-8.2	0.72	0.65	-10.0	0.80	0.64	-20.5	0.72	0.63	-13.4	0.64	0.70	9.9
Direct use of Crude Oil	0.11	0.11	-3.9	0.17	0.08	-55.4	0.21	0.12	-45.3	0.16	0.10	-39.5	0.15	0.13	-16.7
Other Products	0.36	0.34	-4.9	0.34	0.36	5.6	0.37	0.33	-9.7	0.36	0.35	-3.3	0.32	0.36	14.8
Total	5.09	5.00	-1.7	5.73	5.58	-2.7	6.74	6.21	-8.0	5.86	5.60	-4.4	5.40	6.03	11.6
Germany															
LPG	0.07	0.06	-14.1	0.08	0.06	-23.4	0.10	0.08	-17.7	0.08	0.07	-18.4	0.09	0.09	0.0
Naphtha	0.40	0.37	-6.8	0.40	0.41	1.5	0.44	0.38	-13.2	0.41	0.39	-6.4	0.42	0.41	-1.6
Motor Gasoline	0.71	0.65	-8.1	0.69	0.66	-4.0	0.71	0.65	-8.5	0.70	0.66	-6.9	0.55	0.52	-5.0
Jet/Kerosene	0.15	0.17	9.0	0.15	0.15	-0.3	0.13	0.15	12.0	0.14	0.15	6.8	0.13	0.14	1.7
Diesel	0.49	0.54	10.8	0.55	0.58	5.2	0.50	0.53	6.4	0.51	0.55	7.4	0.34	0.41	21.3
Other Gasoil	0.80	0.66	-17.0	0.81	0.65	-20.2	0.81	0.72	-11.2	0.81	0.68	-16.1	0.64	0.83	30.4
Residual Fuel Oil	0.15	0.17	12.3	0.15	0.17	14.1	0.14	0.17	16.9	0.15	0.17	14.4	0.18	0.19	5.6
Other Products	0.17	0.17	-2.1	0.15	0.17	13.7	0.11	0.10	-9.7	0.14	0.15	1.2	0.06	0.09	38.9
Total	2.94	2.79	-5.1	2.98	2.85	-4.5	2.94	2.78	-5.6	2.95	2.80	-5.1	2.41	2.68	11.2
Italy															
LPG	0.10	0.11	7.0	0.12	0.13	8.2	0.14	0.15	7.1	0.12	0.13	7.4	0.16	0.14	-14.8
Naphtha	0.10	0.11	8.9	0.11	0.11	-4.8	0.13	0.11	-18.8	0.12	0.11	-6.1	0.10	0.09	-7.4
Motor Gasoline	0.43	0.41	-5.9	0.43	0.40	-8.1	0.41	0.41	0.8	0.42	0.41	-4.4	0.38	0.40	3.8
Jet/Kerosene	0.07	0.08	12.1	0.07	0.08	8.2	0.09	0.06	-24.5	0.08	0.07	-2.8	0.08	0.08	5.9
Diesel	0.39	0.40	2.8	0.40	0.41	4.7	0.38	0.38	1.5	0.39	0.40	3.0	0.31	0.35	10.5
Other Gasoil	0.20	0.20	-0.4	0.23	0.21	-11.8	0.28	0.27	-3.3	0.24	0.23	-5.2	0.24	0.22	-6.0
Residual Fuel Oil	0.41	0.35	-14.6	0.46	0.38	-17.4	0.44	0.39	-11.4	0.44	0.37	-14.5	0.45	0.36	-19.3
Other Products	0.14	0.16	12.9	0.11	0.13	18.2	0.12	0.16	32.0	0.12	0.15	20.6	0.07	0.08	23.0
Total	1.85	1.82	-1.7	1.94	1.84	-4.8	1.98	1.94	-2.5	1.92	1.87	-3.0	1.78	1.72	-3.6
France															
LPG	0.11	0.12	1.6	0.14	0.14	0.0	0.16	0.12	-25.0	0.14	0.12	-9.4	0.16	0.15	-7.5
Naphtha	0.16	0.16	-3.7	0.19	0.19	-0.6	0.17	0.17	-0.2	0.18	0.17	-1.4	0.18	0.19	0.5
Motor Gasoline	0.32	0.31	-2.1	0.32	0.29	-7.9	0.34	0.30	-10.3	0.32	0.30	-6.8	0.29	0.28	-3.4
Jet/Kerosene	0.13	0.14	3.9	0.14	0.13	-6.9	0.11	0.13	17.5	0.13	0.13	4.1	0.13	0.14	6.8
Diesel	0.56	0.52	-6.3	0.56	0.57	0.8	0.58	0.55	-4.0	0.57	0.55	-3.2	0.51	0.54	7.4
Other Gasoil	0.42	0.68	61.3	0.48	0.42	-12.9	0.52	0.42	-19.5	0.48	0.51	6.6	0.55	0.61	9.6
Residual Fuel Oil	0.15	0.14	-0.9	0.18	0.15	-16.0	0.18	0.12	-35.0	0.17	0.14	-18.6	0.19	0.14	-25.6
Other Products	0.16	0.16	1.8	0.14	0.12	-11.6	0.12	0.12	1.0	0.14	0.13	-2.7	0.12	0.10	-17.0
Total	2.01	2.22	10.9	2.14	2.01	-6.5	2.19	1.94	-11.2	2.11	2.06	-2.6	2.13	2.14	0.4
United Kingdom															
LPG	0.14	0.12	-20.2	0.17	0.12	-28.7	0.17	0.12	-28.6	0.16	0.12	-26.1	0.14	0.11	-23.0
Naphtha	0.09	0.10	9.4	0.06	0.09	57.6	0.07	0.08	21.2	0.07	0.09	25.9	0.09	0.08	-4.6
Motor Gasoline	0.49	0.50	2.2	0.53	0.54	2.0	0.50	0.49	-2.0	0.50	0.51	0.7	0.47	0.50	5.9
Jet/Kerosene	0.29	0.33	11.6	0.29	0.31	4.4	0.30	0.29	-6.2	0.30	0.31	3.1	0.30	0.32	5.5
Diesel	0.32	0.32	-1.6	0.33	0.33	-1.9	0.31	0.29	-8.6	0.32	0.31	-4.0	0.28	0.31	10.0
Other Gasoil	0.17	0.19	12.8	0.18	0.19	2.3	0.17	0.15	-15.6	0.17	0.17	-0.3	0.19	0.18	-4.7
Residual Fuel Oil	0.09	0.07	-19.7	0.09	0.09	1.9	0.09	0.07	-19.6	0.09	0.08	-12.6	0.09	0.09	-5.3
Other Products	0.14	0.16	12.2	0.17	0.15	-10.5	0.14	0.14	4.8	0.15	0.15	1.4	0.13	0.13	3.2
Total	1.73	1.77	2.3	1.82	1.81	-0.5	1.75	1.62	-7.3	1.77	1.73	-1.9	1.69	1.71	1.6
Canada															
LPG	0.33	0.36	8.6	0.32	0.37	16.3	0.34	0.40	17.5	0.33	0.38	14.1	0.37	0.41	12.2
Naphtha	0.06	0.09	54.5	0.08	0.08	7.7	0.08	0.08	-6.8	0.07	0.08	14.0	0.08	0.08	10.2
Motor Gasoline	0.65	0.65	0.5	0.65	0.65	0.0	0.67	0.66	-0.9	0.66	0.66	-0.2	0.59	0.62	4.7
Jet/Kerosene	0.11	0.11	-4.0	0.12	0.12	-1.3	0.12	0.11	-2.6	0.12	0.11	-2.6	0.12	0.11	-4.6
Diesel	0.19	0.19	0.0	0.20	0.20	0.0	0.18	0.18	3.7	0.19	0.19	1.2	0.16	0.17	5.6
Other Gasoil	0.30	0.33	7.6	0.34	0.33	-0.5	0.33	0.36	10.4	0.32	0.34	5.8	0.36	0.39	9.8
Residual Fuel Oil	0.11	0.18	61.5	0.14	0.21	48.8	0.18	0.20	12.5	0.14	0.20	36.7	0.12	0.18	50.8
Other Products	0.28	0.28	1.8	0.28	0.29	6.8	0.22	0.25	9.0	0.26	0.27	5.6	0.22	0.22	0.0
Total	2.03	2.19	7.5	2.12	2.26	6.7	2.12	2.24	6.0	2.09	2.23	6.7	2.01	2.19	8.9

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	1999	2000	2001	4Q00	1Q01	2Q01	3Q01	4Q01	Jan 01	Feb 01	Mar 01
OPEC											
Crude Oil											
Saudi Arabia	7.52	8.00		8.45	8.08				8.30	7.90	8.01
Iran	3.50	3.69		3.83	3.91				4.05	3.89	3.78
Iraq	2.52	2.57		2.40	2.17				1.73	2.13	2.66
UAE	2.07	2.24		2.35	2.41				2.45	2.45	2.34
Kuwait	1.65	1.77		1.88	1.82				1.88	1.79	1.80
Neutral Zone	0.59	0.63		0.67	0.68				0.68	0.68	0.68
Qatar	0.63	0.69		0.73	0.72				0.74	0.70	0.71
Nigeria	1.95	2.04		2.15	2.15				2.18	2.15	2.13
Libya	1.38	1.41		1.45	1.41				1.45	1.38	1.39
Algeria	0.76	0.81		0.85	0.82				0.85	0.81	0.81
Venezuela	2.79	2.89		2.99	3.00				3.03	2.98	2.98
Indonesia	1.27	1.20		1.25	1.25				1.26	1.25	1.24
Total Crude Oil	26.61	27.92		28.98	28.41				28.59	28.10	28.51
Total NGLs ¹	2.82	2.88	2.99	2.91	2.93	2.98	3.01	3.04	2.95	2.95	2.89
Total OPEC	29.43	30.80		31.89	31.34				31.54	31.05	31.41
NON-OPEC²											
OECD											
North America	14.00	14.32	14.54	14.21	14.27	14.53	14.59	14.76	13.86	14.24	14.69
United States	8.10	8.13	8.10	8.07	7.94	8.16	8.11	8.21	7.62	7.94	8.26
Mexico	3.35	3.45	3.66	3.38	3.58	3.64	3.69	3.74	3.54	3.56	3.64
Canada	2.56	2.74	2.77	2.76	2.74	2.73	2.79	2.82	2.70	2.74	2.79
Europe	6.76	6.78	6.63	6.88	6.80	6.50	6.39	6.81	6.90	6.71	6.79
UK	2.93	2.70	2.59	2.66	2.64	2.40	2.59	2.72	2.62	2.61	2.68
Norway	3.14	3.32	3.30	3.45	3.42	3.37	3.07	3.33	3.53	3.35	3.36
Others	0.69	0.75	0.74	0.78	0.75	0.73	0.74	0.75	0.75	0.75	0.75
Pacific	0.67	0.84	0.84	0.80	0.85	0.83	0.85	0.84	0.88	0.87	0.82
Australia	0.61	0.78	0.78	0.74	0.79	0.77	0.79	0.78	0.82	0.81	0.75
Others	0.07	0.06	0.06	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.43	21.94	22.01	21.90	21.92	21.86	21.83	22.41	21.64	21.82	22.29
NON-OECD											
Former USSR	7.49	7.94	8.34	8.22	8.24	8.28	8.38	8.44	8.18	8.29	8.25
Russia	6.16	6.50	6.78	6.70	6.70	6.73	6.82	6.88	6.66	6.74	6.71
Others	1.34	1.44	1.55	1.52	1.54	1.55	1.56	1.57	1.52	1.56	1.54
Asia	5.42	5.51	5.51	5.56	5.54	5.52	5.50	5.48	5.53	5.54	5.54
China	3.19	3.23	3.19	3.22	3.20	3.20	3.19	3.19	3.18	3.21	3.21
Malaysia	0.70	0.71	0.71	0.72	0.71	0.71	0.71	0.71	0.71	0.71	0.71
India	0.75	0.73	0.73	0.75	0.75	0.74	0.72	0.71	0.76	0.75	0.74
Others	0.79	0.84	0.88	0.87	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Europe	0.19	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Latin America	3.78	3.77	3.83	3.88	3.84	3.83	3.82	3.81	3.88	3.80	3.85
Brazil	1.36	1.50	1.60	1.63	1.59	1.58	1.60	1.61	1.59	1.62	1.58
Argentina	0.85	0.81	0.80	0.80	0.81	0.80	0.80	0.79	0.82	0.80	0.81
Colombia	0.83	0.70	0.65	0.67	0.66	0.66	0.64	0.62	0.69	0.63	0.68
Ecuador	0.38	0.39	0.43	0.42	0.42	0.43	0.43	0.43	0.43	0.39	0.43
Others	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36
Middle East³	1.93	2.00	2.02	2.04	2.02	2.03	2.02	2.00	2.01	2.01	2.04
Oman	0.91	0.96	0.99	1.01	0.98	1.01	1.00	0.99	0.97	0.97	1.01
Syria	0.57	0.55	0.52	0.54	0.53	0.52	0.52	0.51	0.53	0.53	0.53
Yemen	0.41	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.79	2.85	2.87	2.83	2.86	2.87	2.87	2.88	2.85	2.85	2.87
Egypt	0.85	0.81	0.77	0.80	0.78	0.78	0.77	0.76	0.78	0.79	0.78
Angola	0.75	0.74	0.73	0.72	0.73	0.73	0.73	0.72	0.73	0.73	0.73
Gabon	0.33	0.31	0.29	0.30	0.30	0.30	0.29	0.29	0.30	0.30	0.30
Others	0.85	0.99	1.08	1.01	1.05	1.06	1.08	1.11	1.04	1.04	1.06
Total Non-OECD	21.60	22.24	22.74	22.72	22.67	22.71	22.77	22.80	22.62	22.66	22.73
Processing Gains ⁴	1.67	1.72	1.77	1.74	1.79	1.75	1.75	1.79	1.79	1.79	1.79
TOTAL NON-OPEC	44.69	45.89	46.51	46.36	46.38	46.31	46.35	47.00	46.04	46.27	46.81
TOTAL SUPPLY	74.12	76.69		78.24	77.72				77.58	77.32	78.21

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	1999	2000	2001	4Q00	1Q01	2Q01	3Q01	4Q01	Jan-01	Feb-01	Mar-01
United States											
Alaska	1050	970	948	987	1005	940	905	941	996	995	1023
California	857	836	816	839	815	824	816	809	804	817	824
Texas	1231	1234	1217	1244	1232	1222	1213	1204	1238	1231	1227
Federal Gulf of Mexico ²	1349	1412	1574	1466	1529	1555	1580	1630	1516	1532	1541
Other US Lower 48	1390	1378	1324	1364	1348	1332	1316	1300	1353	1347	1343
NGLs ³	1834	1908	1836	1792	1632	1892	1887	1929	1381	1618	1896
Other Hydrocarbons	386	389	388	380	379	390	392	392	335	399	406
Total	8096	8127	8103	8073	7941	8155	8108	8204	7623	7939	8260
Canada											
Alberta Light/Medium/Heavy	784	766	736	758	745	739	734	729	746	747	741
Alberta Bitumen	244	269	315	296	313	314	316	317	314	310	315
Saskatchewan	374	416	427	429	425	426	427	429	422	427	426
Other Crude	187	228	219	227	217	201	225	232	213	211	226
NGLs	649	738	712	735	705	700	715	728	680	705	730
Synthetic Crudes	323	322	361	315	340	353	372	380	327	341	352
Total	2560	2738	2770	2759	2744	2733	2789	2815	2701	2740	2789
Mexico											
Crude	2906	3012	3223	2956	3141	3200	3250	3300	3087	3136	3200
NGLs	439	438	440	425	440	440	440	440	452	428	440
Total	3345	3450	3663	3381	3582	3640	3690	3740	3539	3564	3640
UK Offshore⁴											
Brent Fields	414	339	281	285	305	265	283	271	311	304	300
Forties Fields	904	775	774	738	753	683	789	869	773	705	778
Ninian Fields	154	140	129	145	139	121	130	124	138	141	138
Flotta Fields	201	177	153	178	166	144	154	147	168	167	164
Other Fields	928	984	980	985	959	932	1008	1020	888	989	1003
NGLs	238	224	216	261	253	200	170	240	279	240	240
Total	2839	2638	2532	2592	2576	2344	2534	2671	2557	2546	2622
Norway⁴											
Ekofisk-Ula Area	452	461	462	471	487	468	449	445	476	512	475
Oseberg-Troll Area	672	731	722	753	750	738	662	738	785	728	736
Statfjord-Gullfaks Area	1017	926	873	931	921	903	800	869	964	930	871
Haltenbanken Area	695	766	727	820	747	748	681	734	784	684	768
Sleipner-Frigg Area	179	316	313	327	309	306	293	343	316	299	311
NGLs	121	121	198	150	201	204	184	204	209	194	198
Total	3136	3320	3296	3453	3416	3368	3069	3334	3534	3347	3359
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	346	403	409	418	407	401	413	413	406	409	407
UK Onshore	88	66	56	62	60	57	55	52	61	60	60
Italy	82	74	70	82	67	67	67	80	63	69	68
Turkey	59	53	48	53	50	49	47	46	49	50	49
Other	150	163	164	167	168	165	162	160	170	167	167
NGLs (excl. North Sea)	24	29	31	33	36	27	27	34	36	35	36
Non-Conventional Oils	31	32	22	24	23	22	22	21	24	23	22
Total	780	820	800	839	810	789	793	806	809	813	808
Australia											
Gippsland Basin	210	178	161	158	164	162	160	158	166	164	162
Cooper-Eromanga Basin	25	25	23	25	24	24	23	22	25	24	24
Carnarvon Basin	248	320	356	322	353	345	357	369	353	354	351
Other Crude	51	183	169	165	176	166	171	161	194	193	143
NGLs	72	73	75	66	74	75	77	72	78	72	72
Total	606	780	783	736	791	772	788	782	815	808	752
Other OECD Pacific											
New Zealand	42	36	34	38	34	34	33	32	32	36	35
Japan	8	7	6	7	6	6	6	6	6	6	6
NGLs	15	16	18	17	19	19	18	18	20	18	19
Synthetic Fuels	4	3	2	3	2	2	2	2	2	3	2
Total	69	62	60	65	62	61	60	58	60	64	62
OECD											
Crude Oil	17286	17635	17698	17688	17806	17527	17517	17941	17805	17734	17871
NGLs	3400	3555	3535	3488	3370	3567	3527	3674	3145	3320	3640
Non-Conventional Oils	743	746	774	722	745	767	787	796	688	766	782
Total	21430	21936	22007	21898	21920	21861	21831	22411	21638	21820	22293

¹ subcategories refer to crude oil only unless otherwise noted

² only production from Federal waters is included

³ to the extent possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Oct2000	Nov2000	Dec2000	Jan2001	Feb2001*	Feb1998	Feb1999	Feb2000	1Q2000	2Q2000	3Q2000	4Q2000
North America												
Crude	380	395	393	397	389	407	428	387	0.15	-0.06	0.01	0.04
Gasoline	218	229	228	235	234	256	264	234	0.14	0.02	-0.14	0.03
Middle Distillate	190	197	196	196	195	210	224	179	-0.34	0.14	0.08	0.09
Residual Fuel Oil	45	48	45	46	48	48	52	43	0.01	0.02	0.00	-0.01
Total Products ³	624	638	618	616	612	662	704	585	-0.30	0.54	0.09	-0.22
Total ⁴	1158	1180	1149	1150	1141	1215	1276	1105	-0.19	0.60	0.17	-0.32
Europe												
Crude	322	322	330	325	330	353	352	326	0.24	-0.05	-0.03	-0.07
Gasoline	127	121	122	129	131	143	152	134	-0.02	-0.08	0.04	0.01
Middle Distillate	226	231	235	228	225	244	254	233	-0.07	0.02	0.10	0.08
Residual Fuel Oil	85	83	86	86	85	83	84	80	-0.04	-0.03	0.02	0.08
Total Products ³	540	541	551	548	545	556	581	540	-0.09	-0.07	0.21	0.22
Total ⁴	929	932	948	936	939	972	994	929	0.19	-0.11	0.16	0.18
Pacific												
Crude	171	180	172	164	175	193	171	171	-0.02	0.17	-0.19	0.04
Gasoline	27	25	24	25	25	25	28	26	0.02	-0.01	0.00	-0.02
Middle Distillate	92	92	83	72	68	75	73	62	-0.25	0.14	0.13	0.01
Residual Fuel Oil	26	25	23	24	24	25	24	22	0.01	0.00	0.02	-0.01
Total Products ³	219	218	202	190	178	190	186	172	-0.30	0.20	0.25	-0.01
Total ⁴	471	481	455	437	434	474	442	425	-0.31	0.39	0.08	0.02
Total												
Crude	874	897	895	886	894	952	952	884	0.37	0.05	-0.21	0.01
Gasoline	371	376	374	389	390	424	443	393	0.14	-0.07	-0.11	0.02
Middle Distillate	507	520	514	496	487	529	551	475	-0.66	0.30	0.30	0.18
Residual Fuel Oil	155	156	154	156	157	155	160	145	-0.02	-0.01	0.05	0.06
Total Products ³	1383	1396	1371	1353	1334	1408	1470	1297	-0.69	0.67	0.55	-0.01
Total ⁴	2559	2594	2552	2524	2514	2661	2712	2458	-0.32	0.88	0.41	-0.12

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Oct2000	Nov2000	Dec2000	Jan2001	Feb2001*	Feb1998	Feb1999	Feb2000	1Q2000	2Q2000	3Q2000	4Q2000
North America												
Crude	565	548	541	542	542	563	572	569	0.02	-0.01	0.02	-0.32
Products ⁷	2	2	2	2	2	0	0	0	0.00	0.00	0.02	0.01
Europe												
Crude	137	136	138	138	138	118	147	146	-0.07	-0.05	-0.03	-0.01
Products	214	215	215	215	215	207	214	201	0.05	0.05	0.07	0.03
Pacific												
Crude	312	312	313	314	316	315	315	315	0.00	-0.01	-0.02	0.01
Total												
Crude	1013	996	992	995	996	996	1034	1030	-0.04	-0.06	-0.04	-0.32
Products	216	217	217	217	217	207	214	201	0.05	0.05	0.09	0.03
Total ⁴	1231	1213	1210	1213	1214	1203	1249	1232	0.00	-0.02	0.05	-0.29

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 The US government controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	September			October			November			December			January		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	2000	2001	%
United States															
Crude	303.5	280.2	-7.7	304.1	280.8	-7.7	298.3	289.2	-3.1	284.5	288.7	1.5	285.9	294.2	2.9
Motor Gasoline	207.2	197.2	-4.8	204.1	188.3	-7.7	205.5	199.0	-3.2	193.3	196.9	1.9	208.7	205.6	-1.5
Middle Distillate	199.8	161.6	-19.1	189.0	163.8	-13.3	189.0	168.6	-10.8	170.8	166.6	-2.5	153.9	166.5	8.2
Residual Fuel Oil	40.8	37.9	-7.1	40.5	35.0	-13.6	40.4	38.9	-3.7	35.8	36.0	0.6	36.0	37.1	3.1
Other Products	150.2	151.3	0.7	138.1	142.8	3.4	132.2	136.9	3.6	117.7	122.8	4.3	106.9	112.0	4.8
Total Products	598.0	548.0	-8.4	571.7	529.9	-7.3	567.1	543.4	-4.2	517.6	522.3	0.9	505.5	521.2	3.1
Other ²	137.9	132.9	-3.6	137.0	135.3	-1.2	136.0	130.8	-3.8	123.6	121.0	-2.1	121.7	120.5	-1.0
Total	1039.4	961.1	-7.5	1012.8	946.0	-6.6	1001.4	963.4	-3.8	925.7	932.0	0.7	913.1	935.9	2.5
Japan															
Crude	138.1	116.3	-15.8	134.8	124.0	-8.0	132.0	123.8	-6.2	125.1	125.1	0.0	117.9	120.2	2.0
Motor Gasoline	12.5	13.3	6.4	13.0	13.8	6.2	14.4	14.1	-2.1	13.2	12.6	-4.5	14.4	14.5	0.7
Middle Distillate	54.5	52.4	-3.9	58.8	57.1	-2.9	62.1	55.9	-10.0	50.7	49.7	-2.0	51.1	45.6	-10.8
Residual Fuel Oil	9.2	9.5	3.3	9.4	10.2	8.5	9.5	10.1	6.3	9.8	10.5	7.1	9.7	10.4	7.2
Other Products	52.3	51.2	-2.1	56.4	55.2	-2.1	53.4	55.3	3.6	49.1	52.4	6.7	44.9	50.6	12.7
Total Products	128.5	126.4	-1.6	137.6	136.3	-0.9	139.4	135.4	-2.9	122.8	125.2	2.0	120.1	121.1	0.8
Other ²	70.2	71.6	2.0	70.9	70.1	-1.1	72.7	73.6	1.2	65.8	70.5	7.1	68.9	72.3	4.9
Total	336.8	314.3	-6.7	343.3	330.4	-3.8	344.1	332.8	-3.3	313.7	320.8	2.3	306.9	313.6	2.2
Germany															
Crude	24.0	18.8	-21.7	19.7	18.1	-8.1	19.6	20.0	2.0	19.7	16.8	-14.7	20.8	17.4	-16.3
Motor Gasoline	10.5	11.0	4.8	10.9	12.4	13.8	12.2	11.1	-9.0	11.0	10.0	-9.1	14.4	13.1	-9.0
Middle Distillate	22.1	17.4	-21.3	21.1	17.9	-15.2	18.3	16.8	-8.2	19.2	17.1	-10.9	23.9	17.8	-25.5
Residual Fuel Oil	9.5	9.5	0.0	9.2	9.5	3.3	8.5	9.0	5.9	9.0	9.4	4.4	10.1	8.6	-14.9
Other Products	12.6	12.9	2.4	12.7	12.7	0.0	13.2	13.1	-0.8	12.1	14.1	16.5	12.2	12.7	4.1
Total Products	54.7	50.8	-7.1	53.9	52.5	-2.6	52.2	50.0	-4.2	51.3	50.6	-1.4	60.6	52.2	-13.9
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	78.7	69.6	-11.6	73.6	70.6	-4.1	71.8	70.0	-2.5	71.0	67.4	-5.1	81.4	69.6	-14.5
Italy³															
Crude	37.9	41.8	10.3	39.7	37.8	-4.8	36.8	37.5	1.9	34.5	36.9	7.0	38.1	36.9	-3.1
Motor Gasoline	31.5	24.4	-22.5	29.9	26.0	-13.0	31.6	25.1	-20.6	30.4	22.9	-24.7	30.8	22.9	-25.6
Middle Distillate	30.6	32.5	6.2	29.9	34.2	14.4	28.7	37.0	28.9	28.2	35.8	27.0	28.3	35.8	26.5
Residual Fuel Oil	17.2	15.0	-12.8	17.4	18.7	7.5	18.3	19.4	6.0	17.4	18.5	6.3	18.1	18.5	2.2
Other Products	8.7	13.0	49.4	8.9	13.9	56.2	9.2	14.2	54.3	9.3	14.8	59.1	10.3	14.8	43.7
Total Products	88.0	84.9	-3.5	86.1	92.8	7.8	87.8	95.7	9.0	85.3	92.0	7.9	87.5	92.0	5.1
Other ²	6.4	11.8	84.4	7.9	11.5	45.6	8.4	11.5	36.9	10.6	11.2	5.7	10.3	11.2	8.7
Total	132.3	138.5	4.7	133.7	142.1	6.3	133.0	144.7	8.8	130.4	140.1	7.4	135.9	140.1	3.1
France															
Crude	40.3	36.5	-9.4	39.9	37.9	-5.0	38.3	36.7	-4.2	37.6	38.3	1.9	35.1	36.9	5.1
Motor Gasoline	14.6	13.3	-8.9	13.1	15.2	16.0	13.7	14.2	3.6	15.4	13.5	-12.3	15.6	14.2	-9.0
Middle Distillate	41.4	36.5	-11.8	36.7	29.4	-19.9	36.4	33.4	-8.2	32.8	33.2	1.2	36.9	27.6	-25.2
Residual Fuel Oil	7.2	7.6	5.6	7.2	7.7	6.9	7.0	7.5	7.1	6.1	7.8	27.9	8.0	7.8	-2.5
Other Products	8.5	8.7	2.4	8.5	9.5	11.8	8.8	9.8	11.4	8.8	10.2	15.9	8.8	9.7	10.2
Total Products	71.7	66.1	-7.8	65.5	61.8	-5.6	65.9	64.9	-1.5	63.1	64.7	2.5	69.3	59.3	-14.4
Other ²	11.5	13.0	13.0	12.8	12.8	0.0	13.1	12.3	-6.1	11.7	12.5	6.8	11.0	12.9	17.3
Total	123.5	115.6	-6.4	118.2	112.5	-4.8	117.3	113.9	-2.9	112.4	115.5	2.8	115.4	109.1	-5.5
United Kingdom															
Crude	37.8	33.6	-11.1	40.6	33.1	-18.5	40.3	33.9	-15.9	39.3	34.7	-11.7	37.5	32.1	-14.4
Motor Gasoline	11.4	10.4	-8.8	11.5	10.0	-13.0	11.5	8.3	-27.8	10.4	8.2	-21.2	11.4	9.1	-20.2
Middle Distillate	21.3	17.0	-20.2	18.3	20.5	12.0	17.8	21.0	18.0	20.0	21.2	6.0	20.9	20.2	-3.3
Residual Fuel Oil	5.5	5.0	-9.1	5.4	5.5	1.9	5.8	4.9	-15.5	6.0	5.0	-16.7	5.5	6.2	12.7
Other Products	13.1	16.2	23.7	13.1	15.9	21.4	13.1	15.7	19.8	12.6	17.6	39.7	12.8	17.3	35.2
Total Products	51.3	48.6	-5.3	48.3	51.9	7.5	48.2	49.9	3.5	49.0	52.0	6.1	50.6	52.8	4.3
Other ²	12.7	13.4	5.5	13.5	13.9	3.0	11.6	14.0	20.7	12.8	13.3	3.9	13.0	11.4	-12.3
Total	101.8	95.6	-6.1	102.4	98.9	-3.4	100.1	97.8	-2.3	101.1	100.0	-1.1	101.1	96.3	-4.7
Canada³															
Crude	68.1	71.3	4.7	71.6	67.9	-5.2	71.3	70.9	-0.6	68.9	70.9	2.9	69.2	70.9	2.5
Motor Gasoline	16.0	15.1	-5.6	16.1	15.8	-1.9	16.7	16.8	0.6	16.5	16.8	1.8	18.2	16.8	-7.7
Middle Distillate	20.0	18.3	-8.5	19.3	17.8	-7.8	19.9	19.5	-2.0	19.9	19.5	-2.0	19.6	19.5	-0.5
Residual Fuel Oil	4.4	3.6	-18.2	4.3	3.6	-16.3	3.8	3.8	0.0	2.7	3.8	40.7	3.0	3.8	26.7
Other Products	20.0	21.1	5.5	19.3	21.3	10.4	19.4	19.3	-0.5	18.3	19.3	5.5	19.4	19.3	-0.5
Total Products	60.4	58.1	-3.8	59.0	58.5	-0.8	59.8	59.4	-0.7	57.4	59.4	3.5	60.2	59.4	-1.3
Other ²	18.9	19.0	0.5	18.7	19.0	1.6	16.6	17.2	3.6	14.8	17.2	16.2	14.5	17.2	18.6
Total	147.4	148.4	0.7	149.3	145.4	-2.6	147.7	147.5	-0.1	141.1	147.5	4.5	143.9	147.5	2.5

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following countries are estimated: Canada, December 2000 and January 2001; Italy January 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End December 1999		End March 2000		End June 2000		End September 2000		End December 2000 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	141.0	67	141.3	68	143.1	66	148.4	67	147.5	-
Mexico	37.4	18	37.3	18	38.3	19	47.2	24	47.6	-
United States	1492.9	78	1477.6	77	1528.7	77	1533.0	77	1474.5	-
Total ⁴	1693.5	72	1678.3	71	1732.2	71	1750.8	72	1691.8	69
Pacific										
Australia	37.0	43	37.6	43	41.2	49	43.9	51	40.9	-
Japan	628.7	105	606.0	122	631.6	117	626.8	112	634.0	-
Korea ⁵	76.3	33	71.6	35	77.4	40	83.0	38	82.5	-
New Zealand	11.5	80	9.7	77	10.1	77	11.6	89	10.5	-
Total	753.4	81	724.9	90	760.3	92	765.3	87	768.0	81
Europe⁶										
Austria	19.6	81	19.7	81	18.0	72	16.8	65	18.5	-
Belgium	25.8	43	27.7	51	27.4	51	27.7	42	26.4	-
Czech Republic	15.1	94	14.6	79	14.6	86	14.9	84	15.2	-
Denmark	18.3	85	18.0	85	17.7	86	17.2	83	17.6	-
Finland	23.2	113	22.0	110	20.4	100	23.4	113	27.0	-
France	160.3	76	165.8	88	169.7	90	168.4	82	169.7	-
Germany	289.6	110	286.0	107	280.6	95	277.6	99	273.3	-
Greece	23.9	54	22.7	61	24.6	66	26.7	63	28.0	-
Hungary	21.2	151	23.5	160	21.1	137	21.5	147	21.6	-
Ireland	10.8	62	9.4	57	8.5	54	8.2	48	9.2	-
Italy	130.4	70	136.3	77	134.6	74	138.6	74	139.9	-
Luxembourg	0.6	14	0.9	19	0.9	17	0.7	15	1.1	-
Netherlands	96.0	118	94.2	109	106.4	123	110.0	127	112.3	-
Norway	52.5	258	57.1	284	45.5	216	49.0	257	52.4	-
Poland	12.2	32	24.9	62	22.7	52	24.5	56	27.8	-
Portugal	21.9	66	21.7	70	21.1	63	23.3	72	23.4	-
Spain	106.4	73	107.6	76	110.1	78	112.7	78	114.1	-
Sweden	33.4	82	32.5	98	33.8	102	37.8	131	34.4	-
Switzerland	40.9	160	39.1	161	39.1	143	39.2	139	37.3	-
Turkey	48.9	81	49.6	79	52.7	74	50.5	71	53.7	-
United Kingdom	101.2	57	103.0	63	96.4	56	95.7	55	100.0	-
Total	1252.1	83	1276.4	88	1265.9	84	1284.4	84	1302.8	85
Total OECD	3699.0	77	3679.6	80	3758.4	79	3800.4	78	3762.5	76
DAYS OF IEA Net Imports⁷	-	110	-	109	-	112	-	113	-	113

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net imports used for the calculation of IEA Emergency Reserves

3 end December 2000 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
4Q1997	3850	1207	2643	82	26	56
1Q1998	3840	1205	2635	85	27	58
2Q1998	3997	1228	2769	86	26	59
3Q1998	4031	1238	2793	84	26	58
4Q1998	3974	1249	2725	82	26	56
1Q1999	3913	1248	2665	86	27	58
2Q1999	3954	1250	2704	84	27	58
3Q1999	3927	1240	2687	80	25	55
4Q1999	3699	1228	2471	77	26	52
1Q2000	3680	1234	2446	80	27	53
2Q2000	3758	1232	2526	79	26	53
3Q2000	3800	1237	2564	78	26	53
4Q2000	3762	1210	2552	76	25	52

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 4Q2000 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	1Q00	2Q00	3Q00	4Q00	1Q01	Oct 00	Nov00	Dec00	Jan01	Feb01	Mar01
CRUDE OIL PRICES														
<i>IEA CIF Average Import*</i>	12.52	17.26	27.92	26.82	26.40	29.19	29.38		30.45	31.05	27.04	24.67		
<i>FOB Spot</i>														
Brent (Dated)	12.76	17.86	28.37	26.94	26.70	30.24	29.59	25.79	30.86	32.48	25.42	25.53	27.49	24.36
WTI (1st month)	14.40	19.25	30.33	28.87	28.83	31.63	31.98	28.66	32.99	34.40	28.55	29.30	29.57	27.13
Urals (Del. Med.)	11.83	17.18	26.52	26.15	25.02	27.15	27.78	23.68	28.36	31.11	23.88	24.46	24.92	21.65
Dubai (1st month)	12.18	17.20	26.17	24.42	25.05	27.61	27.59	23.65	30.50	30.44	21.83	22.73	24.81	23.40
OPEC Basket*	12.28	17.47	27.57	26.11	26.32	29.24	28.59	24.39	30.42	31.22	24.13	24.06	25.41	23.70
PRODUCT PRICES¹														
<i>Rotterdam, Barges FOB</i>														
Unleaded Premium ²	17.56	21.81	35.78	32.90	39.48	37.70	33.04	31.79	37.04	34.25	27.83	30.29	33.22	31.85
Regular Unleaded	16.54	20.80	34.23	31.91	36.91	36.12	31.98	30.68	35.49	32.98	27.47	29.63	32.02	30.41
Naphtha	14.64	18.68	29.56	29.19	27.54	30.71	30.79	28.12	32.94	32.43	27.01	28.49	29.39	26.48
Jet/Kerosene	17.16	22.04	36.99	33.23	33.23	39.79	41.72	32.58	44.05	43.35	37.76	32.27	33.69	31.78
Gasoil	16.19	20.06	34.28	30.23	30.27	37.77	38.83	30.58	40.74	40.84	34.91	30.79	31.24	29.69
Fuel Oil 1.0%S	11.73	14.75	23.20	21.76	21.46	23.75	25.85	21.20	27.77	26.05	23.72	21.27	21.20	21.13
Fuel Oil 3.5%S	10.20	14.41	21.45	21.28	20.26	21.80	22.49	17.85	24.91	23.17	19.38	16.26	18.87	18.43
Gross Product Worth ³	15.19	19.25	32.02	29.22	30.72	34.16	33.97	28.43	36.75	35.28	29.88	28.33	29.23	27.74
Brent Cracking Margin	1.34	0.30	1.93	0.80	2.45	2.07	2.40	0.86	3.88	0.77	2.54	0.88	0.07	1.61
<i>Mediterranean - Basis Italy, Cargoes FOB</i>														
Premium 0.15 g/l	17.86	22.75	36.89	33.75	40.22	39.35	34.25	32.34	39.11	35.34	28.30	31.26	33.44	32.33
Naphtha	13.54	17.66	27.94	27.92	26.12	29.03	28.67	25.33	31.34	30.47	24.20	25.58	26.43	24.00
Jet/Kerosene	14.99	20.55	34.81	31.91	31.06	37.76	38.52	28.41	42.14	40.67	32.74	27.67	28.96	28.59
Gasoil	14.83	19.05	33.75	29.73	29.03	37.63	38.61	28.34	41.90	40.40	33.52	27.38	30.92	26.73
Fuel Oil 1.0%S	10.96	14.11	23.25	22.12	21.83	23.45	25.60	19.83	27.87	25.57	23.36	20.77	19.36	19.36
Fuel Oil 3.5%S	9.14	13.20	20.20	20.34	18.70	20.29	21.46	16.49	24.10	20.95	19.32	15.15	17.53	16.80
Gross Product Worth ⁴	14.25	18.51	30.93	28.38	29.33	33.25	32.75	26.56	36.12	33.87	28.28	25.84	28.01	25.82
Urals Cracking Margin	2.07	1.00	4.11	1.93	4.02	5.81	4.69	2.58	7.48	2.48	4.10	1.08	2.79	3.86
<i>NYHarbour, Barges</i>														
Premium Unleaded 93	19.59	24.48	38.35	35.49	39.47	41.21	37.25	36.55	40.24	39.43	32.08	37.78	37.31	34.56
Regular Unleaded 87	17.80	22.71	35.96	33.77	36.05	37.64	36.38	34.08	39.35	38.84	30.95	34.82	34.66	32.77
Jet/Kerosene	18.03	21.74	38.11	37.25	33.16	39.10	42.92	34.73	42.72	45.09	40.94	36.05	35.21	32.94
No.2 (Heating Oil)	16.43	20.45	36.41	35.55	31.80	37.15	41.14	33.18	40.88	43.11	39.45	35.47	32.98	31.09
Fuel Oil 1.0%S (Cargo)	12.32	15.47	25.03	21.90	24.21	26.12	27.88	24.01	29.52	28.49	25.62	25.41	23.32	23.31
Fuel Oil 3.0%S (Cargo)	10.25	13.96	20.65	19.99	20.59	21.22	20.79	18.52	23.75	19.67	18.94	18.41	18.16	18.99
Gross Product Worth ⁵	16.75	20.67	33.54	30.74	33.39	35.30	34.73	33.19	36.57	36.58	31.03	35.04	32.74	31.77
WTI Cracking Margin	1.25	0.32	2.11	0.76	3.46	2.56	1.65	3.42	2.48	1.09	1.38	4.65	2.07	3.54
<i>Singapore, Cargoes</i>														
Gasoline ⁶	17.19	21.01	32.52	30.66	31.00	36.52	31.90	30.42	32.87	32.84	29.98	29.97	31.49	29.81
Naphtha	14.84	19.39	28.28	27.03	26.82	30.81	28.46	26.17	31.74	28.89	24.75	24.85	27.12	26.54
Jet/Kerosene	16.36	21.43	34.27	31.59	29.41	37.79	38.29	29.48	43.23	39.47	32.18	29.10	30.58	28.77
Gasoil	15.47	19.13	32.41	30.31	28.47	36.40	34.45	27.57	39.04	34.78	29.53	28.42	27.48	26.81
LSWR (0.3%S) ⁷	10.98	15.50	25.70	23.62	25.92	26.92	26.36	22.25	28.89	27.58	22.61	21.90	22.53	22.32
HSFO (3.5%S 180cst)	10.65	15.70	24.47	23.21	25.31	24.27	25.11	20.85	28.10	26.07	21.16	19.78	21.30	21.48
HSFO (3.5%S 380cst)	10.09	15.14	23.58	22.48	24.34	23.33	24.16	19.70	27.24	25.09	20.17	18.38	20.18	20.54
Gross Product Worth ⁸	14.65	18.74	30.03	28.25	27.99	32.91	30.96	26.45	34.09	31.63	27.16	26.31	26.92	26.14
Dubai Cracking Margin	1.01	0.95	3.27	3.25	2.36	4.69	2.77	2.24	2.96	0.56	4.78	3.02	1.53	2.17

* IEA CIF Average Import price for Jan is an estimate.

1 product prices are mean values and are converted to \$/bbl using following conversion factors.

Rotterdam: 8.35 bbl/MT for premium leaded gasoline, 8.46 bbl/MT for regular unleaded gasoline, 8.82 bbl/MT for naphtha, 7.88 bbl/MT for jet fuel, 7.46 bbl/MT for gasoil, 6.49 bbl/MT for 1.0%S LSFO and 6.31 bbl/MT for 3.5%S HSFO. Singapore: 6.46 bbl/MT for 3.5%S HSFO.

2 from January 2000 on, Premium 0.15 g/l prices were substituted by Unleaded Premium prices.

3 calculated using Brent cracking yield of a typical refinery in Rotterdam.

4 calculated using Urals cracking yield of a typical refinery in the Mediterranean.

5 calculated using WTI cracking yield of a typical refinery in US Gulf Coast.

6 changed from regular 0.15 g/l to unleaded 95 as of 2 February 1995.

7 as from 1 April 1996 mixed/cracked LSWR FOB Indonesia

8 calculated using Dubai cracking yield of a typical refinery in Singapore.

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
March 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	6.791	4.811	-0.2	-0.5	-5.6	-5.7	0.954	0.278	-0.2	-0.5	-9.9	-10.0
Germany	2.065	1.445	-0.7	-1.9	2.8	-1.7	0.973	0.292	-0.7	-1.9	-1.8	-6.2
Italy	2039	1347	0.0	-0.1	-1.5	-2.5	0.970	0.329	0.0	-0.1	-6.0	-6.9
Spain	134.8	80.4	0.0	0.1	2.0	4.3	0.746	0.301	0.0	0.1	-2.6	-0.4
UK	0.753	0.584	0.0	0.0	-4.0	-13.3	1.094	0.246	0.0	0.0	-11.8	-20.4
Japan	109.2	59.0	-1.0	-2.0	5.0	11.1	0.940	0.432	-1.0	-2.0	-3.5	2.1
Canada	0.674	0.301	-0.7	-1.3	-6.9	-11.2	0.443	0.245	-0.7	-1.3	-10.8	-14.9
USA	0.375	0.101	-4.3	-5.8	-7.9	-10.5	0.375	0.274	-4.3	-5.8	-7.9	-10.5
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.531	2.404	-0.4	-0.9	1.1	11.4	0.636	0.299	-0.4	-0.9	-3.5	6.3
Germany	1.409	0.740	-1.1	-2.2	5.1	11.3	0.664	0.315	-1.1	-2.2	0.3	6.3
Italy	1410	739	-1.2	-2.5	0.7	2.7	0.671	0.319	-1.2	-2.5	-3.9	-2.0
Spain	100.07	44.90	-0.6	-1.1	4.6	8.6	0.554	0.305	-0.6	-1.1	-0.2	3.7
UK	0.706	0.502	0.0	0.0	-0.6	-1.9	1.026	0.297	0.0	0.0	-8.7	-9.9
Japan	88.2	36.3	0.0	0.0	5.0	8.4	0.759	0.447	0.0	0.0	-3.5	-0.4
Canada	0.702	0.296	-3.4	-15.9	4.2	-7.5	0.461	0.267	-3.4	-15.9	-0.2	-11.3
USA	0.378	0.118	-3.6	-5.1	-1.6	-2.6	0.378	0.260	-3.6	-5.1	-1.6	-2.6
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2620.0	633.2	-2.2	-2.5	-8.7	7.4	368.0	279.1	-2.2	-2.5	-12.8	2.5
Germany	707.9	217.6	-3.0	-3.7	-1.4	-1.7	333.4	230.9	-3.0	-3.7	-5.8	-6.1
Italy	1585000	961565	-1.1	-2.3	-2.3	3.2	754.0	296.6	-1.1	-2.3	-6.7	-1.5
Spain	65808	22174	-0.1	-0.2	-1.4	-1.9	364.4	241.6	-0.1	-0.2	-5.9	-6.3
UK	197.75	39.72	-2.6	-3.0	5.4	6.4	287.4	229.7	-2.6	-3.0	-3.2	-2.2
Japan ⁴	50505	2405	-0.2	-0.2	11.3	11.3	434.6	413.9	-0.2	-0.2	2.3	2.3
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	386.5	-	-3.0	-	-9.4	-	386.5	-	-3.0	-	-9.4	-
HFO FOR INDUSTRY^{3, 6} (Price per Metric Ton)												
France	1146.8	121.8	-1.0	-1.2	-6.2	-6.9	161.1	144.0	-1.0	-1.2	-10.5	-11.1
Germany	356.7	35.0	-1.5	-1.7	5.7	6.3	168.0	151.5	-1.5	-1.7	0.9	1.5
Italy	392727	60777	-3.8	-4.4	-10.2	-11.8	186.8	157.9	-3.8	-4.4	-14.3	-15.9
Spain	30616	2235	7.4	8.1	-10.9	-11.6	169.5	157.1	7.4	8.1	-14.9	-15.6
UK	119.72	26.77	0.4	0.6	-5.5	-7.0	174.0	135.1	0.4	0.6	-13.2	-14.6
Japan	26526	1263	0.0	0.0	23.1	23.1	228.3	217.4	0.0	0.0	13.1	13.1
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Nov 00	Dec 00	Jan 01	Year Earlier	
											Jan 00	change
OECD North America												
Venezuela	1.57	1.64		1.58	1.56	1.64	1.77	1.67	1.94	1.87	1.49	0.38
Other Central & South America	0.78	0.60		0.68	0.59	0.60	0.53	0.57	0.53	0.63	0.74	-0.11
North Sea	0.99	1.11		1.00	1.20	1.30	0.93	0.97	0.96	0.95	0.93	0.02
Other OECD Europe	-	0.01		0.02	-	0.01	-	-	-	-	0.02	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.01	0.01	0.00	0.00	-	-	-	-	-
Saudi Arabia	1.51	1.62		1.50	1.59	1.66	1.72	1.67	1.91	1.72	1.61	0.12
Kuwait	0.25	0.27		0.22	0.21	0.33	0.30	0.24	0.32	0.21	0.22	-0.01
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.55	0.69	0.89	0.66	0.74	0.54	0.37	0.29	0.07
Oman	-	0.00		-	0.01	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	-	0.00	-	-	-	0.07	-	-
Other Middle East	0.00	0.03		-	0.05	0.03	0.02	-	0.07	-	-	-
West Africa	1.08	1.28		1.07	1.44	1.40	1.22	1.27	1.13	1.26	0.68	0.58
Other Africa	0.42	0.33		0.33	0.36	0.28	0.36	0.39	0.30	0.32	0.32	0.00
Asia	0.20	0.17		0.16	0.18	0.17	0.17	0.11	0.17	0.14	0.12	0.02
Other	0.03	0.04		0.01	0.07	0.04	0.02	0.04	-	0.01	0.01	0.00
Total	7.62	7.76		7.14	7.97	8.36	7.72	7.67	7.87	7.56	6.44	1.12
of which Non-OECD	6.63	6.65		6.09	6.71	7.01	6.76	6.68	6.87	6.55	5.47	1.08
OECD Europe												
Canada	-	0.00		0.01	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.18	0.20	0.21	0.20	0.25	0.18	0.18	0.16	0.02
Venezuela	0.17	0.14		0.11	0.18	0.16	0.12	0.11	0.12	0.15	0.12	0.04
Other Central & South America	0.00	0.01		0.00	0.01	0.00	0.02	0.02	0.03	0.05	-	-
Non-OECD Europe	0.01	0.01		0.00	0.01	0.01	0.00	0.01	0.00	0.00	0.00	0.00
Former Soviet Union	2.18	2.38		2.36	2.35	2.46	2.36	2.27	2.49	2.46	2.28	0.19
Saudi Arabia	1.31	1.39		1.16	1.35	1.45	1.59	1.38	1.77	1.29	1.21	0.09
Kuwait	0.17	0.20		0.14	0.20	0.26	0.21	0.31	0.16	0.19	0.13	0.05
Iran	0.94	0.80		0.72	0.72	0.93	0.83	0.62	0.97	0.50	0.47	0.04
Iraq	0.80	0.74		0.70	0.83	0.75	0.70	1.01	0.36	0.47	0.68	-0.20
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	-	0.00	0.01	-	-	0.03	-	-
Other Middle East	0.35	0.31		0.27	0.36	0.30	0.32	0.37	0.36	0.35	0.26	0.09
West Africa	0.48	0.55		0.75	0.33	0.41	0.72	0.78	0.68	0.83	0.94	-0.11
Other Africa	1.65	1.66		1.65	1.59	1.70	1.69	1.65	1.72	1.92	1.65	0.26
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.00	0.00	0.10	0.04	0.06	0.06	0.24	0.00	0.24
Total	8.25	8.44		8.07	8.13	8.73	8.82	8.84	8.90	8.66	7.89	0.77
of which Non-OECD	8.06	8.24		7.88	7.93	8.52	8.62	8.59	8.72	8.48	7.73	0.75
OECD Pacific												
Canada	-	-		-	-	-	-	-	-	0.02	-	-
Mexico + USA	0.10	0.07		0.17	0.08	0.03	0.03	0.07	-	-	0.19	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.07	0.04	0.05	0.05	0.01	0.07	0.02	0.05	-0.02
North Sea	0.04	0.02		0.01	0.06	0.01	-	-	-	-	0.04	-
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		-	0.01	0.06	0.05	0.04	0.08	-	-	-
Saudi Arabia	1.65	1.83		1.87	1.77	1.76	1.92	1.86	1.95	2.06	1.72	0.34
Kuwait	0.56	0.60		0.56	0.58	0.55	0.71	0.72	0.62	0.72	0.51	0.20
Iran	0.73	0.72		0.83	0.66	0.70	0.72	1.00	0.57	0.93	0.99	-0.06
Iraq	0.13	0.13		0.06	0.08	0.13	0.23	0.30	0.18	-	0.03	-
Oman	0.45	0.36		0.34	0.40	0.38	0.31	0.26	0.38	0.34	0.32	0.03
United Arab Emirates	1.39	1.46		1.43	1.46	1.42	1.54	1.52	1.59	1.56	1.46	0.10
Other Middle East	0.57	0.59		0.59	0.56	0.58	0.64	0.64	0.60	0.69	0.54	0.15
West Africa	0.20	0.10		0.15	0.06	0.08	0.10	0.13	0.15	0.09	0.21	-0.12
Other Africa	0.15	0.12		0.15	0.11	0.11	0.11	0.17	0.14	0.15	0.15	0.00
Non-OECD Asia	1.03	0.87		0.91	0.91	0.85	0.81	0.76	0.86	0.91	0.83	0.08
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		7.14	6.78	6.71	7.22	7.48	7.20	7.49	7.05	0.45
of which Non-OECD	6.93	6.87		6.96	6.64	6.67	7.19	7.41	7.20	7.48	6.82	0.66
Total OECD Trade	22.93	23.16		22.34	22.88	23.81	23.76	23.99	23.96	23.72	21.38	2.34
of which Non-OECD	21.62	21.75		20.93	21.29	22.21	22.57	22.68	22.79	22.51	20.01	2.49

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Nov 00	Dec 00	Jan 01	Year Earlier	
											Jan 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.40	0.51	0.33	0.57	0.50	0.71	0.41	0.34	0.07
Europe	1.01	0.97		0.92	0.98	1.04	0.93	0.79	0.96	0.88	0.92	-0.04
Pacific	0.53	0.64		0.66	0.61	0.60	0.70	0.75	0.71	0.85	0.52	0.33
Saudi Medium												
North America	0.65	0.68		0.59	0.65	0.65	0.83	0.74	1.03	0.47	0.56	-0.10
Europe	0.21	0.22		0.19	0.22	0.25	0.22	0.20	0.15	0.13	0.24	-0.11
Pacific	0.15	0.13		0.16	0.15	0.11	0.11	0.09	0.15	0.07	0.17	-0.11
Saudi Heavy												
North America	0.31	0.31		0.30	0.33	0.34	0.25	0.21	0.34	0.24	0.25	0.00
Europe	0.09	0.13		0.07	0.10	0.14	0.21	0.13	0.24	0.11	0.08	0.04
Pacific	0.09	0.12		0.11	0.10	0.13	0.13	0.10	0.16	0.12	0.12	-0.01
Iraqi Basrah Light												
North America	0.71	0.61		0.41	0.70	0.75	0.57	0.63	0.47	0.30	0.14	0.16
Europe	0.22	0.17		0.16	0.17	0.22	0.12	0.09	0.10	0.16	0.15	0.01
Pacific	0.31	0.30		0.27	0.26	0.27	0.40	0.42	0.34	0.26	0.22	0.04
Iraqi Kirkuk												
North America	0.01	-		-	-	-	-	-	-	-	-	-
Europe	0.65	0.53		0.52	0.59	0.53	0.47	0.59	0.29	0.09	0.47	-0.39
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.25		0.30	0.26	0.29	0.15	0.08	0.16	0.16	0.20	-0.04
Pacific	0.12	0.13		0.17	0.10	0.12	0.11	0.15	0.03	0.18	0.24	-0.06
Iranian Heavy												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.48		0.39	0.44	0.58	0.52	0.44	0.56	0.61	0.27	0.34
Pacific	0.38	0.37		0.38	0.36	0.36	0.38	0.49	0.32	0.48	0.43	0.05
Venezuelan Light & Medium												
North America	0.76	0.72		0.76	0.71	0.68	0.73	0.70	0.80	0.71	0.80	-0.10
Europe	0.08	0.04		0.03	0.06	0.03	0.05	0.07	0.06	0.06	0.05	0.01
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.46	0.43	0.48	0.62	0.63	0.63	0.68	0.34	0.34
Europe	0.05	0.06		0.05	0.06	0.09	0.05	0.04	0.05	0.06	0.07	-0.01
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.50	0.70	0.76	0.69	0.67	0.76	0.76	0.50	0.26
Europe	0.14	0.17		0.18	0.15	0.19	0.16	0.22	0.13	0.04	0.17	-0.13
Pacific	0.02	0.02		0.02	0.02	0.02	0.02	0.03	-	-	0.02	-
Mexican Isthmus												
North America	0.11	0.07		0.09	0.09	0.05	0.04	0.06	0.01	0.10	0.08	0.02
Europe	0.04	0.01		0.01	0.01	0.02	0.01	0.01	0.00	0.15	0.00	0.15
Pacific	0.01	0.02		0.04	0.02	0.01	0.01	0.04	-	-	0.09	-
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.74		0.84	0.77	0.77	0.59	0.48	0.70	0.50	0.90	-0.40
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light²												
North America	0.40	0.65		0.57	0.71	0.81	0.53	0.53	0.55	0.50	0.35	0.15
Europe	0.32	0.36		0.43	0.25	0.33	0.41	0.30	0.38	0.26	0.52	-0.26
Pacific	0.03	0.01		0.02	-	0.00	0.03	0.06	0.02	-	0.06	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.01	0.01	-	0.03	0.05	0.03	0.02
Europe	0.08	0.06		0.09	0.01	0.01	0.13	0.15	0.16	0.02	0.10	-0.08
Pacific	-	0.00		-	-	-	0.01	-	0.04	-	-	-

1. Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the report.

IEA North America includes United States and Canada.

IEA Europe includes OECD Europe but excludes Hungary and Poland.

IEA Pacific includes OECD Pacific but excludes Korea.

2. 33 API and lighter (Bonny Light, Escravos, Qua Iboe, Oso Condensate)

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Nov 00	Dec 00	Jan 01	Year Earlier	
											Jan 00	change
OECD North America												
Venezuela	0.13	0.10		0.10	0.09	0.10	0.13	0.10	0.15	0.12	0.09	0.03
Other Central & South America	0.05	0.06		0.03	0.06	0.08	0.06	0.04	0.07	0.06	0.06	0.01
ARA (Belgium Germany Netherlands)	0.06	0.04		0.05	0.02	0.03	0.06	0.06	0.06	0.07	0.04	0.03
Other Europe	0.15	0.12		0.15	0.11	0.10	0.11	0.13	0.12	0.21	0.13	0.08
FSU	0.02	0.03		0.03	0.04	0.04	0.01	0.00	0.01	0.05	0.01	0.03
Saudi Arabia	0.11	0.06		0.06	0.07	0.07	0.06	0.09	0.02	0.06	0.08	-0.01
Algeria	0.00	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.03		0.01	0.04	0.03	0.04	0.05	0.03	0.01	0.00	0.01
Singapore	0.01	0.01		0.01	0.00	0.01	0.01	0.02	0.00	0.01	0.02	-0.01
OECD Pacific	0.02	0.00		0.01	0.01	0.00	0.00	-	0.00	0.01	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.02	0.02	0.01	0.00	-	0.01	0.01	0.01	0.00
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.47		0.47	0.45	0.45	0.49	0.50	0.48	0.62	0.45	0.17
of which Non-OECD	0.35	0.31		0.27	0.32	0.33	0.32	0.30	0.32	0.32	0.27	0.05
OECD Europe												
OECD North America	0.00	0.00		-	0.00	0.01	0.00	0.00	0.00	0.00	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.00	0.01	0.01	0.00	0.01	0.00	0.00	0.00	0.00
Non-OECD Europe	0.02	0.02		0.01	0.03	0.02	0.02	0.02	0.02	0.02	0.01	0.01
FSU	0.01	0.02		0.00	0.04	0.03	0.02	0.04	0.00	0.01	0.01	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	0.01	0.01	0.00	0.01	0.00	0.00	0.00
Algeria	0.01	0.01		0.00	0.01	0.00	0.01	-	0.04	0.03	-	-
Other Middle East & Africa	0.00	0.01		0.01	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	-	-	-	-	-	-
Other	0.07	0.08		0.13	0.05	0.07	0.05	0.03	0.02	-0.08	0.11	-0.19
Total²	0.11	0.14		0.16	0.15	0.16	0.11	0.10	0.11	-0.02	0.13	-0.15
of which Non-OECD	0.11	0.14		0.16	0.15	0.15	0.11	0.10	0.10	-0.02	0.13	-0.15
OECD Pacific												
OECD North America	0.00	0.00		0.00	0.00	-	-	-	-	0.02	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.00	0.01	0.01	0.02	0.00	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		-	-	0.01	-	-	-	-	-	-
Singapore	0.02	0.02		0.01	0.04	0.02	0.01	0.01	0.01	0.00	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.01	0.01	0.00	0.00	0.01	0.00	0.00	0.00
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.02	0.06	0.04	0.02	0.03	0.02	0.02	0.01	0.01
of which Non-OECD	0.03	0.04		0.02	0.06	0.04	0.02	0.03	0.02	0.01	0.01	0.00
Total OECD Trade²	0.70	0.65		0.65	0.66	0.65	0.62	0.63	0.61	0.63	0.59	0.04
of which Non-OECD	0.49	0.49		0.45	0.53	0.52	0.46	0.44	0.45	0.31	0.41	-0.10

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Nov 00	Dec 00	Jan 01	Year Earlier	
											Jan 00	change
OECD North America												
Venezuela	0.06	0.06		0.07	0.05	0.05	0.07	0.06	0.10	0.09	0.05	0.04
Other Central & South America	0.01	0.01		0.00	0.01	0.00	0.02	0.01	0.04	0.06	0.01	0.05
ARA (Belgium Germany Netherlands)	0.00	0.01		0.02	-	0.00	0.00	0.01	-	0.02	-	-
Other Europe	0.00	0.01		0.01	0.01	-	0.00	-	0.00	0.06	-	-
FSU	0.02	0.02		0.03	0.02	0.01	0.03	0.04	0.06	0.18	-	-
Saudi Arabia	0.01	0.00		0.00	-	-	-	-	-	0.02	0.00	0.02
Algeria	0.00	0.00		0.01	-	-	0.00	0.00	0.00	-	-	-
Other Middle East & Africa	-	0.00		0.00	-	-	0.00	-	0.01	0.01	0.00	0.01
Singapore	0.00	0.00		0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.01	-0.01
OECD Pacific	0.01	0.00		-	0.01	0.00	0.01	-	0.01	0.02	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	-	0.01	0.01	0.01	0.03	0.00	0.02
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.17	0.09	0.08	0.16	0.14	0.24	0.49	0.08	0.41
of which Non-OECD	0.10	0.11		0.14	0.07	0.07	0.15	0.13	0.22	0.43	0.08	0.35
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.02	0.02	0.02	0.00	0.01	0.03	-0.02
Venezuela	0.00	0.00		0.00	-	-	-	-	-	-	0.00	-
Other Central & South America	0.00	0.00		0.01	0.00	-	0.00	0.00	0.00	0.00	0.01	-0.01
Non-OECD Europe	0.04	0.05		0.05	0.04	0.05	0.04	0.04	0.03	0.03	0.06	-0.02
FSU	0.32	0.28		0.30	0.31	0.30	0.22	0.29	0.19	0.20	0.31	-0.10
Saudi Arabia	0.01	0.00		0.01	0.01	0.00	0.00	-	0.00	0.00	0.02	-0.02
Algeria	0.04	0.03		0.04	0.03	0.03	0.02	0.03	0.02	0.03	0.03	0.00
Other Middle East & Africa	0.03	0.03		0.03	0.02	0.03	0.03	0.04	0.05	0.02	0.06	-0.04
Singapore	-	0.00		-	-	-	0.00	-	-	-	-	-
OECD Pacific	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	0.01	0.00	0.01	-	-	-	-
Other	0.07	0.08		0.11	0.06	0.09	0.08	-0.04	0.08	0.18	0.17	0.01
Total²	0.52	0.49		0.56	0.49	0.51	0.42	0.39	0.38	0.48	0.68	-0.21
of which Non-OECD	0.51	0.48		0.54	0.47	0.50	0.40	0.37	0.38	0.47	0.65	-0.18
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		-	-	0.00	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.00	0.01	0.00	0.00	0.00	0.01	0.01	0.01	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		0.00	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.01	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	0.01	0.00	0.00	0.00	0.01	0.01	0.00	0.01
Other	0.00	0.00		0.00	-	-	0.00	0.00	0.00	-	-	-
Total²	0.03	0.02		0.02	0.04	0.02	0.02	0.02	0.02	0.03	0.02	0.00
of which Non-OECD	0.03	0.02		0.02	0.04	0.02	0.02	0.02	0.02	0.03	0.02	0.00
Total OECD Trade²	0.67	0.64		0.75	0.61	0.61	0.60	0.55	0.64	0.99	0.79	0.21
of which Non-OECD	0.64	0.61		0.70	0.58	0.59	0.57	0.53	0.63	0.92	0.75	0.17

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Nov 00	Dec 00	Jan 01	Year Earlier	
											Jan 00	change
OECD North America												
Venezuela	0.03	0.03		0.04	0.03	0.01	0.04	0.04	0.04	0.02	0.02	0.00
Other Central & South America	0.02	0.01		0.01	0.00	0.02	0.02	0.02	0.03	0.05	0.01	0.03
ARA (Belgium Germany Netherlands)	0.00	0.00		0.00	-	-	0.00	-	0.00	-	-	-
Other Europe	-	-		-	-	-	-	-	-	0.01	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.00	0.01	0.01	0.00	-	0.01	0.02	-	-
Algeria	0.00	0.00		0.01	-	0.00	0.00	-	0.00	0.01	0.01	0.01
Other Middle East & Africa	0.00	0.01		0.01	0.00	-	0.01	0.01	0.02	0.07	0.02	0.04
Singapore	0.02	0.01		0.01	0.00	0.00	0.01	0.00	0.02	0.01	0.01	0.00
OECD Pacific	0.03	0.05		0.01	0.06	0.08	0.05	0.03	0.05	0.01	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.00	0.00	0.01	0.01	0.01	0.03	-	-
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.09	0.12	0.14	0.14	0.11	0.18	0.22	0.08	0.14
of which Non-OECD	0.08	0.07		0.08	0.06	0.06	0.09	0.08	0.14	0.21	0.07	0.14
OECD Europe												
OECD North America	0.00	0.00		-	0.01	0.00	0.00	0.00	0.00	0.00	-	-
Venezuela	0.01	0.01		0.00	0.01	0.02	0.01	0.02	-	-	0.00	-
Other Central & South America	-	0.00		0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	-	0.00	-
FSU	0.03	0.02		0.01	0.02	0.03	0.02	0.03	0.02	0.01	0.01	0.00
Saudi Arabia	0.01	0.02		0.01	0.03	0.01	0.01	0.02	0.01	0.02	0.03	-0.01
Algeria	0.01	0.01		0.01	0.01	0.02	0.01	0.01	0.01	0.00	0.02	-0.01
Other Middle East & Africa	0.03	0.07		0.05	0.07	0.08	0.07	0.07	0.07	0.11	0.05	0.05
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	-	-	-	-	-	-	0.02	-
Other	0.02	0.04		0.03	0.02	0.05	0.05	0.06	0.04	0.01	0.04	-0.03
Total²	0.12	0.17		0.12	0.17	0.22	0.18	0.21	0.15	0.15	0.17	-0.02
of which Non-OECD	0.11	0.17		0.12	0.16	0.22	0.18	0.21	0.15	0.15	0.17	-0.02
OECD Pacific												
OECD North America	-	0.00		0.01	-	-	-	-	-	-	0.02	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		0.01	-	-	0.00	0.01	-	-	0.01	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		0.02	-	0.00	0.01	0.01	0.02	0.04	0.05	-0.01
Singapore	0.03	0.01		0.01	0.01	0.01	0.00	0.00	0.01	0.00	0.02	-0.02
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.03	0.01	0.00	0.03	0.03	0.03	0.04	0.03	0.01
Other	-	0.03		0.01	0.04	0.03	0.05	0.05	0.06	0.05	0.02	0.03
Total²	0.07	0.07		0.09	0.05	0.04	0.10	0.11	0.12	0.13	0.15	-0.02
of which Non-OECD	0.07	0.07		0.09	0.05	0.04	0.10	0.11	0.12	0.13	0.12	0.00
Total OECD Trade²	0.30	0.37		0.30	0.33	0.41	0.42	0.43	0.45	0.50	0.40	0.10
of which Non-OECD	0.26	0.31		0.29	0.27	0.32	0.37	0.40	0.40	0.49	0.37	0.12

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Nov 00	Dec 00	Jan 01	Year Earlier	
											Jan 00	change
OECD North America												
Venezuela	0.06	0.05		0.05	0.05	0.04	0.08	0.05	0.07	0.06	0.03	0.03
Other Central & South America	0.05	0.07		0.04	0.05	0.08	0.11	0.13	0.09	0.13	0.03	0.10
ARA (Belgium Germany Netherlands)	0.01	0.01		0.00	0.01	-	0.03	0.02	0.03	0.03	0.01	0.01
Other Europe	0.01	0.03		0.01	0.02	0.05	0.05	0.02	0.05	0.07	0.01	0.06
FSU	0.02	0.01		0.01	0.01	0.02	0.02	0.01	-	0.02	-	-
Saudi Arabia	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Algeria	0.04	0.05		0.04	0.05	0.05	0.05	0.02	0.05	0.08	0.07	0.01
Other Middle East & Africa	0.01	0.02		0.01	0.01	0.01	0.03	0.02	0.06	0.03	-	-
Singapore	0.00	0.00		0.01	0.01	0.00	0.00	-	0.01	0.00	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.00	0.00	0.02	0.02	0.03	0.03	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.21	0.26		0.17	0.20	0.27	0.38	0.30	0.39	0.45	0.15	0.30
of which Non-OECD	0.19	0.22		0.16	0.17	0.22	0.32	0.28	0.31	0.37	0.14	0.23
OECD Europe												
OECD North America	0.02	0.01		0.03	0.01	0.01	0.01	0.01	-	0.03	0.02	0.00
Venezuela	0.01	0.01		0.01	0.01	0.00	0.02	0.01	0.02	0.01	-	-
Other Central & South America	0.01	0.02		0.04	0.02	0.01	0.01	-	0.02	0.05	0.04	0.01
Non-OECD Europe	0.02	0.01		0.01	0.01	0.02	0.01	0.01	0.01	0.01	0.01	0.00
FSU	0.17	0.19		0.14	0.21	0.24	0.17	0.17	0.17	0.16	0.09	0.07
Saudi Arabia	0.00	0.00		-	-	-	0.00	-	0.00	0.00	-	-
Algeria	0.00	0.00		0.00	-	0.00	0.00	-	-	-	-	-
Other Middle East & Africa	0.08	0.07		0.06	0.07	0.07	0.08	0.09	0.09	0.08	0.08	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Other	0.02	0.08		0.08	0.07	0.09	0.07	0.05	0.04	0.05	0.02	0.04
Total²	0.32	0.40		0.37	0.40	0.44	0.37	0.34	0.35	0.40	0.26	0.13
of which Non-OECD	0.31	0.38		0.35	0.39	0.43	0.36	0.33	0.35	0.37	0.24	0.13
OECD Pacific												
OECD North America	0.00	0.00		0.00	-	0.00	0.00	0.01	-	0.00	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	0.01	-	-	-	-	-	-	-
Singapore	0.01	0.01		0.01	0.02	0.01	0.00	0.01	-	-	0.02	-
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.08	0.07	0.06	0.04	0.02	0.05	0.05	0.09	-0.05
Other	0.01	0.01		0.01	0.01	0.01	0.02	0.01	0.02	0.01	0.01	0.00
Total²	0.08	0.09		0.10	0.11	0.09	0.07	0.06	0.07	0.06	0.13	-0.07
of which Non-OECD	0.08	0.09		0.10	0.11	0.09	0.06	0.05	0.07	0.06	0.13	-0.07
Total OECD Trade²	0.61	0.74		0.64	0.71	0.80	0.82	0.69	0.81	0.90	0.54	0.36
of which Non-OECD	0.57	0.69		0.61	0.67	0.74	0.74	0.66	0.73	0.80	0.51	0.29

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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11 May 2001

HIGHLIGHTS

- First quarter oil demand appears to have fallen short of expectations by more than half a million barrels a day, but it still grew at 1.1 mb/d. Persistently high oil prices and sluggish economies are likely to cap demand growth for the year at little more than 1 mb/d. US demand for last year was revised upwards by 0.2 mb/d.
- World oil production fell by 900 kb/d to 77.1 mb/d in April. OPEC crude supply was 560 kb/d lower. Iraqi output rose by 280 kb/d, while OPEC 10 production dropped by 840 kb/d to 24.9 mb/d, 700 kb/d higher than the new April target of 24.2 mb/d. OECD output was down 270 kb/d, due to scheduled maintenance in the North Sea and to the spring thaw and related road restrictions in Canada.
- Extraordinary gasoline price increases in the US and elsewhere led world oil markets in April. Crude prices rose, but less than product prices. Refining margins were up sharply in the US, and also gained in Northwest Europe and Singapore. US refiners returned from maintenance and began to maximise crude runs and gasoline output.
- Strong US gasoline prices drew unusually high imports. Preliminary weekly statistics for April show that US imports of gasoline blendstocks were 115 kb/d higher than a year earlier, an increase of 57%.
- OECD stocks rebounded in March, increasing by 0.9 mb/d over revised February levels, resulting in no net change in total oil stocks during the first quarter. However, this hides diverging trends: crude stocks built, while product stocks fell. These trends are expected to reverse in the near future, due to higher crude runs to meet peak product demand.

Next Issue: 12 June 2001

11 May 2001

Letter from the Editor

The International Energy Agency (IEA) has terminated its Oil Market Report (OMR) distribution contract with Financial Times Energy (FTE) with effect from 13 May 2001. Consequently, this will be the last edition of the OMR published under the FT Energy banner. The IEA will be dealing directly with all distribution, fulfilment and customer service enquiries for the Oil Market Report until further notice. **The contact details will therefore change as follows:**

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A number of our clients have enquired about e-mail distribution of the OMR. Many publishers have moved to electronic distribution, speeding up delivery and adding value for their customers. The IEA has been testing a PDF version of the OMR, with excellent results, and is now prepared to offer this premium service to its subscribers, and we aim to move as quickly as possible to electronic distribution.

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With best regards,

Klaus Rehaag

Editor, Oil Market Report

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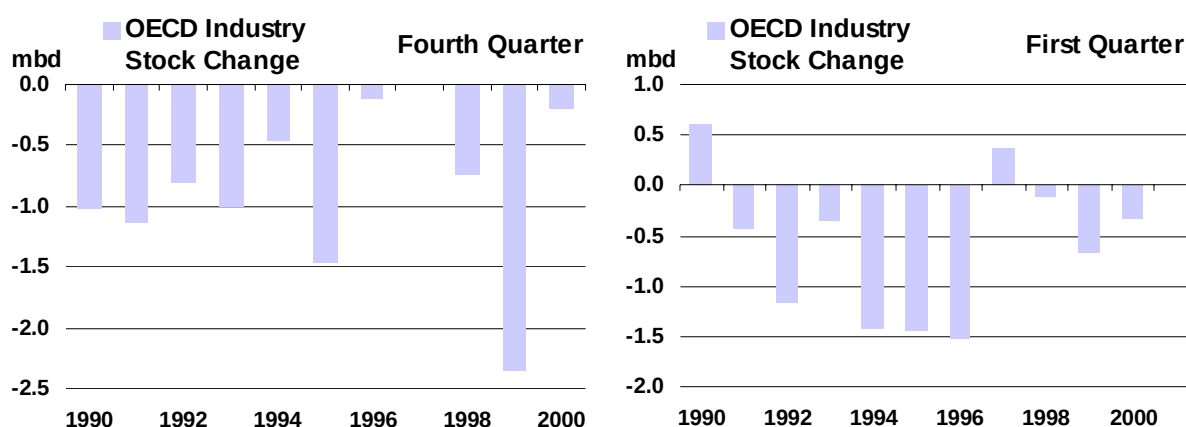
IT'S A PRODUCT-DRIVEN MARKET

Gasoline prices in North America are once again making headlines. Prices have risen to last year's levels, but this time in advance of the peak gasoline season, sparking fears of a new gasoline "crisis". But the situation is different this time around. Atlantic Basin refineries are returning from scheduled maintenance. With historically wide crack-spreads and margins, throughputs should surge, increasing product deliveries. In addition, gasoline imports are entering the US market, taking advantage of regional arbitrage opportunities.

Refiners appear to be better positioned this year than last to deal with the current situation. They have made progress on key component blending issues and RFG II reformulated gasoline availability in critical regions. In addition, they have demonstrated increased operating flexibility to meet product demand, exceeding what had been considered to be maximum production yields of gasoline for the summer driving season and distillates for the winter heating season.

Barring unforeseen circumstances, things should work out fine. That is, if enough crude is available to fuel increased refinery runs, and if infrastructure, including refineries, pipelines and tankers, which inevitably will be stretched to capacity, operates without mishaps. But a recent spate of unscheduled refinery maintenance is not a good omen. And, there are time lags built into the system: stocks need to begin building well in advance of peak demand.

Preliminary estimates for March suggest that OECD crude oil stocks are building, by 1.43 mb/d, though this is largely offset by a draw on product stocks of 0.83 mb/d. This build in crude stocks follows two quarters of lower-than-average crude draws to meet peak winter demand. These builds in crude oil stocks should reverse as refiners ramp up their throughputs. The great unknown is demand, especially in Asia, and North America, where the pace of recovery, and economic growth, is unpredictable.



However, the availability of oil to meet peak summer demand is anything but certain. North Sea maintenance is starting up, reducing crude availability on a seasonal basis; Iraq is moving toward centre stage, entering another round of "oil-for-food" negotiations; and OPEC is set to review production target agreements in early June. Despite mild contango in the front month, the futures curves for oil contracts in later months already have shifted into backwardation, signalling tightening supply and providing a disincentive to building distillate stocks.

Maximising gasoline yields, while addressing an immediate problem, may exacerbate a future concern by reducing the accumulation of distillate stocks to meet peak winter demand. Fuel switching into oil, due to natural gas deliverability issues, and peak summer air-conditioning demand, could accentuate this problem. Hence, in all likelihood, the cycle of uncertainty will continue, with price volatility the end result. Market participants are counting on everything running smoothly, discounting the possibility of major unscheduled maintenance, supply disruptions and external contingencies such as severe summer or winter weather conditions. In a product-driven market, price risks associated with supply imbalances can be shifted to consumers. Prices will come into balance, but at what cost to the consumer?

DEMAND

Summary

- Lower than expected first-quarter deliveries and the effect of persistently high prices in a context of slowing economic growth have cut the assessment of global oil products demand for 2001 by 160 kb/d compared with last month's Report, to 76.54 mb/d. The demand estimate for last year has been raised by 140 kb/d, to 75.52 mb/d, due mostly to a major upward revision in US data. Year-on-year growth in oil demand has been reduced by 300 kb/d, to just above 1 mb/d.
- Latest data point to first-quarter demand of 76.69 mb/d, 630 kb/d below prior estimates. North American demand fell 210 kb/d short of expectations. While it is still substantial, first-quarter demand growth in North America no longer seems to be as fast as earlier indicated, especially when measured against the backdrop of a 140 kb/d upward revision in first-quarter 2000 demand. North American demand is still expected to grow in 2001, but at a pace of 1%, rather than 1.5% as previously anticipated.
- In other key OECD economies, early estimates suggest that the fall in February demand continued into March. The decline slowed in the four largest European economies, from 3.1% to 0.3%, but accelerated in Asia-Pacific, from 1.1% to 5%, according to preliminary data. As a result, demand in the OECD as a whole is now estimated to have inched slightly lower in both February and March from a year-earlier levels, in sharp contrast with its strong gains of January.
- Despite some year-on-year gains in February and March, non-OECD economies failed to make up for slower-than-expected growth in the first quarter. After two months of decline, Chinese apparent demand started a rebound in February that will probably continue, fuelled by inventory draw-downs and robust economic growth. But modest growth in Indian and in apparent FSU demand seems fragile. Continued high products prices helped curtail demand in emerging markets from Brazil to Thailand in the first quarter, even as smuggling and unreported sales appeared on the rise.

Global Oil Demand from 1999 to 2001

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q99	75.8	3.1	2.3	-
2Q99	72.9	1.2	0.8	-
3Q99	74.0	1.3	0.9	-
4Q99	76.4	1.4	1.1	-0.1
1Q00	75.6	-0.2	-0.2	0.2
2Q00	74.0	1.5	1.1	0.2
3Q00	76.1	2.7	2.0	0.2
4Q00	76.4	0.0	0.0	-
1Q2001	76.7	1.5	1.1	-0.6
2Q2001	74.9	1.3	0.9	-
3Q2001	76.5	0.6	0.5	-0.1
4Q2001	78.0	2.0	1.6	-0.1
1999	74.8	1.7	1.3	-
2000	75.5	1.0	0.7	0.1
2001	76.5	1.4	1.0	-0.2

* year-on-year change

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2000	1999	2000	2001	1999	2000	2001
North America	24.18	0.73	0.32	0.25	3.2	1.4	1.0
Europe	15.74	-0.18	-0.12	0.10	-1.1	-0.7	0.7
OECD Pacific	8.59	0.22	-0.04	0.06	2.6	-0.5	0.7
China	4.79	0.30	0.30	0.22	7.3	6.6	4.5
Other Asia	7.18	0.31	0.12	0.10	4.5	1.8	1.4
<i>Subtotal Asia</i>	20.55	0.83	0.38	0.38	4.3	1.9	1.9
FSU	3.52	-0.23	0.02	-0.05	-6.1	0.6	-1.3
Middle East	4.38	0.12	0.09	0.17	2.9	2.1	3.9
Africa	2.34	-0.02	0.01	0.04	-0.7	0.5	1.9
Latin America	4.81	0.02	0.02	0.12	0.4	0.5	2.5
<i>World</i>	75.52	1.27	0.73	1.03	1.7	1.0	1.4

OECD*Continued Easing of Demand Growth*

Despite continued strength in North American demand for heating oil and residual fuel oil, early estimates of oil products deliveries from selected OECD member countries for March and the latest data for February suggest that OECD oil demand growth came to a halt after rising sharply in January. Based on partial and still preliminary data, OECD oil demand in March totalled 49.5 mb/d, more than 1 mb/d below the expected figure. OECD Pacific accounts for more than half of that tentative revision, though both North American and European demand also fell far short of expectations.

While March data are still preliminary, latest estimates of February deliveries paint a more complete picture of demand for that month. There too, the revisions result in a large downward correction, to 49.6 mb/d, 600 kb/d below earlier estimates. More than half the February correction comes from the US. January demand was also revised down, though by a more modest amount, less than 50 kb/d. That change primarily reflects a large downward revision in Scandinavian demand, partly offset by an upward revision in Australia.

While the absolute level of first-quarter OECD deliveries appears far lower than earlier estimates had suggested, recent upward revisions to US data for last year make the changes in the year-on-year comparison look even more dramatic. Instead of inching down slightly in 2000, US demand is now estimated to have gained nearly 1%, boosting North American demand growth from 0.6% to 1.4% - a pace far more consistent with last year's economic growth rates.

Faster demand growth in last year's first quarter means that this year's growth in the same period was correspondingly slower. After very sharp growth in January, North America now shows almost no growth in February and a smaller-than-expected 1.5% increase in March. On average, North American first-quarter demand growth now stands at 2.1%, down from 2.7% in last month's Report. That lower rate, which still reflects an abnormal surge in January demand due to low deliveries in January 2000 following Y2K buying in December 1999, also seems more in tune with the slowdown in the US economy.

As deliveries in other regions also have fallen short of expectations, first-quarter demand growth for the OECD as a whole now stands at 1.2%, less than half the previous estimate. OECD Pacific showed two months of demand contraction in February and March, while demand in OECD Europe was about flat in March after falling in February. The entire OECD experienced a slight demand contraction in February and March, of minus 0.8% and minus 0.2%. Barring any further downturn in the world economy, OECD oil demand is still expected to grow in 2001 as a whole, but at a slower pace, down to 0.9% from 1.4% expected earlier.

Preliminary Inland Deliveries – March 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.47	2.0	1.78	5.9	2.62	4.1	1.47	25.2	0.85	23.9	4.36	-10.0	19.56	1.8
Canada	0.63	1.9	0.10	3.1	0.39	3.2	0.12	19.6	0.14	33.6	0.20	-3.4	1.59	5.0
Mexico	0.55	2.8	0.06	3.3	0.29	-0.7	0.00	-100.0	0.51	-1.2	0.36	-2.7	1.77	-0.3
Japan	0.99	1.4	0.80	-11.7	0.75	-4.7	0.59	-6.2	0.50	-13.4	1.77	-10.7	5.41	-7.8
Korea	0.16	-4.8	0.05	14.9	0.38	1.1	0.22	-14.3	0.38	-1.0	0.95	-0.5	2.14	-1.4
France	0.30	-4.3	0.13	2.8	0.60	3.1	0.39	13.1	0.06	-49.1	0.51	-2.3	1.98	-1.1
Germany	0.64	-5.1	0.14	-2.8	0.58	-4.1	0.69	33.7	0.11	9.5	0.50	-3.7	2.65	3.9
Italy	0.38	-4.3	0.07	3.3	0.41	2.5	0.12	-3.0	0.25	-23.5	0.45	-5.3	1.67	-6.0
UK	12.13	1.1	3.14	0.2	6.02	1.4	3.59	14.4	2.80	-0.5	9.10	-7.7	36.77	-0.3
Total	12.23	-1.0	3.73	3.6	6.16	0.6	3.87	2.1	3.19	7.0	10.15	-2.2	39.32	1.2

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, UK PIA, Italy Ministry of Industry, Statistics Canada, Mexico Pemex, Korea PEDCO
 Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Based on revised data for March 2000

Preliminary figures for inland deliveries of petroleum products in eight large OECD markets provide a thumbnail picture of how the slowdown in OECD demand appears to have affected the main categories of refined products in March (see table above). As in January and February, the US remained a leading engine of demand growth, followed by Germany. And as in previous months, US demand growth was led in part by a dramatic surge in deliveries of both residual fuel oil and heating oil, thanks to strong power-generation demand and fuel switching by utilities away from natural gas. Unlike previous months, however, extraordinarily strong growth in US demand for residual fuel oil, though echoed in Canada, was not enough to offset sharp declines elsewhere, notably in Japan and Italy, as well as in France. Despite double-digit growth rates in the US and Canada, inland deliveries of residual fuel oil in the eight markets for which preliminary data are available declined by a combined 0.5%.

By contrast, strong US and Canadian demand for heating oil was reinforced by even stronger gains in Germany, which jumped by nearly 34% from last year's exceptionally low base, as well as by higher French demand. Cold weather in Europe and restocking of large residential tanks by German homeowners helped boost the average growth rate for the product to nearly 15%, despite substantial drops in Japan and Korea.

Demand for gasoline rose markedly throughout North America and in Japan, but in keeping with an earlier trend, fell sharply in Korea and in all three of the European markets represented, France, Germany and Italy. While demand fell faster in those countries than it rose in North America and Japan, the much larger size of the US market resulted in an average growth of 1.1% for the group.

Stronger demand for diesel continued partly to offset lower gasoline demand in France, Italy and Korea, due in part to fuel switching by motorists. Diesel demand also rose sharply in Canada, but fell in Japan and Germany along with jet fuel demand.

Moving Annual Average Change in Oil Demand – March 2000

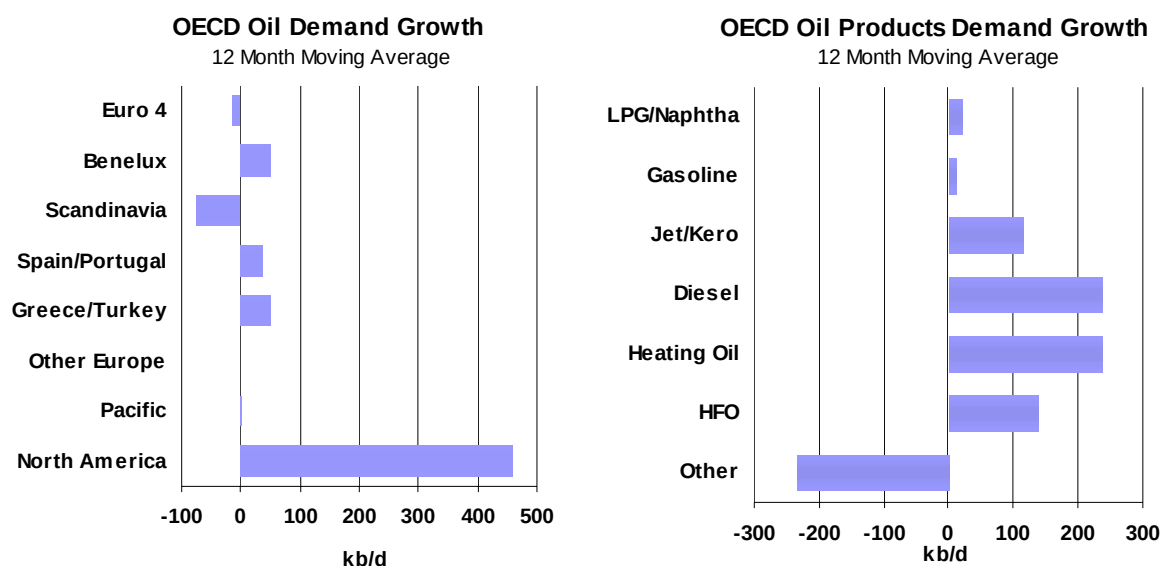
	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-5.9%	19.5%	0.7%	4.4%	4.6%	11.4%	19.9%	-7.4%	1.4%	272
Canada	15.9%	-3.5%	0.4%	0.7%	1.2%	7.6%	18.8%	1.3%	5.2%	106
Mexico*	1.2%	-58.0%	4.0%	4.3%	3.3%	2.8%	5.0%	-17.4%	1.7%	33
Japan	0.1%	1.7%	2.0%	1.9%	-2.9%	1.1%	-4.8%	-5.6%	-0.5%	-28
Korea	4.4%	3.1%	-2.2%	-6.9%	6.0%	-8.4%	3.1%	-41.0%	1.5%	31
France	-5.1%	1.1%	-5.2%	3.0%	0.7%	0.8%	-16.7%	-0.8%	-1.8%	-36
Germany	0.6%	-0.2%	-4.7%	3.7%	8.8%	11.2%	14.6%	-18.1%	2.8%	76
Italy	4.6%	3.8%	-4.2%	0.3%	5.1%	-1.0%	-8.6%	3.6%	-1.4%	-25
UK*	-12.8%	-12.7%	-1.1%	6.7%	1.1%	1.1%	-12.1%	-5.3%	-1.6%	-27
Total	-2.0%	2.7%	0.2%	3.0%	3.3%	6.0%	4.5%	-6.5%	1.0%	390
Kb/d	-85	68	20	105	183	216	153	-252	390	

* near-month data are estimated

Bucking the slowdown in oil products consumption that followed the January gains, the twelve-month moving averages of oil demand growth for the nine largest OECD markets inched up further in March, to an average 1%, after rising to 0.5% in February and 0.4% in January (see table above). Once again, the gain was led by dramatic increases in the residual fuel oil demand index, which gained 2.4 percentage points to 4.5%, as well as in the index for “other gasoil” demand, up 4.2 percentage points to 6%. Both products experienced much higher demand from US electric utilities starting in the spring of last year, due to natural gas’s price spikes and short supply. The twelve-month moving averages now include a greater number of months during which gas-starved US power generators resorted to such fuel switching, a fact clearly reflected in the dramatic jump of the US index of residual fuel oil demand, to nearly 20%. Moreover, this month’s averages reflect sharp upward revisions in US estimates of residual fuel oil demand for year 2000. The average of demand for “other gasoil” also benefited from sharp gains in German heating oil demand.

Upward revisions to US gasoline deliveries data for 2000 also caused the US moving average of gasoline demand to swing back into positive territory, up by 1 percentage point to 0.7%. That gain, though partly offset by declines elsewhere, pulled the combined moving average for the nine economies up to 0.2%, from minus 0.5%.

The moving averages of diesel and jet/kerosene demand, both of which are conventionally seen as leading economic indicators, were less buoyant. The moving average for jet/kero demand rose by 0.4 percentage point to 3%. But that gain was mostly on account of a 1.4 percentage point increase in the US average, to 4.4%, itself largely an effect of the switch to upwardly-revised US data for 2000. The moving average of diesel demand for the nine economies was left unchanged. Japan’s moving averages declined sharply for both jet/kero and diesel demand, down to 1.9% and –2.9%, probably as a reflection of the country’s economic travails. The two indices also lost ground in France and in Italy. Overall demand for LPG, naphtha and “other products” fell further into negative territory in March.



North America

This Report cuts the assessment of North American demand growth for 2001 by 110 kb/d, to 250 kb/d from 360 kb/d. In absolute terms, however, North American demand is now expected to average 24.43 mb/d, up 60 kb/d from the previous forecast of 24.37 mb/d, due to large upward revisions made to the year 2000 data series by the US Department of Energy.

Recent economic indicators have done little to shed light on the scope and duration of the current US slowdown, and this Report continues to assume a rebound in economic growth in the second half. On the other hand, US DOE data revisions, a small part of which had already been incorporated into previous Reports, cast the base from which 2001 US demand trends are unfolding in a very different light.

After identifying a small group of importers that brought substantial volumes of refined products into the US last year without reporting their imports to the DOE, the Department increased its estimate of

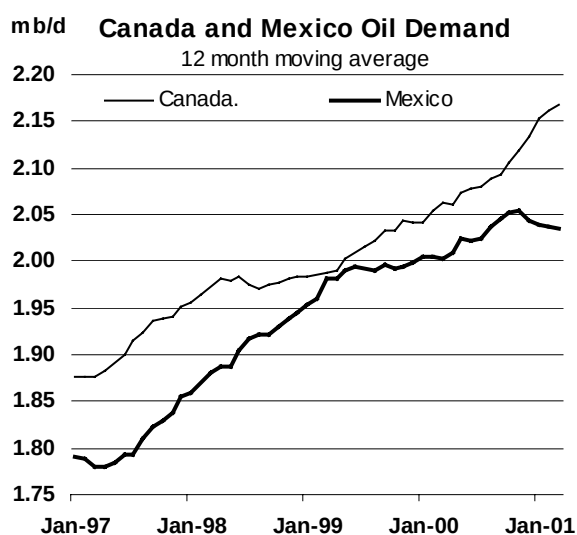
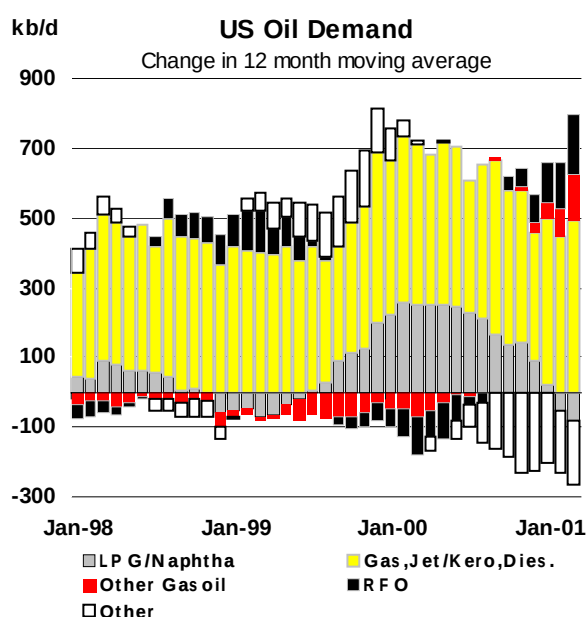
2000 US oil demand by 225 kb/d. Of that increase, 185 kb/d makes its way into this Report, the balance having been incorporated earlier. Further revisions to 2000 remain possible, though the US DOE believes that data for prior years should not be significantly affected.

Of the 225 kb/d revision, nearly 110 kb/d affects gasoline demand. Revisions to residual fuel oil demand, though smaller, at about 75 kb/d, are much larger when measured as a percentage of total US demand for that product. Both jet and gasoil demand were raised by about 20 kb/d, and LPG demand was revised upward by 43 kb/d, including 32 kb/d for propane. Revisions varied depending on the months, but no monthly demand average in this Report was revised up by less than 100 kb/d.

Compounding these upward changes to 2000 demand, US demand in February was revised downward by 381 kb/d, so that it now looks to have contracted by 0.2%, rather than having increased as believed earlier. This Report also includes a cut in March demand of about 290 kb/d. The combined revisions have reduced North American demand growth for the first quarter by 350 kb/d, to 510 kb/d. Most of the change reflects faster year-ago growth than previously estimated, while a smaller amount denotes the effect of a slowing economy on otherwise robust consumption. That first-quarter correction alone takes nearly 90 kb/d out of the North American demand growth forecast for 2001.

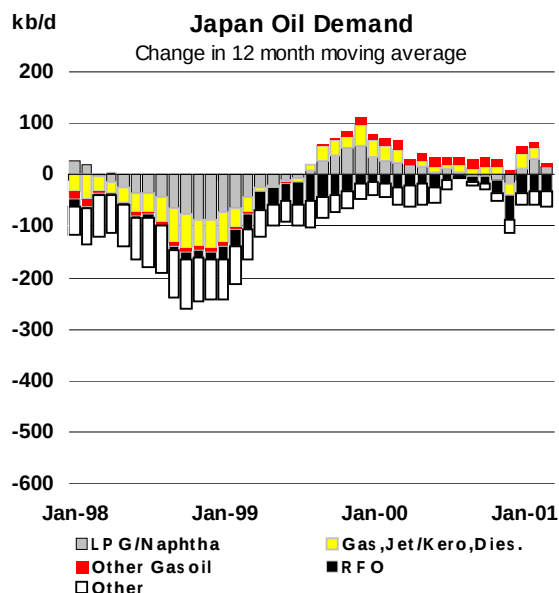
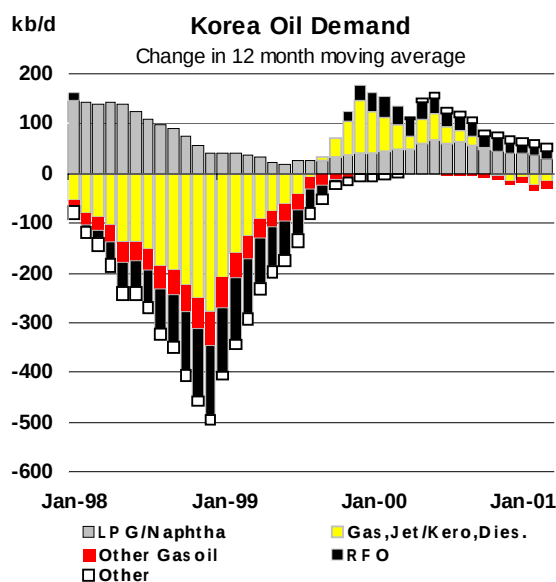
Looking forward, it now seems less likely that North American demand will continue to increase for the remainder of the year at the rate previously expected, and not only because the 2000 base has been raised. On the one hand, US consumers are now facing the prospect of much higher gasoline prices than anticipated, even as a rapid deterioration in US employment seems likely to boost the price sensitivity of US gasoline consumption. Months before the US driving season starts in earnest, US gasoline prices already have exceeded the record highs reached last summer. Meanwhile, the US unemployment rate jumped to 4.5% in April, the highest in two and a half years, and is likely to keep growing even if economic growth accelerates. New unemployment claims have risen to around 400,000 a week from 270,000 last year, the highest for more than eight years. While US gasoline consumption showed surprising resilience to high prices over the last year, consumer spending has been highly sensitive to unemployment, and rising joblessness combined with record-high gasoline prices will probably take a toll on demand growth.

US revisions to 2000 data also paint a more detailed picture of residual fuel demand growth patterns over the last few months. These make the prospect of continued sharp gains less likely. Many analysts have been surprised at the momentum of fuel-switching by electric utilities in favour of residual fuel and heating oil, which seemingly outlasted the peak US heating season. While it is highly possible that fuel-switching and power generation demand for oil will continue for some time, and may even rebound during the summer air-conditioning season, year-on-year demand gains are unlikely to continue at the same pace. This is due both to power-plant capacity constraints, and to the fact that we are now entering the period when utility demand first started soaring last year. After consistently shrinking from June 1999 to March 2000 (except for August 1999, when demand gained 9.4%), US residual fuel oil demand grew at double digit rates – often well above 30% – every month from April 2000 to the latest reporting month (March 2001), except for May and August. US residual fuel oil demand for the remainder of the year seems set for a decline.



Pacific

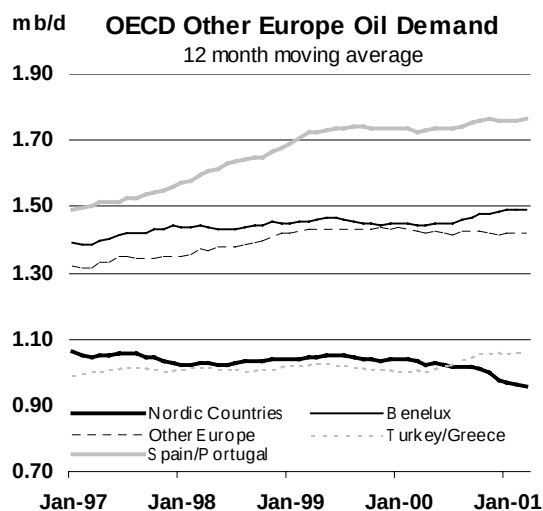
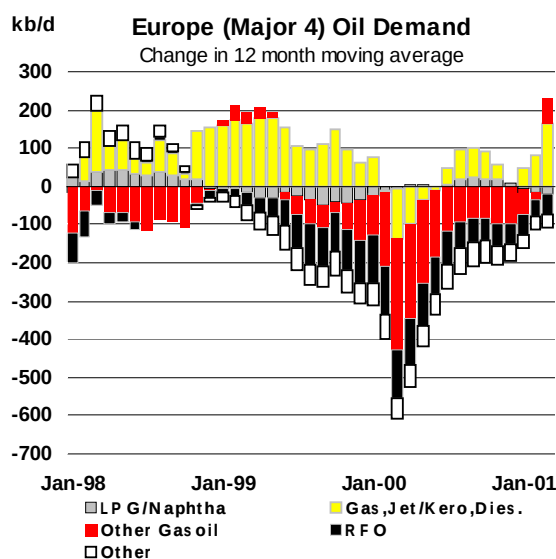
OECD Pacific oil demand appears to have fallen far short of early estimates in the first quarter, rising only by an estimated 60 kb/d from 2000 level, less than a fourth of the expected 250 kb/d gain. Japanese growth was nearly flat in February and reversed into decline in March, based on early estimates. Korean demand fell 4.4% in February and a preliminary 1.4% in March. Weakening investment, slowing exports and mounting job concerns seem bound to cap both industrial and consumer demand for oil in Japan for the remainder of the year, keeping growth at a minimum.



The reduction in OECD Pacific first-quarter demand alone has shaved nearly 50 kb/d from the 2001 demand growth forecast. Downward adjustments have been made for the remainder of the year.

Europe

Demand in the four largest European economies appears to have inched 0.3% lower in March after a 3.1% contraction in February offset a 3% gain in January. Although first-quarter demand in OECD Europe as a whole may have been slightly stronger, year-on-year gains, now pegged around 20 kb/d, appear to have been only a fraction of the robust growth expected for the period. The assessment of European growth demand for 2001 accordingly has been trimmed to 100 kb/d, from 160 kb/d.



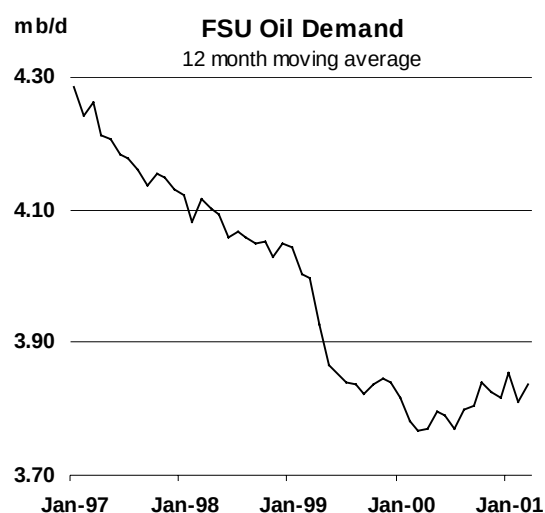
As in previous months, European demand was particularly weak in March for gasoline and residual fuel oil, a result both of price effects and structural shifts away from those two products in favour of diesel and natural gas. French gasoline demand fell 4.3% in March, based on preliminary data, following drops of 4.6% and 3.4% in February and January. The decline was more pronounced in Germany, down 5.1% in March, 8.7% in February and 4.8% in January. In Italy, drops of 4.3% and 3% in March and February offset a 3.8% gain in January. While unemployment recently contracted to very low levels, by local standards, in several key European economies, a spate of layoffs recently announced by large corporations presages a reversal of the trend. That could further increase price sensitivities in the European gasoline market, even if gasoline prices ease off this summer.

Drops in residual fuel oil demand also continued, largely as a result of fuel switching to natural gas and LNG, a trend that seems bound to continue regardless of the state of the economy. Record-high precipitation in parts of Europe also ensures adequate hydropower. Italian residual fuel oil demand fell by more than 17% on average in the first quarter, extending a 14.5% drop in the fourth quarter of last year. French demand fell even more dramatically, down 28.5% in the first quarter and 18.6% in the fourth.

Non-OECD

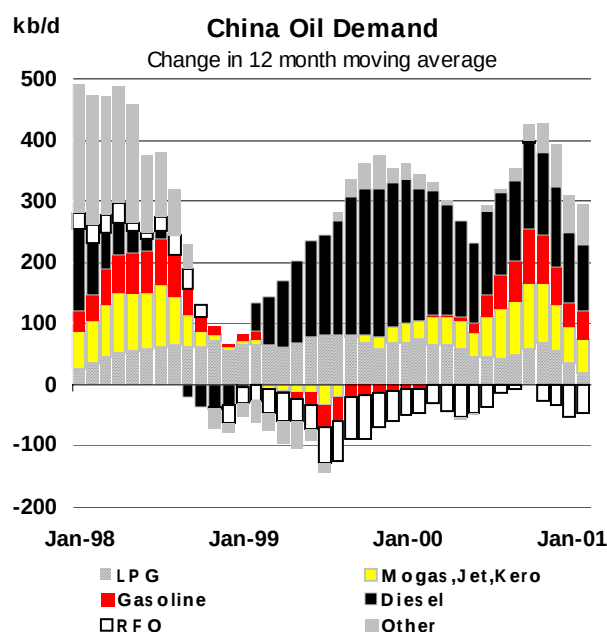
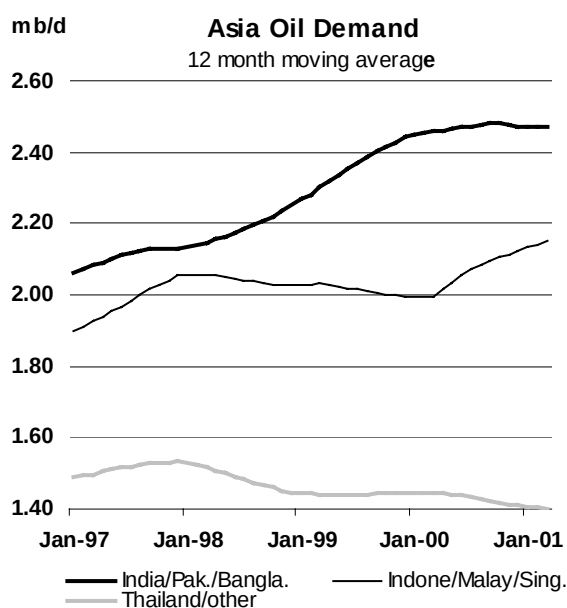
Former Soviet Union

Strong crude oil prices continue to cap internal demand in the FSU, as producers seek to promote fuel-switching away from oil in favour of natural gas and coal to maximise export revenues. Apparent demand in the FSU reached 3.46 mb/d in March, up 1.6% from last year, a growth rate similar to that of February, but down from January. FSU demand growth rates were expected to taper off in April and May, partly on account of the strong gains posted in the same period last year, and also reflecting Russia's efforts to tap non-oil energy resources for domestic consumption.



China

Chinese implied demand rebounded to 4.76 mb/d in February following two months of decline. The year-on-year gain in February was 2.3%, compared with drops of 7.1% and 5.5% in January and December. Anecdotal evidence suggests that Chinese refiners have been drawing down storage in tanks that were reported brimming at year's end. This raises the prospect of further gains in implied demand growth in months to come, as new production must complement lower inventories.



Economic indicators also support expectations of continued fast growth in Chinese oil demand. Chinese GDP growth was clocked at 8.1% in the first quarter, above expectations. Vigorous government spending, reflected in fixed asset investments by state enterprises, is expected to offset falling export growth and a shrinking trade surplus. The government reportedly plans to issue Rmb 150 billion in infrastructure bonds this year to drive the domestic economy, in the face of the global economic slowdown and the weak Japanese yen. In addition, Chinese industry should benefit from a shift in foreign capital investment away from Southeast Asia and toward Northeast Asia. As a result, no change is made in this Report to the assessment of Chinese demand growth this year. China seems set to make the second largest contribution to world demand growth this year after the US, with a 220 kb/d increase.

India

Indian oil demand rebounded modestly in March, up 0.4% following a 2.1% decline in February. However, the chances of India's resuming the fast demand growth of the 1990s in the near future seem remote, and a slight cut in the assessment of Indian consumption for 2001 accounts for much of this Report's 40 kb/d reduction in the forecast of demand growth for "other Asia."

Part of the weakness in Indian demand growth is circumstantial and transient, namely a drought that has reduced agricultural demand for diesel in part of the country. Other factors are more structural in nature and may last longer. They include a shift in commercial transportation away from trucks to price-competitive trains, and a slowdown in industrial output growth following deregulation of imports. This has apparently resulted in lower diesel demand for power generators at industrial facilities, as slowing industrial production means that the national grid can handle a larger part of electricity demand.

Other Non-OECD

High products prices, compounded by the strength of the US dollar compared to their domestic currencies, continued to curtail domestic consumption in emerging economies from Southeast Asia to Latin America. Thailand's Commerce Ministry reported this month that domestic demand fell 7% in the first quarter from the same period last year. Official Thai demand for gasoline and diesel fell by an average 4%, while fuel-switching helped curtail residual fuel oil and kerosene demand by 36% and 97%. Anecdotal evidence points to lower demand in Vietnam and Bangladesh, both of which have cut back sharply on oil products imports.

The Philippines' Department of Energy announced plans aggressively to pursue its efforts to reduce the share of oil in electricity production in order to cut back on the country's energy bill. Oil fell to 21% of the country's power mix in 2000 from 28.5% in 1999 as oil-fired power plants with an aggregate 1,050 MW of capacity were retired in Bataan, Sucat, Manila, Malaya (Negros) and Cebu. The government estimates that fuel switching to coal, geothermal and hydropower saved it \$2.8 billion in oil import costs in 2000 and plans to replace more oil-fired power plants this year with new facilities fuelled by domestically-produced natural gas.

High prices and economic woes are taking a toll on demand in several Latin American economies. Brazil's official demand appears to have shrunk by 4.7% in February, offsetting a gain of the same magnitude in January. However, Brazil's Agencia Nacional do Petroleo often revises its data upwards for months after their initial release, and increases are to be expected. Data for selected products points to steep declines in Argentine demand in January and February, as well as in the fourth quarter of last year.

Not surprisingly, those emerging economies that subsidise oil-products prices experienced stronger demand growth in recent months, including crude oil producers such as Iran, Venezuela and Indonesia. But the coexistence of oil-subsidising and non-oil-subsidising countries, separated by porous borders or waterways, appears to have fostered a sharp increase in smuggling in an environment of generally high international prices, distorting demand measurements. Smuggling seems to account for a substantial share of consumption in parts of Southeast Asia, where smugglers can import tax-free diesel, gasoline and bunkers from Singapore through the region's extensive coastlines and capture part of any tax margin. Smuggling also is on the rise between Venezuela and Colombia, as well as from Indonesia.

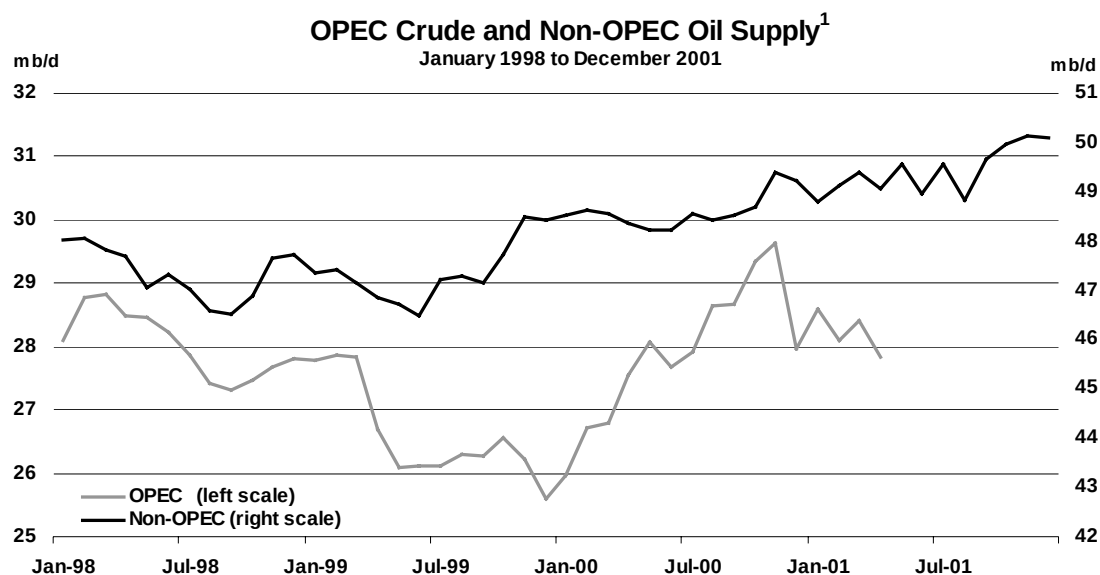
Summary of Global Oil Demand

	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
Demand (mb/d)																
North America	23.13	23.58	23.51	24.15	24.19	23.86	23.73	23.92	24.55	24.51	24.18	24.24	24.07	24.70	24.72	24.43
Europe	15.28	15.77	14.36	14.68	15.65	15.12	15.07	14.52	15.07	15.29	14.99	15.09	14.54	15.08	15.62	15.09
Pacific	8.41	9.40	7.86	8.16	9.10	8.63	9.28	8.03	8.29	8.75	8.59	9.34	8.03	8.32	8.92	8.65
Total OECD	46.82	48.75	45.73	46.99	48.93	47.60	48.09	46.46	47.91	48.56	47.76	48.67	46.64	48.09	49.26	48.17
FSU	3.73	3.63	3.28	3.44	3.66	3.50	3.55	3.40	3.46	3.67	3.52	3.65	3.40	3.34	3.51	3.475
Europe	0.76	0.80	0.74	0.69	0.74	0.74	0.81	0.75	0.69	0.75	0.75	0.81	0.76	0.70	0.76	0.76
China	4.19	4.38	4.61	4.33	4.64	4.49	4.73	4.55	5.05	4.82	4.79	4.75	4.98	5.02	5.27	5.00
Other Asia	6.75	6.98	7.08	7.05	7.10	7.05	7.10	7.27	7.22	7.13	7.18	7.21	7.29	7.31	7.32	7.28
Latin America	4.76	4.64	4.79	4.87	4.83	4.78	4.67	4.85	4.89	4.81	4.81	4.78	4.94	5.01	4.97	4.93
Middle East	4.17	4.26	4.35	4.37	4.17	4.29	4.26	4.41	4.52	4.33	4.38	4.41	4.58	4.70	4.50	4.55
Africa	2.35	2.32	2.31	2.32	2.36	2.33	2.37	2.32	2.32	2.35	2.34	2.40	2.35	2.37	2.41	2.38
Total Non-OECD	26.70	27.00	27.18	27.06	27.51	27.19	27.49	27.54	28.15	27.87	27.76	28.01	28.30	28.45	28.74	28.37
World	73.52	75.75	72.91	74.04	76.44	74.79	75.57	74.00	76.06	76.43	75.52	76.69	74.94	76.55	78.00	76.54
of which:																
US	18.92	19.21	19.22	19.80	19.83	19.52	19.27	19.48	20.03	19.98	19.69	19.66	19.58	20.11	20.15	19.88
Euro 4	8.67	8.96	7.89	8.21	8.76	8.45	8.37	8.00	8.35	8.48	8.30	8.36	7.95	8.29	8.68	8.32
Japan	5.52	6.17	5.02	5.24	5.86	5.57	5.98	4.98	5.38	5.60	5.48	6.04	5.00	5.35	5.65	5.51
Korea	1.92	2.26	1.85	1.94	2.20	2.06	2.31	2.04	1.93	2.16	2.11	2.29	2.02	1.98	2.25	2.14
Mexico	1.95	2.05	1.98	1.96	2.01	2.00	2.06	2.06	2.06	2.00	2.04	2.03	2.08	2.08	2.03	2.06
Canada	1.98	2.00	2.03	2.09	2.04	2.04	2.08	2.09	2.16	2.21	2.13	2.21	2.10	2.20	2.20	2.18
Brazil	2.08	2.02	2.09	2.14	2.14	2.10	2.02	2.12	2.18	2.21	2.13	2.18	2.24	2.28	2.20	2.20
India	1.84	2.04	2.00	1.94	2.01	2.00	2.09	2.04	1.99	2.07	2.05	2.16	2.10	2.18	2.16	2.14
Annual Change (% per annum)																
North America	1.9	4.1	2.3	3.0	3.4	3.2	0.7	1.8	1.7	1.3	1.4	2.1	0.6	0.6	0.8	1.0
Europe	1.8	2.5	-2.2	-3.3	-1.4	-1.1	-4.4	1.1	2.6	-2.2	-0.8	0.1	0.2	0.1	2.1	0.6
Pacific	-6.0	2.5	1.6	2.6	3.5	2.6	-1.3	2.1	1.6	-3.8	-0.5	0.7	0.1	0.3	1.9	0.7
Total OECD	0.3	3.3	0.7	0.9	1.8	1.7	-1.4	1.6	2.0	-0.8	0.3	1.2	0.4	0.4	1.4	0.9
FSU	-1.6	-7.4	-10.2	-4.0	-2.9	-6.1	-2.1	3.7	0.8	0.4	0.6	2.8	0.1	-3.7	-4.5	-1.3
Europe	-2.8	-2.2	-2.4	-2.5	-2.5	-2.4	1.1	1.4	1.3	1.3	1.3	0.0	1.3	1.3	1.3	1.0
China	-0.4	9.7	10.7	6.7	2.5	7.3	8.1	-1.4	16.6	3.8	6.6	0.4	9.4	-0.6	9.2	4.5
Other Asia	1.1	6.2	5.2	4.9	2.0	4.5	1.7	2.6	2.3	0.4	1.8	1.6	0.2	1.3	2.6	1.4
Latin America	0.6	1.5	-0.5	-0.4	1.1	0.4	0.6	1.1	0.6	-0.4	0.5	2.3	2.0	2.3	3.4	2.5
Middle East	4.5	4.7	4.1	1.1	1.7	2.9	-0.1	1.2	3.5	3.7	2.1	3.7	3.9	4.0	3.9	3.9
Africa	2.9	-1.4	-0.9	2.2	-2.8	-0.7	2.1	0.1	0.1	-0.4	0.5	1.3	1.6	2.4	2.4	1.9
Total Non-OECD	0.9	2.7	2.0	2.0	0.7	1.8	1.8	1.3	4.1	1.3	2.1	1.9	2.8	1.1	3.1	2.2
World	0.5	3.1	1.2	1.3	1.4	1.7	-0.2	1.5	2.7	0.0	1.0	1.5	1.3	0.6	2.0	1.4
Annual Change (mb/d)																
North America	0.42	0.93	0.52	0.69	0.78	0.73	0.16	0.41	0.40	0.32	0.32	0.51	0.15	0.15	0.21	0.25
Europe	0.27	0.39	-0.32	-0.49	-0.22	-0.16	-0.70	0.15	0.38	-0.35	-0.13	0.02	0.03	0.02	0.33	0.10
Pacific	-0.54	0.23	0.12	0.21	0.31	0.22	-0.12	0.17	0.13	-0.34	-0.04	0.06	0.01	0.02	0.17	0.06
Total OECD	0.15	1.55	0.32	0.40	0.88	0.78	-0.66	0.73	0.92	-0.37	0.16	0.59	0.18	0.19	0.70	0.41
FSU	-0.06	-0.29	-0.37	-0.14	-0.11	-0.23	-0.08	0.12	0.03	0.02	0.02	0.10	0.00	-0.13	-0.17	-0.05
Europe	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01
China	-0.02	0.39	0.45	0.27	0.11	0.30	0.35	-0.07	0.72	0.18	0.30	0.02	0.43	-0.03	0.45	0.22
Other Asia	0.07	0.41	0.35	0.33	0.14	0.31	0.12	0.19	0.16	0.03	0.12	0.11	0.02	0.10	0.19	0.10
Latin America	0.03	0.07	-0.02	-0.02	0.05	0.02	0.03	0.05	0.03	-0.02	0.02	0.11	0.10	0.11	0.16	0.12
Middle East	0.18	0.19	0.17	0.05	0.07	0.12	0.00	0.05	0.15	0.15	0.09	0.16	0.17	0.18	0.17	0.17
Africa	0.07	-0.03	-0.02	0.05	-0.07	-0.02	0.05	0.00	0.00	-0.01	0.01	0.03	0.04	0.06	0.06	0.04
Total Non-OECD	0.25	0.71	0.53	0.52	0.18	0.49	0.48	0.36	1.10	0.36	0.57	0.53	0.76	0.30	0.86	0.61
World	0.40	2.26	0.85	0.92	1.06	1.27	-0.18	1.09	2.01	-0.01	0.73	1.11	0.94	0.49	1.56	1.025
Changes from Last Month's Report																
North America	-	-	-	-	-0.04	-0.01	0.14	0.19	0.21	0.16	0.18	-0.21	0.20	0.17	0.10	0.06
Europe	-	-	-	-	-	-	-	-	0.01	-0.03	-	-0.17	-0.05	-0.03	-0.03	-0.07
Pacific	-	-	-	-	-	-	-	-	-	-	-	-0.19	-0.02	-0.04	-0.04	-0.07
Total OECD	-	-	-	-	-0.04	-0.01	0.14	0.19	0.23	0.13	0.17	-0.57	0.13	0.10	0.02	-0.08
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-0.02	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-0.03	-0.06	-0.06	-0.04	-0.04	-0.05	-0.09	-0.11	-0.07
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-0.01	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.01	-0.01	-0.01
Total Non-OECD	-	-	-	-	-	-	-	-0.04	-0.06	-0.06	-0.04	-0.06	-0.06	-0.11	-0.13	-0.09
World	-	-	-	-	-0.04	-0.01	0.14	0.16	0.17	0.08	0.14	-0.63	0.07	-0.01	-0.10	-0.16

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 77.10 mb/d in April, a reduction of 900 kb/d from March (see Table 4 at the end of the Report). OPEC crude supply decreased by 560 kb/d, while non-OPEC production fell by 370 kb/d. OPEC's NGL and non-conventional production is estimated to have increased by 30 kb/d, despite a loss of Arun Condensate.
- **OPEC** crude supply including Iraq's fell by 560 kb/d to 27.85 mb/d in April, compared to a downwardly revised 28.41 mb/d for March (see Table 4 at the end of the Report). Iraqi production rose by 280 kb/d to 2.95 mb/d, while OPEC output, excluding Iraq's, dropped by 840 kb/d to 24.90 mb/d. The April production was 700 kb/d higher than the OPEC target of 24.2 mb/d that went into effect on 1 April. Iran overshoot its target by 190 kb/d. Phase IX of the UN's Iraqi oil-for-food programme will end on 3 June. OPEC ministers will meet in Vienna on 5 June.
- **Non-OPEC** oil supply decreased by 370 kb/d to 46.33 mb/d in April. **OECD** output was down 270 kb/d (see Table 4A at the end of the Report). North American production declined, due mainly to spring road restrictions and break-up in Canada. North Sea production was lowered by scheduled maintenance. However, the decrease was partly offset by the startup of two new fields. **Non-OECD** oil production was 60 kb/d lower. Output decreased in Russia, Brazil and Colombia. Processing gains are estimated to have decreased by 40 kb/d, in line with normal seasonal changes.
- The **"call on OPEC crude plus stock change"** for the second and third quarters of 2001 stands at 25.7 mb/d and 27.2 mb/d (see Table 1 at the end of the Report). The "call" for the second quarter has been revised upwards by 0.1 mb/d due to a reduction in non-OPEC supply. The "call" for the third quarter remains unchanged. The "call" for 2001 has been revised downwards by 0.1 mb/d. A reduction of 0.2 mb/d in global demand for 2001 is partly offset by a decrease in non-OPEC supply.



1. Non-OPEC Oil Supply includes OPEC NGLs

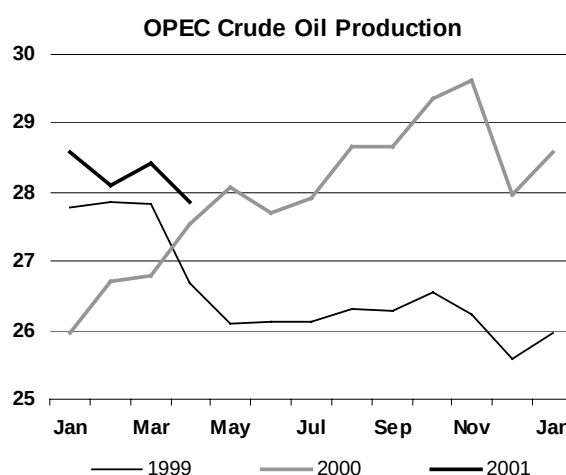
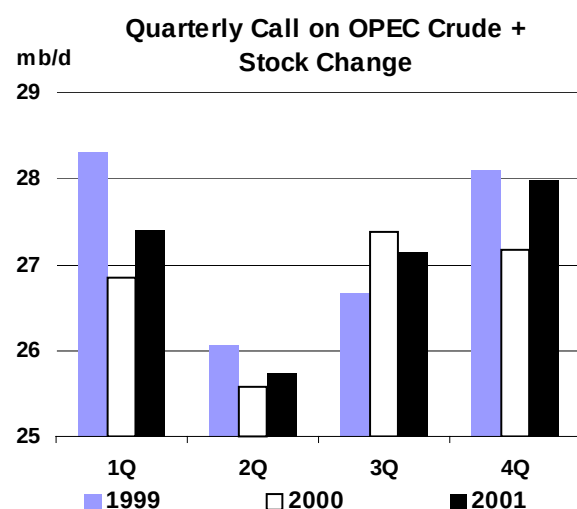
All world oil supply figures for April discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary April crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 100 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

OPEC's new production target went into effect on 1 April. The Organisation's ministers met in Vienna on 16 and 17 March and agreed to lower their target production levels by 1 mb/d, to 24.2 mb/d. This was the second reduction of the year, after a 1.5 mb/d cut in February. The next OPEC meeting to review market conditions is scheduled for 5 and 6 June.

The preliminary estimate is that April OPEC crude supply, excluding Iraq's, decreased by 840 kb/d from the previous month, to 24.90 mb/d, some 700 kb/d above the April target. Including Iraq, output averaged 27.85 mb/d, a decline of 560 kb/d from March. Iraqi production increased by 280 kb/d, to 2.95 mb/d. OPEC crude production in March has been revised downwards by 100 kb/d from 28.51 mb/d in the last Report, to 28.41 mb/d. Saudi Arabian supply was reduced by 120 kb/d, while Iran saw an upward revision of 40 kb/d. With a new production target having gone into effect in April and a ministerial meeting scheduled for June, May will test OPEC's ability to enforce its agreements.



Saudi Arabian crude supply (excluding the Neutral Zone, but including the Abu Safa field) is estimated to have decreased by 250 kb/d to 7.64 mb/d in April, while production from **Kuwait** (excluding the Neutral Zone) fell by 100 kb/d to 1.69 mb/d. Kuwait inaugurated the second of two new oil and gas gathering stations in April. The two stations raised the country's production capacity by 300 kb/d, to 2.50 mb/d. **Neutral Zone** production averaged 630 kb/d for the month. **Iranian** output decreased by 80 kb/d to 3.74 mb/d. Production of Iranian Foroozan blend was down, due to maintenance work at one of the three offshore fields that produce the grade. **UAE** output dropped by 140 kb/d, as maintenance work took place at the Lower Zakum and Umm Shaif fields.

Iraqi output, including exports under the UN "oil-for-food" programme, domestic consumption and border trade, increased by 280 kb/d to 2.95 mb/d. Based on UN data through 27 April, "oil-for-food" exports increased by 230 kb/d from the previous month, to 2.25 mb/d. Domestic consumption and border trade are estimated at a combined 700 kb/d for April. Phase IX of the UN's Iraqi oil export programme will end on 3 June and the UN is expected to extend it for another half year by the end of May. However, uncertainty lies ahead, as Iraq in the past has used the occasion of phase renewals to negotiate terms and conditions, often resulting in disruption of oil exports.

Venezuelan crude supply is thought to have dropped by 100 kb/d to 2.88 kb/d. Foreign oil companies operating in the country were ordered to reduce output in line with OPEC's April production cut. These companies included those engaged in field rehabilitation projects awarded through the third bidding round in 1997 and two of three extra-heavy oil projects, Sincor and Cerro Negro. The remaining project, Petrozuata, was exempted. The Petrozuata project commenced operation of its upgrader located at the Caribbean port of Jose in March.

Indonesian crude output also declined. Plans for early resumption of operation at the Arun gas field in northern Sumatra are not in sight. ExxonMobil halted its operation at the field on 9 March, due to technical considerations and a potentially worsening security situation. The Arun gas field, with one of two LNG facilities in the country, supplied 5.8 million tonnes per year of LNG (140 kb/d oil equivalent) to Japanese and Korean utilities.

OPEC NGLs and Developments in Non-Conventional Production

Globally, natural gas production is rising. Increasing use of natural gas is supported by environmental concerns and market deregulation in consuming countries. High oil and gas prices have made major new gas projects more economically feasible. It is a global trend and OPEC countries are no exceptions. Saudi Arabia and Iran, which previously did not exploit their gas reserves, have initiated major new projects. NGL production is growing, as NGLs are by-products of natural gas. In relation with OPEC, NGL production is outside of OPEC's quotas. From the viewpoint of market transparency, less information is available for non-OECD NGL production on a timely basis.

Development of Iran's offshore South Pars gas field is planned in 25 phases. Contracts for phases one to eight have been awarded, with those for phases nine to twelve being tendered. Each phase is planned to increase gas production by 1 billion cubic feet per day and NGL production by 40 kb/d. Production will commence with the phase two project in June this year. Iran will produce nearly 500 kb/d of NGLs from the South Pars field when phase twelve, which is an LNG project, starts production in 2007. Saudi Arabia has been negotiating for development of three major gas fields with Western oil companies. In addition, there has been a flurry of news on new LNG projects from Australia, Egypt, Indonesia, Malaysia, Nigeria, and Qatar.

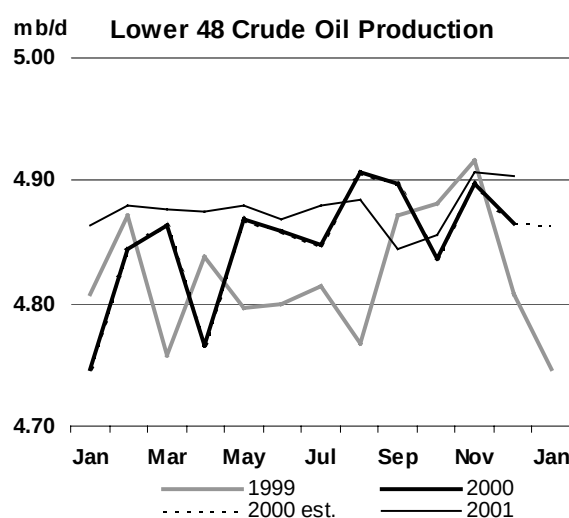
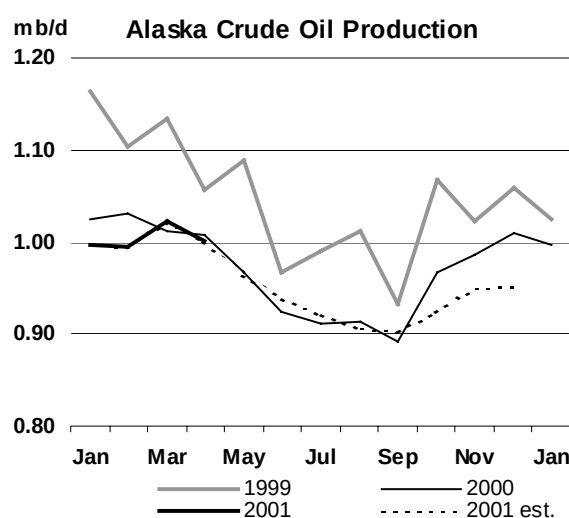
Meanwhile, Venezuela has been proceeding with its Orinoco extra-heavy oil development programme. The area north of the Orinoco River contains recoverable reserves of 270 billion barrels of extra-heavy oil. Three joint ventures with foreign oil companies have already started producing or upgrading extra-heavy oil from the area. The fourth joint venture is scheduled for start-up at the end of this year. Production from these four projects is expected to reach 700 kb/d in 2005. There is some uncertainty as to whether Venezuela's extra-heavy oil will be counted as "crude", subject to OPEC's quotas, or treated as "bitumen", outside of OPEC's current regime. On the one hand, Venezuela lowered extra-heavy oil output in line with OPEC's production cut; on the other hand, it reportedly stated that the Orinoco extra-heavy oil is technically exempt from OPEC quotas.

OECD

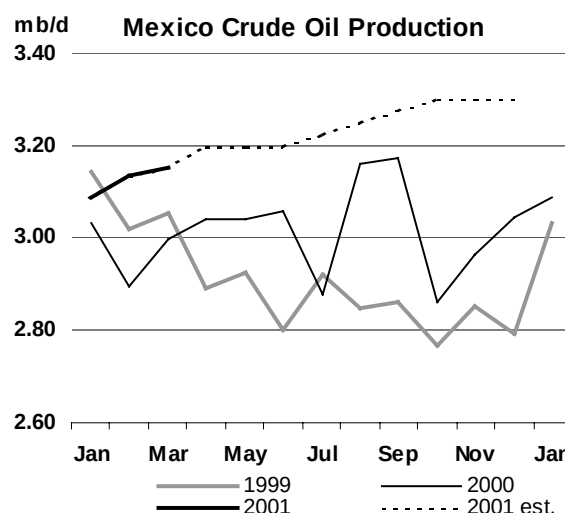
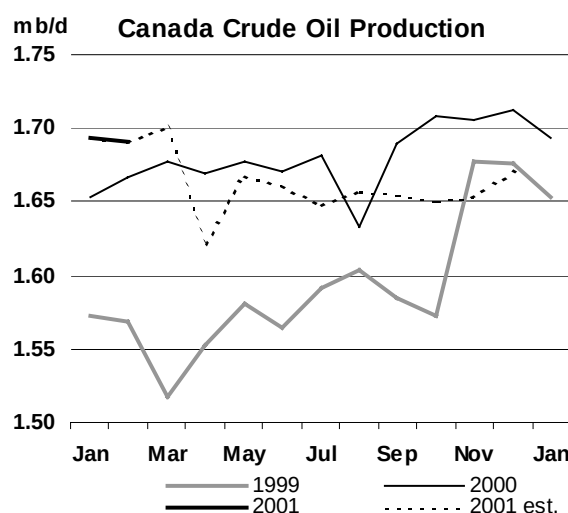
North America

US - April - Alaska actual, other estimate: US crude production is estimated to have averaged 5.88 mb/d in April, down 20 kb/d from the previous month. Alaskan crude output declined by 20 kb/d to 1.00 mb/d. The decrease came from the Prudhoe Bay field, while output from other fields remained unchanged. In California, supply is estimated to have decreased by 10 kb/d. In contrast, production in the Gulf of Mexico is estimated to have gained 10 kb/d. Crude output from the other states is thought to have remained unchanged.

The latest actual data show that US NGL production increased in February by 350 kb/d after a drop in January, to 1.73 mb/d. In January, production fell to 1.38 mb/d, the lowest level in more than two decades. High natural gas prices made it attractive for natural gas processing plants to leave more propane, ethane, butane and other components in the gas stream, to sell "wetter" gas, and reduce the output of liquids. NGL production is estimated to have averaged 1.89 mb/d in both March and April.



Canada - February actual, March and April estimates: Canadian crude production remained unchanged in February from the previous month, at 1.69 mb/d. Production from the offshore Hibernia field recovered from losses in January, to 150 kb/d. However, bitumen output in Alberta fell by 20 kb/d, offsetting Hibernia's gain. Crude production is estimated to have risen to 1.70 mb/d in March, but to have fallen to 1.62 mb/d in April as spring break-up affected field operations. Synthetic crude production averaged 360 kb/d for February and 370 kb/d for March.



Mexico - March actual, April estimate: In March, Mexican crude production rose by 20 kb/d from the previous month, to 3.15 mb/d. Previously declining production from the Cantarell field complex, which has been arrested by a nitrogen injection project, increased by 30 kb/d to 1.97 mb/d. Total Mexican April crude production is estimated at 3.20 mb/d. Meanwhile, March NGL production remained unchanged at 430 kb/d. Mexico said that it would reduce its crude exports to 1.71 mb/d from 1 April in line with OPEC's production cut. Mexican crude exports averaged 1.76 mb/d for March. With increases of production at the Cantarell field and the commitment to limit exports, it is assumed that Mexican inventory levels will rise and domestic oil consumption will increase by offsetting natural gas demand.

North Sea

UK - February actual, March and April estimates: UK offshore crude and NGL production in February fell by 90 kb/d to 2.47 mb/d. The cold weather that hit the North Sea at the beginning of February had an impact on production operations. Crude supply from the Forties system decreased by 70 kb/d to 700 kb/d, while that for the Brent system dropped by 10 kb/d to 300 kb/d. In contrast, output from deepwater West of Shetlands increased by 30 kb/d, to 200 kb/d. Offshore NGL production fell by 10 kb/d in February. UK offshore crude and NGL production is estimated to have averaged 2.57 mb/d for March and 2.56 mb/d for April. Maintenance work has started in the North

Sea. The maintenance schedule in this Report's production estimates has been revised based on publicly available information.

In April, two new fields started up in the UK sector. The Elgin/Franklin gas field started its production at initial rates of 14 kb/d for condensate and 42 million cubic feet per day for natural gas. Output is expected to increase by a factor of ten this summer, to 140 kb/d and 420 million cubic feet per day. Condensate from the field is transported via the Forties Pipeline system, while gas is sent via the SEAL (Shearwater Elgin Area Line) pipeline. The operator, TotalFinaElf, calls the project the largest high pressure/high temperature development in the world. Meanwhile, the adjacent Kyle field began to produce an estimated 10 kb/d. The production rate is expected to increase to 20 kb/d. Output from the field is processed on a floating production, storage and offloading (FPSO) vessel at the nearby Curlew field.

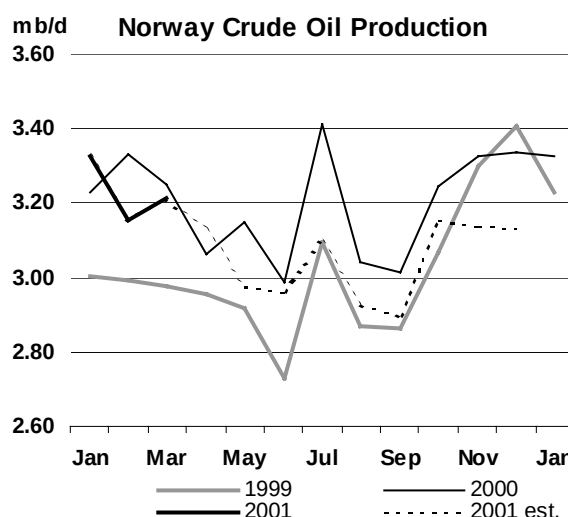
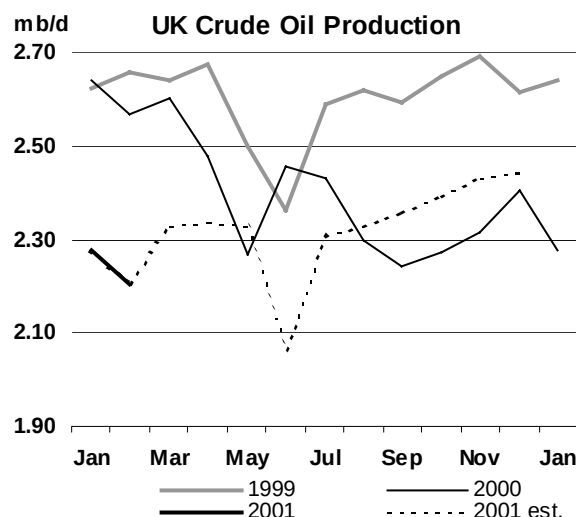
North Sea Oil Production Outlook

April - September 2001

(thousand barrels per day)

	Apr 01	May 01	Jun 01	Jul 01	Aug 01	Sept 01
UK	2558	2527	2244	2467	2487	2547
Norway	3338	3187	3177	3306	3142	3109
Denmark	362	362	359	357	355	353
Other ¹	36	34	35	45	54	59
Total	6293	6109	5815	6175	6039	6068

¹ offshore Netherlands and offshore Germany



Norway - March actual, April estimate: Norwegian crude production averaged 3.21 mb/d in March, up 60 kb/d from the previous month. Production from the Haltenbanken Area rose by 120 kb/d, recovering from production losses due to inclement weather in February. April production is thought to have decreased by 90 kb/d to 3.13 mb/d. A strike by Norwegian offshore workers' union had little impact on production volumes, but scheduled maintenance has started in the Haltenbanken system. This Report's maintenance schedule for the Norwegian sector has been revised based on publicly available information. In the Norwegian sector, the Yme field ceased production on 15 April. The field produced 50.3 million barrels of oil after it came on stream in February 1996.

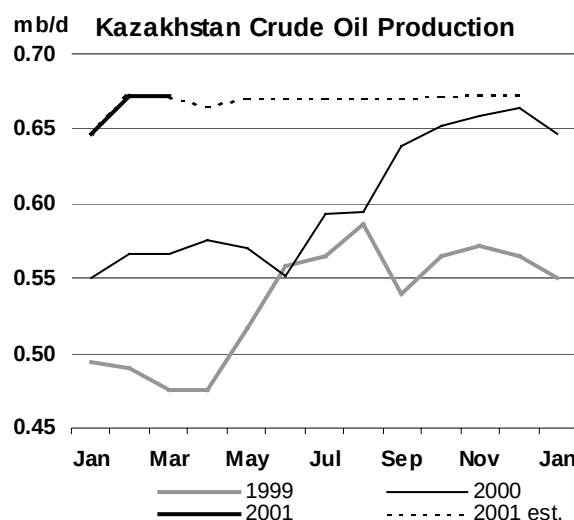
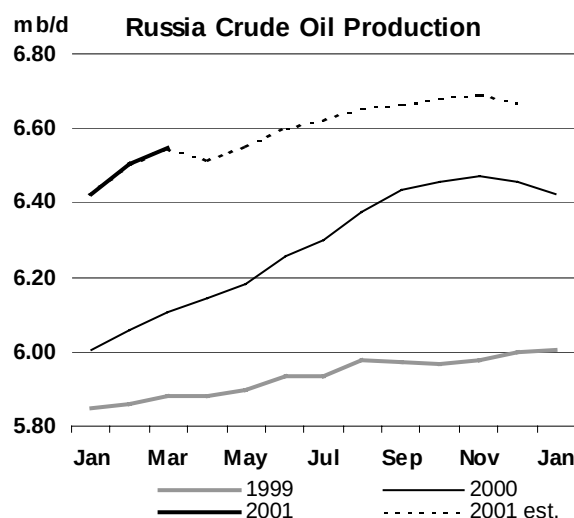
Pacific

Australia – February actual, March and April estimates: Australian crude production averaged 660 kb/d for February. The January figures have been revised downwards by 50 kb/d to 680 kb/d. Crude production is thought to have remained unchanged in March, but to have fallen to 610 kb/d in April, due to hurricanes. Meanwhile, February NGL production rose by 10 kb/d, to 70 kb/d.

Former Soviet Union (FSU)

Russia - March actual, April estimate: Russian crude production continued to grow in March, increasing 40 kb/d over the previous month to 6.55 mb/d. Yukos' output rose by 20 kb/d to 1.11 mb/d, while production from Surgutneftegas gained 10 kb/d to 860 kb/d. Lukoil's output remained unchanged. Production from the Polar Lights, a joint venture between US's Conoco and Russian partners of Arkhangelskgeoldobycha and Rosneft, averaged 33 kb/d for the month, while TotalFinaElf's "Horizons 2 and 3" project at the Kharyaginskoye field produced 12 kb/d of crude. Russian crude production is estimated to have fallen by 30 kb/d in April.

In late March, Lukoil released its financial statements for 1998 and 1999, prepared in accordance with the US generally accepted accounting principles (GAAP). The statements showed net profits of \$700 million for 1998 and \$1.1 billion for 1999. The company presented financial results under the GAAP to facilitate its listing on the New York Stock Exchange.



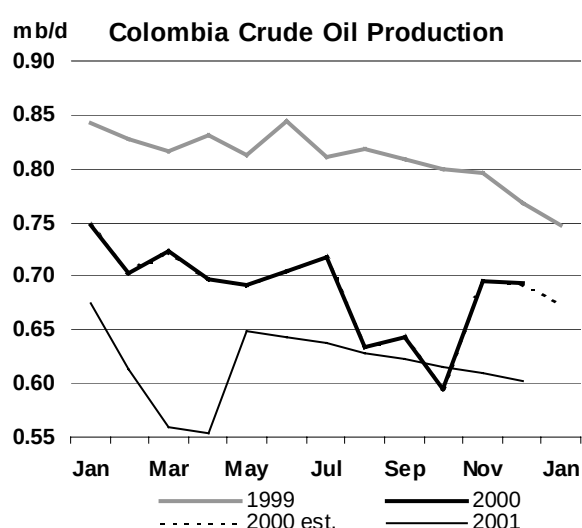
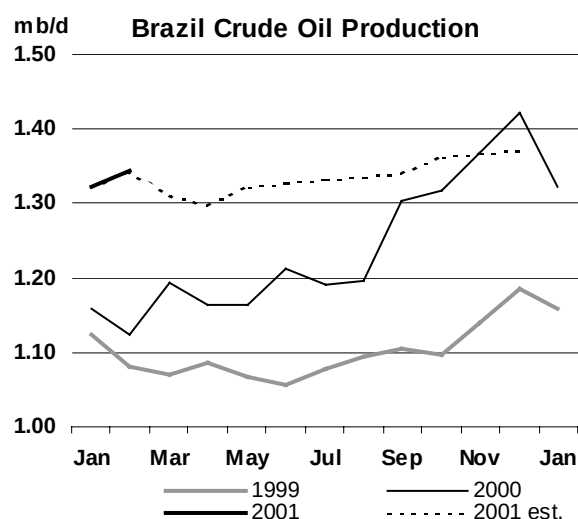
Kazakhstan - March actual, April estimate: Kazakhstan's crude and NGL production in March remained unchanged at 800 kb/d. Both crude production from the Tengiz and NGL production from the Karachaganak field remained virtually unchanged from the previous month. Kazakhstan's output in April is thought to have decreased by 10 kb/d.

At the beginning of May, Italy's ENI, operator of the Offshore Kazakhstan International Operating Company (OKIOC), announced that OKIOC had completed production tests of the second exploration well on the Kashagan field. ENI said that the second well, drilled 40 km west of the first well, found the same producing strata encountered by the first well, and confirmed consistency in the Kashagan field. On the basis of production test results, well producibility is estimated to range 5 to 20 kb/d. Oil gravity is between 42° to 45° API. However, no estimate on reserves was released.

Other Non-OPEC

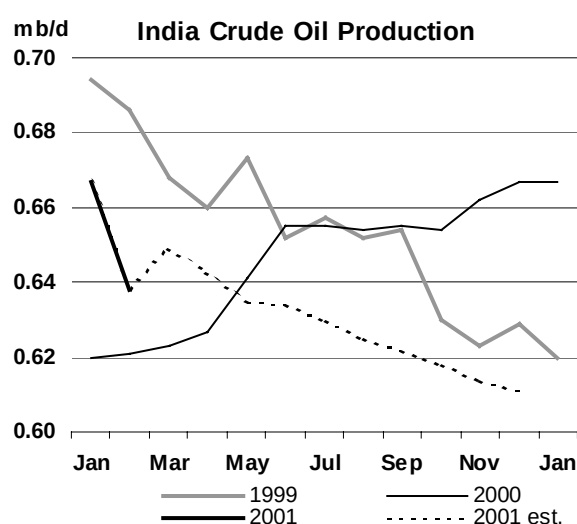
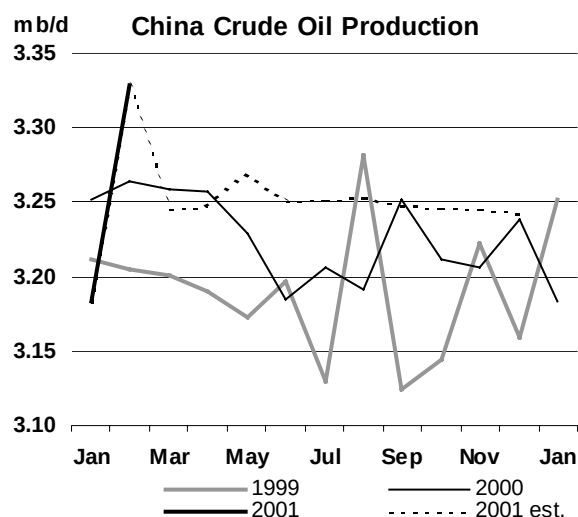
Brazil – February actual, March and April estimates: Following the sinking of the P-36 production platform in mid-March, Petrobras suffered more financial and operational setbacks. The company renewed its insurance policies at the end of March, quintupling insurance premiums. A significant part of this increase was due to the P-36 accident. The insurance policy provides coverage for refineries, production platforms, pipelines, terminals and other facilities. Another offshore production platform, P-7, spilled 25,000 litres of crude into the Atlantic Ocean on 12 April. Some 140 workers were forced to evacuate the platform temporarily. P-7, operating at the Bicudo field in the Campos basin, was producing 15 kb/d of crude.

The latest data from Brazil's National Petroleum Agency show that the country's crude production increased by 20 kb/d to 1.35 mb/d in February. Production is estimated to have fallen to 1.31 mb/d in March and to 1.30 mb/d in April, due to the P-36 accident. Meanwhile, Petrobras announced a plan to offset production losses resulting from the accident. According to the plan, Petrobras will increase production from the Marlim Sul field by redeploying the drilling rigs and vessels that were previously allocated to the Roncador field. Petrobras will eventually install two production platforms at the Roncador field: the first in the second half of 2002 and the second at the beginning of 2004. With these measures, Petrobras established the company's domestic crude production targets at 1.39 mb/d for 2001, 1.52 mb/d for 2002 and 1.92 mb/d for 2005. This Report estimates Brazil's crude production to average 1.34 mb/d this year.



Colombia – April estimates: Colombian production sustained damages from guerrilla attacks for the last three months. The attacks have been concentrated on the 120 kb/d Cano Limon pipeline in the eastern part of the country. The pipeline has been virtually shut down since mid-February. Occidental Petroleum, the company operating the Cano Limon field, declared force majeure in late February. In mid-April, 92 workers of the company were abducted by guerrillas. All were subsequently released. Colombian output is thought to have averaged 570 kb/d for both March and April, compared to the latest actual of 710 kb/d in December.

China – February actual, March and April estimates: Chinese crude production rose by 150 kb/d in February, posting a monthly record of 3.33 mb/d. Offshore fields in particular gained ground, increasing production by 110 kb/d, to 440 kb/d. Production from the onshore Daqing and Shengli fields remained high at 1.05 mb/d and 530 kb/d. Chinese output is estimated to have averaged 3.25 mb/d in both March and April. The Chinese Government expects the country's production to



average 3.26 mb/d in 2001.

India – February actual, March and April estimates: Indian crude output fell by 30 kb/d to 640 kb/d in February. The decrease came from the offshore Bombay High field, which experienced scheduled maintenance and a closure of wells for three days in mid-March due to a fire incident. The field's production averaged 310 kb/d for the month. Indian crude production is thought to have averaged 650 kb/d and 640 kb/d in March and April.

Oman – April estimates: Oman's crude and NGL output in March is estimated to have gained 10 kb/d, to 980 kb/d. The increase came from NGL production, which averaged 80 kb/d for the month. Oman's NGL production started with a LNG project in 1999, and has been increasing. April crude and NGL production is thought to have risen to 1.01 mb/d.

Angola – March actual, April estimates: The latest data show that Angola's crude production averaged 730 kb/d in March. Output averaged 760 kb/d for the fourth quarter of 2000 and 740 kb/d for the first quarter of this year. April production is estimated to have increased by 10 kb/d from the previous month, to 740 kb/d. State-owned Sonangol estimates 2001 production at 730 kb/d.

Revisions to Non-OPEC Oil Supply

Estimated non-OPEC supply in 2001 has been revised downwards by 30 kb/d, as weak North American production and a downward revision in Australia outweighed strong performances from China and the FSU. Year-on-year growth is now estimated at 590 kb/d, down from 620 kb/d in the last Report. (For details, see the relevant country sections.)

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2000	2001	01 vs. 00	2000	2001	01 vs. 00	2000	2001	01 vs. 00
North America	14.32	14.54	0.22	14.31	14.47	0.16	-0.01	-0.07	-0.06
Europe	6.78	6.63	-0.15	6.78	6.64	-0.14	0.00	0.01	0.01
Pacific	0.84	0.84	0.00	0.84	0.78	-0.06	0.00	-0.06	-0.06
Total OECD	21.94	22.01	0.07	21.93	21.89	-0.04	-0.01	-0.12	-0.11
Former USSR	7.94	8.34	0.40	7.94	8.39	0.45	0.00	0.05	0.05
Europe	0.18	0.18	0.00	0.18	0.18	0.00	0.00	0.00	0.00
China	3.23	3.19	-0.04	3.23	3.25	0.02	0.00	0.06	0.06
Other Asia	2.28	2.32	0.04	2.28	2.31	0.03	0.00	-0.01	-0.01
Latin America	3.77	3.83	0.06	3.77	3.82	0.05	0.00	-0.01	-0.01
Middle East	1.99	2.02	0.02	1.99	2.02	0.02	0.00	0.00	0.00
Africa	2.85	2.87	0.02	2.86	2.88	0.02	0.01	0.01	0.00
Total Non-OECD	22.24	22.74	0.50	22.25	22.83	0.58	0.01	0.09	0.08
Processing Gains	1.72	1.76	0.05	1.72	1.76	0.05	0.00	0.00	0.00
Total Non-OPEC	45.89	46.51	0.62	45.89	46.48	0.59	0.00	-0.03	-0.03

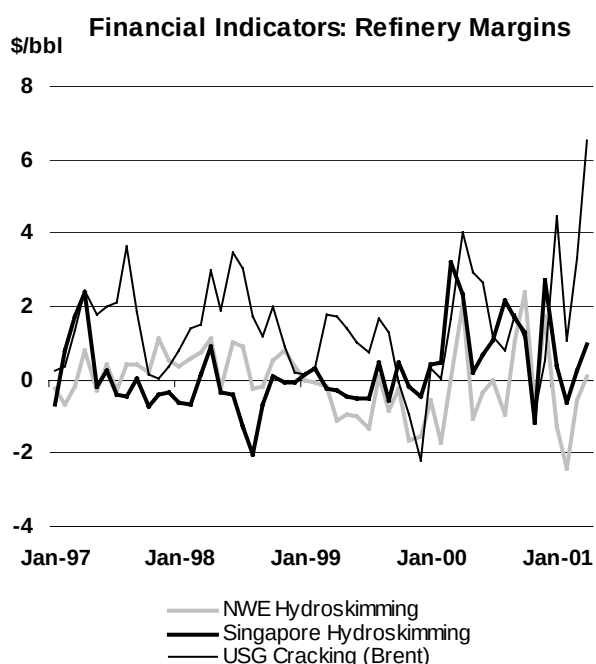
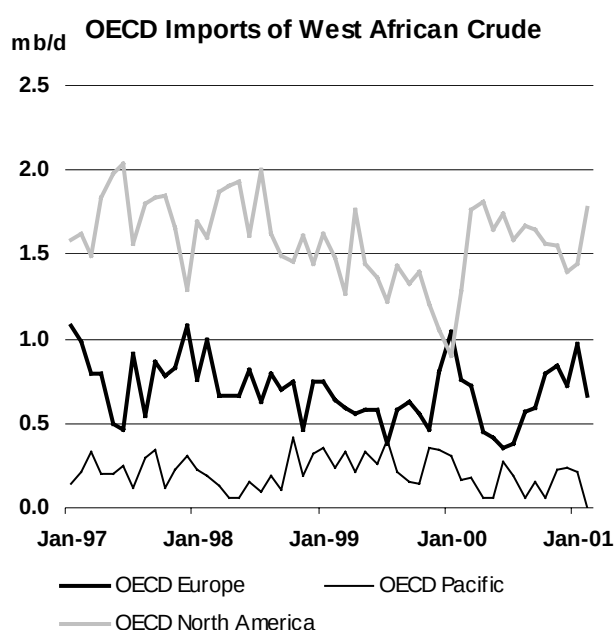
OMR = Oil Market Report

TRADE

North American stocks of gasoline have been low and their prices, relative to those of crude, high, attracting unusually high imports of gasoline, blendstocks and gasoline-rich crudes. US imports of both crude and products are running significantly higher than a year ago, at levels usually reached closer to the summer driving season. The higher imports may also reflect a market that is somewhat better supplied because global demand is weakening.

West African Crude Trade

North American imports of gasoline-rich West African crude increased by 320 kb/d from January to 1.77 mb/d in February. This North American increase came at the expense of Europe, where refiners' interest in this light, sweet crude has cooled along with heating oil demand. Crude price differentials support this theory; heating-oil-rich Forcados' discount to dated Brent doubled between February and March, with April's discount midway between the two.



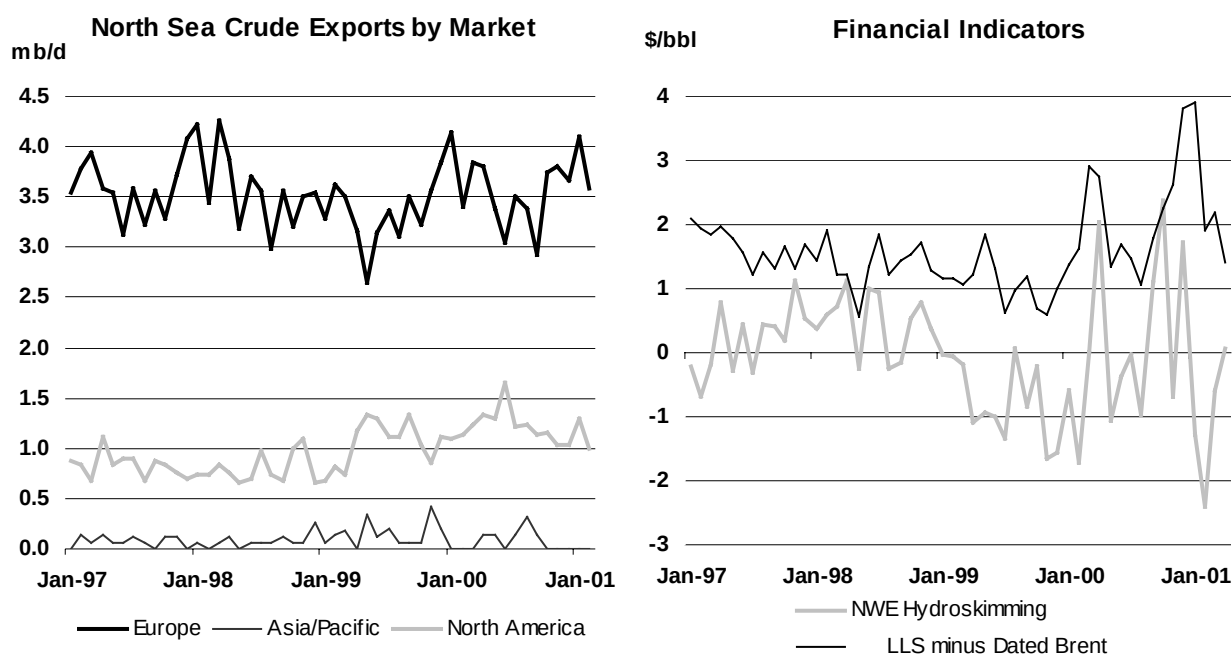
OECD Pacific did not import any West African crude in February. Both China and India also cut back sharply their imports of West African crude in February. This suggests that West African crude remained uncompetitively priced for Asian destinations in February. Brent's price premium to Dubai was wide at \$2.80 in January and \$2.65 in February, and West African crude is priced off dated Brent. Asian demand has also been weaker than anticipated, particularly in India. Asian refinery runs declining seasonally in May and June typically free up additional volumes for North America.

North Sea Trade

Total exports of North Sea crude receded 15% from their January near-record peak of 5.4 mb/d to a more-normal 4.6 mb/d. This echoes the pattern seen last year. February exports were limited by North Sea production of only 6.2 mb/d, 275 kb/d lower than in January, with losses primarily at the Forties and Haltenbanken fields. Exports are likely to have been more nearly normal in March, when production increased 190 kb/d from February. Field maintenance scheduled for April and May will mean successive losses of 115 and 185 kb/d respectively.

With supply short and Louisiana Light Sweet selling for only about \$2 more than dated Brent, just enough to cover freight on a Very Large Crude Carrier to the US Gulf Coast, the North Sea surplus exported to North America shrank by 290 kb/d or 22% between January and February. Deliveries to the Gulf Coast deliveries slowed or stopped, while shipments to Eastern Canada and the Northeast US remained economic. But with European refining margins recovering and the price premium of US domestic crudes to Brent shrinking to just \$1.40 in April, the arbitrage window for transatlantic sales

of Brent closed in April. North Sea exports to North America may not ramp up in earnest until June, when Brent's higher heating oil yield again looks interesting.



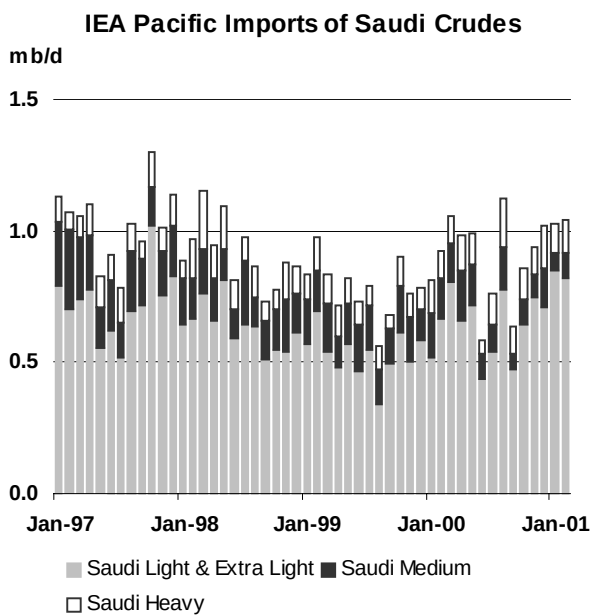
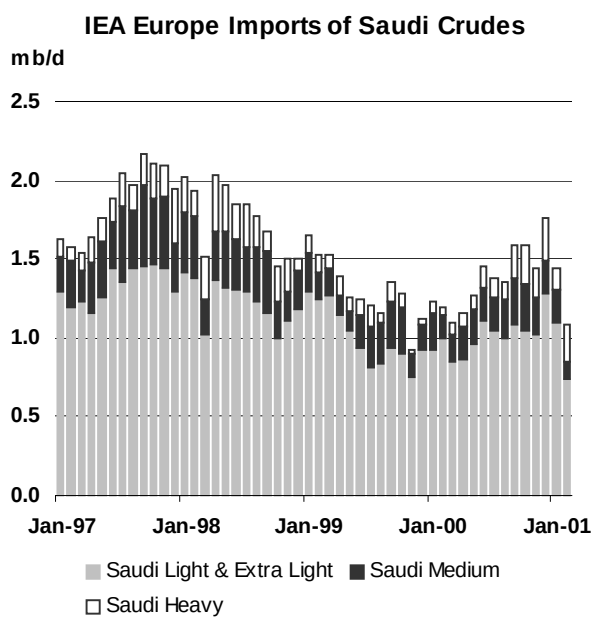
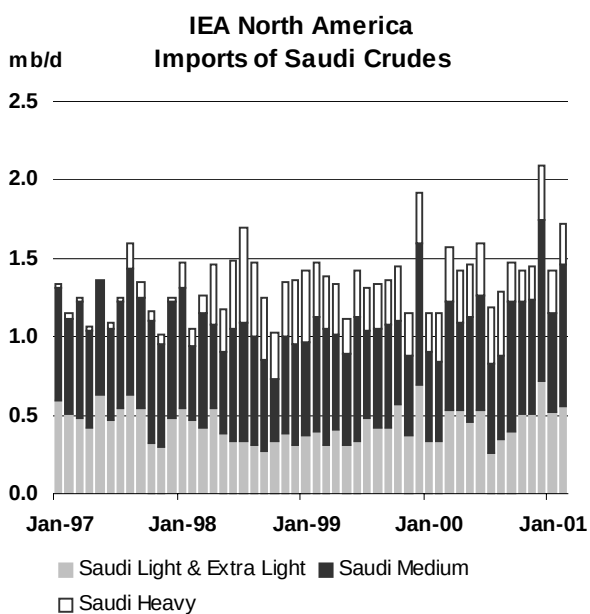
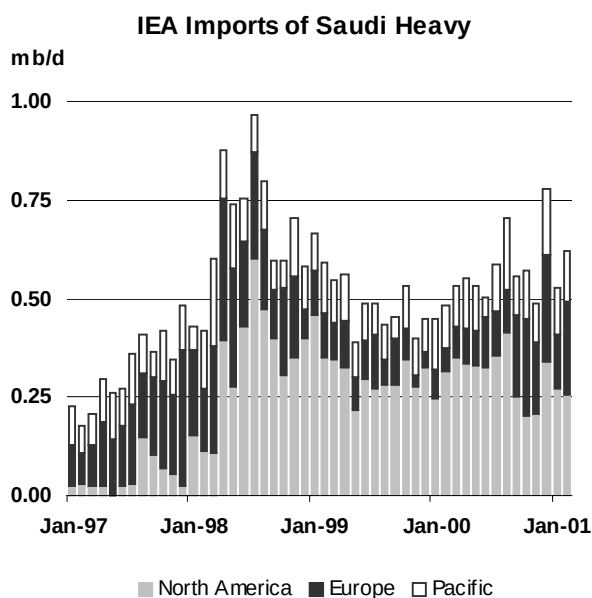
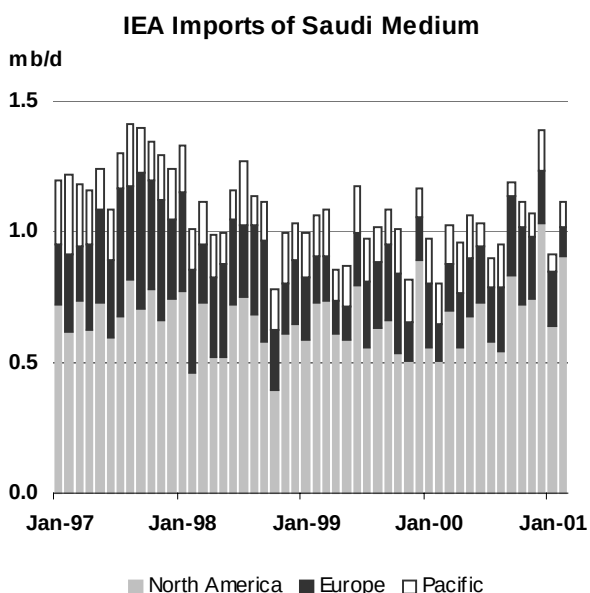
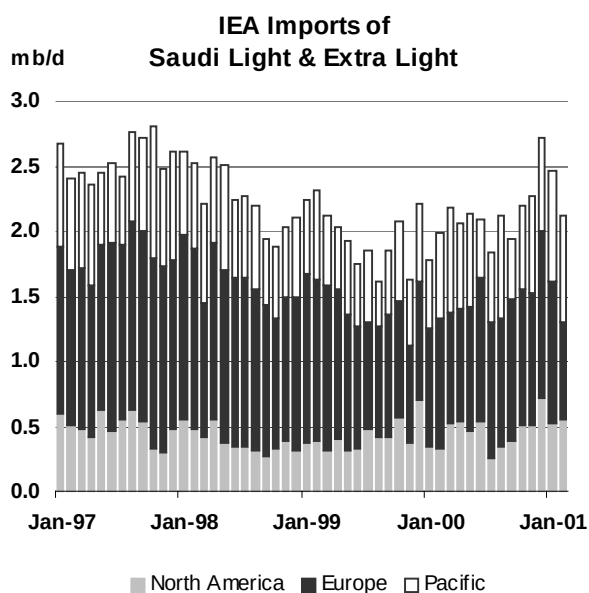
Saudi Crude Trade

Saudi crude production, including Saudi Arabia's half share in the Neutral Zone, totalled 8.6 mb/d in January and 8.2 mb/d in February. After deducting domestic requirements of 1.6-1.8 mb/d, about 7 mb/d remained for export in January and at least 6.4 mb/d in February. In an average month, about 1.7 mb/d of Saudi crude goes to non-OECD destinations: 0.1 mb/d to Latin America, 0.3 mb/d to Africa and 1.3 mb/d to Asia. Singapore accounts for 300-600 kb/d of Saudi crude sales, India for 300 kb/d, Taiwan for 200 kb/d, China and Pakistan about 150 kb/d each, and Malaysia 50 kb/d.

In February, this left 5.2 mb/d to be imported by OECD countries, making Saudi Arabia the largest supplier. As Table 10 shows, Saudi crude recently represented one barrel of every six imported into Europe, and one of every four in Japan and North America. Saudi price formulas that vary by destination have decreased the volume of Saudi crude marketed in Europe and they have increased the Saudi market share in North America. European refiners bore the brunt of Saudi Arabia's production cutbacks in 1998 and 1999, although exports to Japan also fell.

The grades favoured by each region vary widely, depending on the sophistication of their refinery configurations. The more complex the refinery, the heavier and more sour the crude it can process. Table 11 and the graphs overleaf show regional imports of Saudi crude by grade for countries which submitted their Crude Oil Import Registers to the IEA. These do not include Korean imports of Saudi crude averaging about 800 kb/d, as Korea joined the IEA in April 2001. Nevertheless, the trends shown here are broadly representative of the regions as a whole.

Both Asia/Pacific and European imports of Saudi crude are predominantly the lighter grades, which compete with North Sea crude. Many of the refineries in these regions lack coking capacity, and so the volume of heavy crude they run is relatively limited. North American imports from Saudi Arabia tend to be of medium crude even though US refineries are more sophisticated. Canada, Mexico and Venezuela also produce heavy crude oil and are much closer to North American markets. The latter two countries pre-empted Saudi Arabia with respect to quite a few refineries, making joint venture refinery deals linked to long-term supply contracts.



OECD Pacific

The trade tables appended to this Report show gross imports of crude and of four major products. Table 10 reports the Pacific's imports by region, but overstates the crude requirement slightly because it misses Australia's crude exports to Singapore and other non-OECD Asian countries. These currently are 150-200 kb/d, with about half going to Singapore.

The table below reports net imports, and adds two key products in the Pacific: LPG and naphtha. Net imports of both have plunged recently, suggesting a slowdown in Asian petrochemicals demand accompanying weaker economic fundamentals.

OECD Pacific relies on imports to meet 45% of its naphtha demand and 60% of its LPG/ethane requirements, with supply coming mostly from the Middle East. February saw LPG imports of only 185 kb/d from Saudi Arabia, down sharply from 270 kb/d in the previous month, 145 kb/d from the United Arab Emirates and a combined 60 kb/d from Qatar, Kuwait and Iran. OECD Pacific's exports of LPG are minor, offsetting imports from Asia.

Net naphtha imports stood at an average 660 kb/d last year and 700 kb/d as recently as the fourth quarter of 2000. However,

preliminary statistics show a collapse in February to only 480 kb/d. If confirmed, this too would raise questions about the health of the petrochemicals industry, but February naphtha is considered as a data anomaly. January showed net imports of 40 kb/d from Singapore, 180 kb/d from other Asian refining centres outside the OECD, and 415 kb/d from the Middle East. The United Arab Emirates supplied the largest volume, of 180 kb/d, followed by Saudi Arabia with 100 kb/d and Kuwait at 90 kb/d. Bahrain and Qatar supplied the balance.

Korea alone is responsible for 80% of the gasoil exports shown in the table above. India has not been a customer since March of last year, but countries such as Indonesia, Vietnam and Singapore have replaced it.

OECD Product Trade

North American, and specifically US East Coast, **gasoline** is leading the market. North American imports of finished motor gasoline from Europe spiked in January and hit 320 kb/d in February. If additives and aviation gasoline are included, as in Table 12a, the total rises to 340 kb/d.

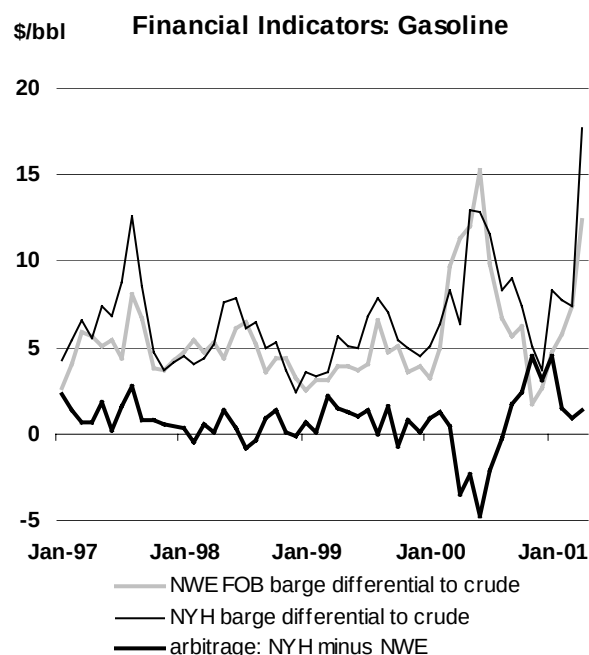
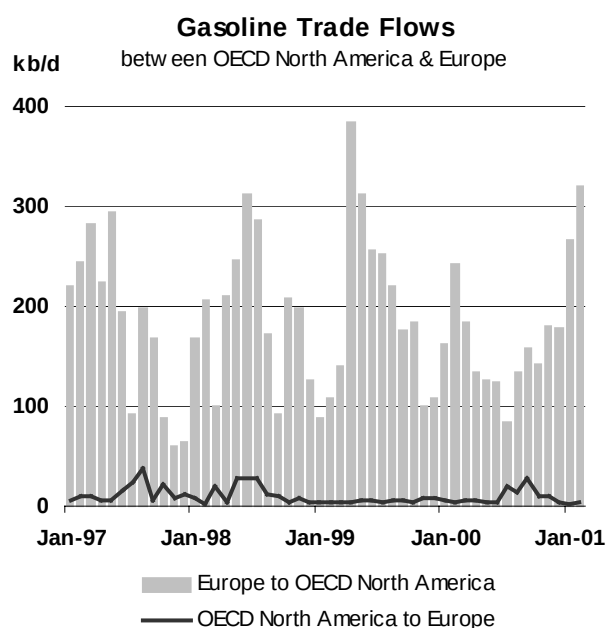
From February through April, the financial indicators show the US and Northwest Europe in a bidding war over gasoline, with New York prices moving up sharply to attract imports away from a Europe trying hard to hold on to its own supply. The problem seems to be centred on New York Harbour, with the US Department of Energy's statistics showing gasoline stocks in the Middle Atlantic states 15% lower than a year earlier at end-April. Refinery problems in Venezuela, Aruba, Belgium, the UK and the US have tightened Atlantic basin supply and so raised the price of gasoline relative to that of crude. One well-placed industry source says that Europe's once-chronic refining overcapacity is over, mopped up by US shortages of light products. That may overstate the case, but net exports of gasoline from OECD Europe reached 350 kb/d in November of last year and 435 kb/d this January. Even with refineries running hard enough to produce gasoline surpluses this large, OECD Europe imported a net 130 kb/d of jet and kerosene, 165 kb/d of naphtha, 190 kb/d of LPG and 230 kb/d of gasoil.

OECD Pacific Crude & Product Trade

(million barrels per day)

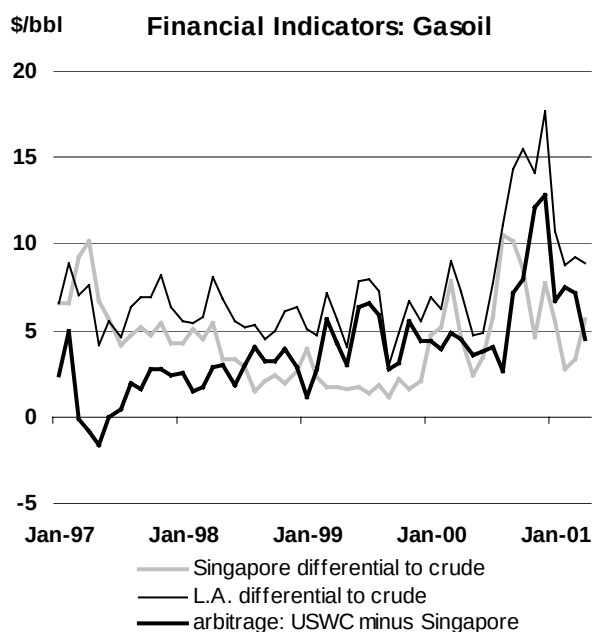
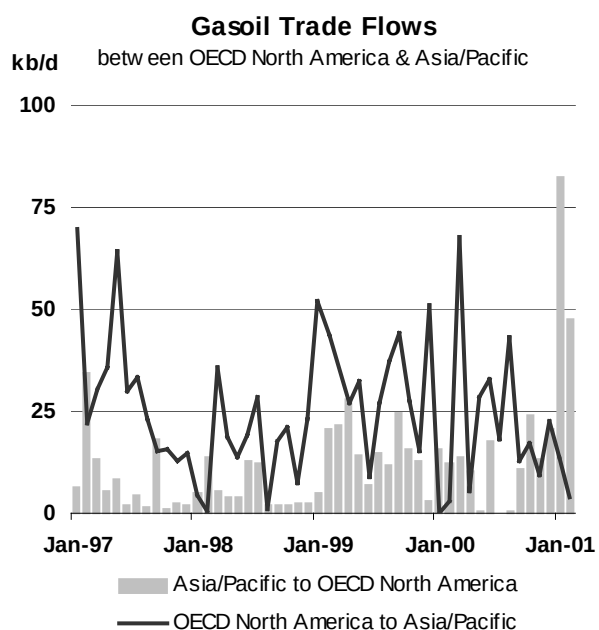
	kb/d			Latest Month vs	
	Feb 01	Jan 01	Feb 00	Jan 01	Feb 00
Net Imports of					
Crude Oil	7.68	7.49	7.12	0.19	0.56
Products & Feedstocks	0.74	0.92	1.14	-0.18	-0.40
Gasoil	-0.21	-0.22	-0.26	0.01	0.05
Gasoline	-0.03	0.00	-0.03	-0.03	0.00
Fuel Oil	-0.18	-0.21	-0.10	0.03	-0.07
LPG	0.39	0.50	0.61	-0.11	-0.22
Naphtha	0.48	0.65	0.68	-0.17	-0.21
Jet & Kerosene	0.16	0.05	0.04	0.10	0.12
Other	0.15	0.16	0.21	-0.01	-0.06
Total	8.42	8.42	8.26	0.01	0.16

Source: IEA MOS imports and exports data



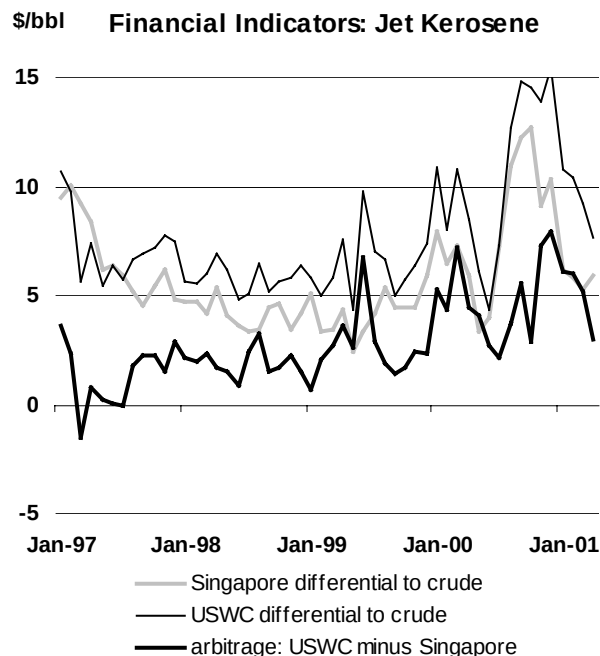
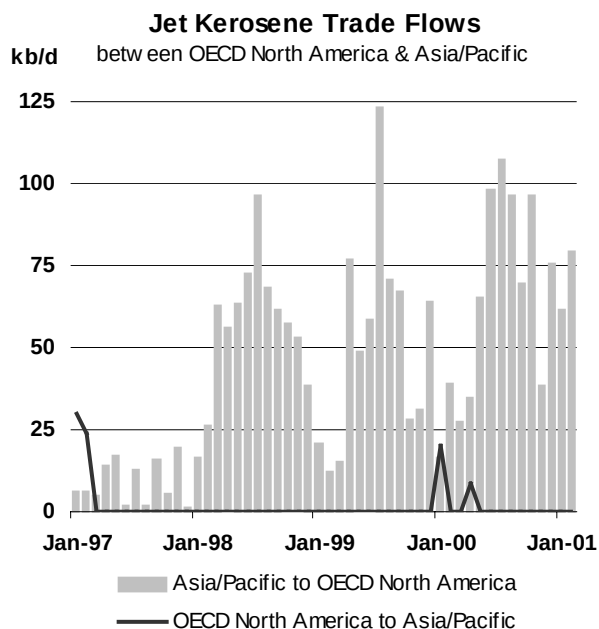
Preliminary statistics from the US EIA for the first four weeks of April show US imports of finished motor gasoline and gasoline blendstocks to be 123 kb/d higher (about 20%) than their equivalents a year earlier, with 115 kb/d of the increase in blending components. Motor gasoline blendstocks now represent nearly half of all US "gasoline" imports. With product specifications and refining capability so very disparate from one region to another, blendstocks bridge the gaps.

North American gasoil imports remained extremely strong, at 490 kb/d in February, 180 kb/d or 60% higher than a year earlier. Gasoil imports have been bolstered by widespread substitution of gasoil for expensive natural gas, with 90 kb/d of the increase coming from Central and South America. Although the flows from Asia to the West Coast slowed in February, despite a slight widening in the arbitrage to \$7.50, imports from Asia were still extremely high, at nearly three times those a year earlier. The arbitrage between Singapore and Los Angeles went sideways in March but subsided to \$4.45 by April, suggesting a fall-back in Asian imports to 10-20 kb/d.

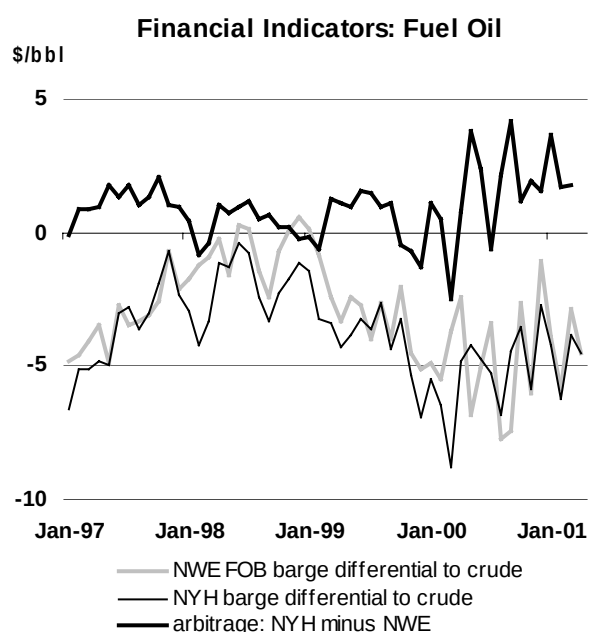
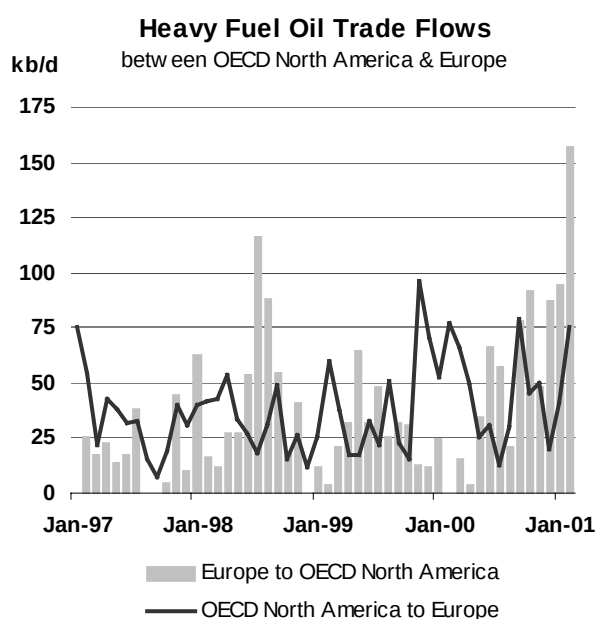


North American call on imports of **jet kerosene** from Asia remained extremely strong in February at 80 kb/d, double its level a year earlier. Jet price differentials to crude have grown extremely wide in refining centres globally, but the situation is particularly acute on the West Coast where imports

represented 15% of total jet supply. The switch to cleaner on-road diesel has reduced West Coast jet supply. Part of the loss occurs in the refining process itself, and part occurs when cleaner kerosene is blended into off-specification diesel to reduce its sulphur level. With imports a necessity, Singapore jet differentials have been pulled by the West Coast. But progressive easing of jet's relative West Coast price in March and April despite problems at Tosco's Carson refinery suggest that the supply crisis may be over.

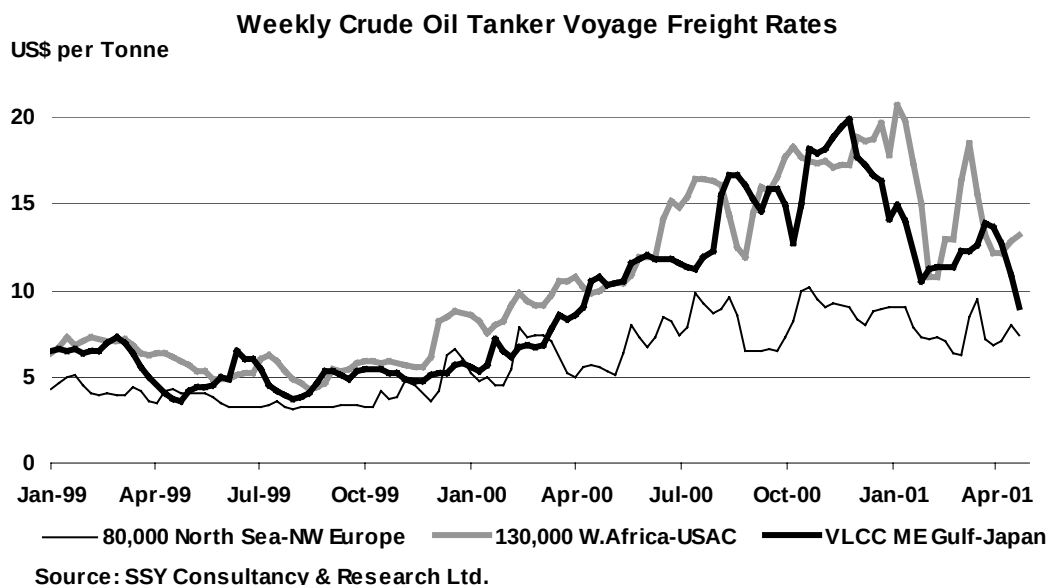


North American natural gas prices were easing in February but they were still high enough to encourage utility burning and stockbuilding of residual fuel oil. The region's fuel oil imports dropped to 400 kb/d in February, still double those of a year earlier. Imports from nearby Central and South America dropped 110 kb/d, while Europe's 65 kb/d gain meant an equal loss to the Middle East and Africa, primarily Algeria. The motivating factor seems to be fuel oil surpluses in the Mediterranean, aggravated by increasing FSU exports of fuel oil to Europe, which hit 250 kb/d in February. Preliminary statistics for March and April show US fuel oil imports slightly less strong in March and April, with year-on-year increases of 130-140 kb/d.

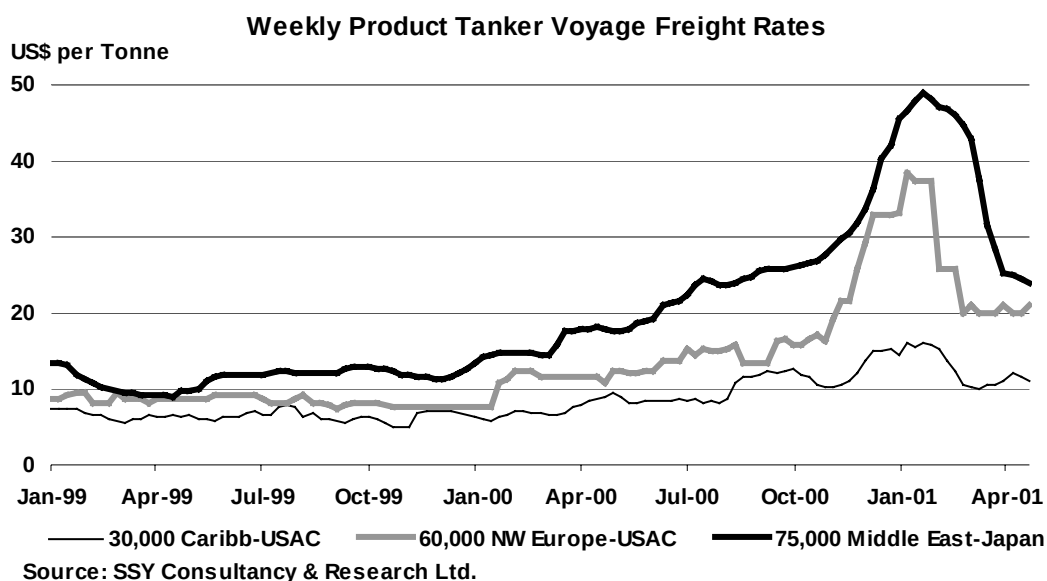


Freight

Spot charter rates for crude tankers moved in disparate directions during April. Rates for Very Large Crude Carriers from Saudi Arabia to Japan continued to soften with OPEC production cutbacks, subsiding to rates not seen since early April of last year. VLCC rates have been extremely volatile of late, with market sentiment exaggerating the price moves that accompany tight tonnage. In contrast, the cost of moving a cargo of Brent crude oil to Antwerp moved sideways, as did that of moving Bonny Light to Philadelphia. Rates for smaller tankers have been relatively free of the price spikes experienced in the markets for larger ships.



Rates in the clean product tanker trades have followed the same general pattern as those for crude. Persistent overcapacity from the last cycle of tanker over-building kept rates soft through the end of 1999. But as product stocks were drawn down over the course of last year, prompt supply became ever more urgent and rates moved up strongly as 2000 progressed. When demand for product cargoes subsided from its mid-winter peaks, rates for product tankers collapsed.



Tanker rates are likely to firm up from the third quarter on, when demand and refinery runs rise seasonally. Age and increasing quality standards are effectively shrinking the usable fleet, and relatively little new tonnage will be added. Although the International Maritime Organisation

accelerated the schedule for phasing out single-hulled ships, its new deadline is not until 2015. In the meantime, companies are “whitelisting” the best quality, most modern ships, a process that is creating a two-tiered freight market. Two Nordic companies recently announced they will use only double-hulled or double-bottomed tankers for fuel oil. Italy threatened to ban single-hulled ships from key Italian ports beginning 23 April, but on 4 May set the deadlines at January 2004 for crude carriers and the end of 2005 for product carriers.

Trade in the FSU, China and India

Preliminary statistics show net crude and product exports from the **Former Soviet Union** totalling 4.53 mb/d in April. This figure is 230 kb/d higher than the upwardly-revised figures for a year earlier, with about all the increase in exports shipped via the Black Sea. Seaborne exports most recently peaked at 3.6 mb/d in July of last year, but touched 4 mb/d in the third week of this April. FSU net exports would have been significantly higher than 4.54 mb/d had not bad weather in the fourth week limited loadings at the main export terminal, Novorossiysk.

Net FSU Exports
(million barrels per day)

	2000	2Q00	3Q00	4Q00	1Q01	Jan 00	Feb 01	Mar 01 ^r	Apr 01 ^p
Black Sea Exports ¹	1.80	1.84	1.95	1.78	1.80	1.82	1.70	1.87	2.06
Baltic Sea Exports	1.37	1.51	1.42	1.19	1.33	1.22	1.34	1.43	1.40
Total Seaborne	3.18	3.35	3.37	2.96	3.13	3.04	3.05	3.30	3.45
Druzhba Pipeline ²	1.03	1.01	1.01	1.07	1.10	1.11	1.12	1.07	1.07
Other	0.11	0.09	0.17	0.13	0.04	0.04	0.05	0.01	0.01
Total Exports	4.32	4.45	4.55	4.17	4.26	4.19	4.22	4.38	4.54
Imports	0.02	0.01	0.01	0.05	0.01	0.02	0.01	0.00	0.01
Net FSU Exports	4.29	4.45	4.53	4.11	4.25	4.17	4.20	4.38	4.53
NB: Crude	3.06	3.07	3.10	3.12	3.12	3.16	3.03	3.16	3.28
Products	1.23	1.38	1.44	1.00	1.14	1.01	1.18	1.22	1.26

¹ Includes a small amount of non-Russian crude oil exports
^r revised

² crude oil only
^p preliminary

About 20% of Black Sea exports and 65% of Baltic exports are of petroleum products, with the balance crude oil. April's product exports included an estimated 640 kb/d of fuel oil, 510 kb/d of gasoil and 110 kb/d of “other products” including kerosene and gasoline blendstocks. In May, fuel oil exports are likely to increase, in part seasonally and in part due to Russia's scheduled mid-May reduction in export tariff.

Although the medium-term trend is for ever-increasing exports from the FSU as production and export capacity increase, Russia's Deputy Prime Minister and head of the Commission on Oil and Gas Pipeline Use, Victor Khristenko, has recently slowed its rate. Although the second quarter export schedule was eventually increased over Khristenko's initial protest, “temporary exports” of crude (in theory, exchanged for products) were made illegal, extra export allocations for independent producers were put on hold, and transfers of company rights to export were restricted. Khristenko has proposed reducing the gains from underestimating production (and exporting subsequent “overproduction”) by requiring companies to bid at auction for extra space in export pipelines.

Chinese refinery runs rebounded to 3.9 mb/d in February, 480 kb/d higher than in January and 350 kb/d higher than a year earlier. While crude imports increased between January and February by as much as refinery runs did, crude imports are significantly lower than last year. February's crude imports consisted of 870 kb/d Middle East crude, 120 kb/d West African and 130 kb/d other African crude, 190 kb/d Asia/Pacific crude and 45 kb/d from the FSU. Middle East producers supplied two-thirds of the increase since January, with crude imports

China - Crude Oil and Product Trade
(thousand barrels per day)

	kb/d			Latest Month vs	
	Feb 01	Jan 01	Feb 01	Jan 01	Feb 00
Crude Imports	1358	875	1469	483	-111
Crude Exports	278	156	215	121	63
Net Crude Imports	1081	718	1254	362	-174
Total Net Imports	1378	1037	1491	341	-113
Net Product Imports					
LPG	91	122	170	-31	-80
Naphtha	-63	-13	2	-50	-65
Gasoline	-24	-92	-101	69	77
Kerosene	18	38	-17	-20	35
Diesel	-2	3	2	-5	-4
RFO	295	273	163	22	132
Other Products	-18	-12	18	-5	-35
Total Products	297	318	237	-21	61

from Iran, Iraq and Oman each rising about 100 kb/d. China's crude exports also rose, with exports to Japan rising from 60 kb/d in January to 155 kb/d in February. The interest of Japanese electric utilities in Chinese crude that may be burned directly was magnified by the disruption of LNG supply from Indonesia's Arun field.

Net Chinese product imports remained relatively steady in February at about the average prevailing last year. Refinery investment to increase the yields of light products such as diesel, naphtha and LPG at the expense of fuel oil are primarily responsible for strong imports of fuel oil, the demand for which has been relatively flat so far this year. Fuel oil yield dropped from 20% in 1994 to just 8% last year.

Indian refinery runs recovered to 2.24 mb/d in February and to 2.26 mb/d in March. Utilisation rates for both months averaged 99% of capacity, after languishing near 90% for November through January. Three successive months of restrained refinery runs apparently have reduced product oversupply somewhat. April and May runs are likely to be 100-300 kb/d lower, cut for seasonally-lower naphtha demand.

Crude import figures are available only for Indian Oil Corporation, which once had a monopoly on crude imports to India irrespective of the refinery for which the crude was destined. However, the missing figures were immaterial until privately-held Reliance refinery started up, and now appear to total roughly 400 kb/d. The bulk of the unreported crude is for Reliance, but also includes crude imported by Caltex for Mangalore Refinery and Petrochemicals, a joint venture. That gap will widen. Reliance is planning further expansions, and the right to import crude directly is being extended to publicly-held ventures such as Hindustan Petroleum Corporation and Bharat Petroleum Corporation.

IOC's imports of crude oil fell by 214 kb/d between January and February despite an increase of 158 kb/d in runs at the refineries IOC supplies. From there, imports kept pace with runs in March. The widened gap between crude supply and refinery runs implies that IOC is or soon will be handling a progressively smaller proportion of crude imports, and may be reducing its stocks in preparation.

Middle East producers came closest to maintaining their sales in February, with a total 480 kb/d in roughly equal measure from Saudi Arabia, the UAE, Iran and Kuwait. This was only 113 kb/d lower than January, with the bulk of the loss falling to Kuwait. Kuwaiti imports dropped 85 kb/d. Nigeria's losses were the sharpest, falling by a third from January to just 200 kb/d. Sweet Nigerian crude helps India's refineries respect the country's limits on sulphur in gasoil, but the absolute volume required is lower with the local demand for high-speed diesel so weak.

In March, India's crude imports rebounded, with gains by sour Middle East crudes. Imports of Nigerian crude dropped again, to 157 kb/d, displaced by 60 kb/d Iraqi Basrah Light and 30 kb/d Yemeni Masila crude.

Net Indian imports of petroleum products increased 25 kb/d between January and February-March, essentially all LPG. This reflects higher government imports of LPG to offset output losses at Reliance's Jamnagar refinery in the wake of the Gujarat earthquake, which shut down its fluid catalytic cracker for a month. However, press reports suggest that the Government's imports of LPG and kerosene may soon be discontinued because demand is lower than anticipated. Kerosene demand is stagnant, LPG demand growth has been slowing, and domestic refinery production is up substantially, although lagging behind state planning targets.

India - Crude Oil and Product Trade
(thousand barrels per day)

	kb/d			Latest Month vs	
	Mar 01	Feb 01	Mar 00	Feb 01	Mar 00
Crude Imports*	798	710	696	87	102
Crude Exports	0	0	0	0	0
Net Crude Imports	798	710	696	87	102
Product Imports	222	222	396	0	-173
Product Exports	7	8	0	-1	7
Net Product Imports	215	214	396	1	-181
Total Net Imports*	1013	925	1092	88	-78
Net Product Imports					
Gasoil	0	0	81	0	-81
Gasoline	0	0	0	0	0
Fuel Oil	24	24	38	0	-14
LPG	26	31	41	-5	-15
Naphtha	79	63	72	16	7
Kerosene	54	26	118	28	-65
Other	8	9	8	-1	0
Total	190	152	357	38	-168

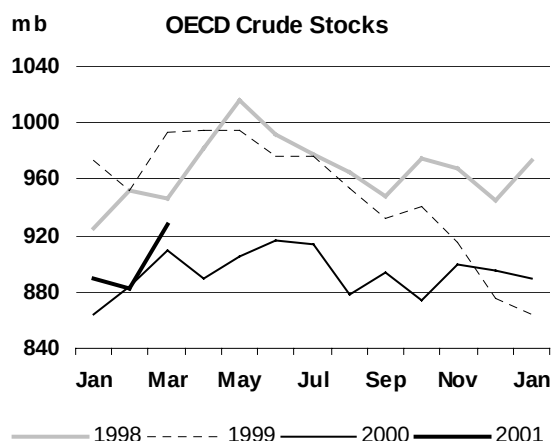
Source: Indian Ministry of Commerce, Indian Port Authorities and IEA estimates
* excluding private imports of crude, for which figures are unavailable.

OECD STOCKS

Industry Stock Changes in March 2001

Total oil industry stocks rebounded in March 2001 to reach 2547.7 million barrels, increasing by 27.82 million barrels over revised February levels. The rise of total oil stocks in March is at odds with seasonal trends in the recent past, as stock builds typically begin in the second quarter of the year. The effect of March's 0.90 mb/d build is to leave the first quarter industry stock change flat instead of the previously anticipated stock draw.

As indicated in the previous report, the total oil stocks picture hides diverging trends between crude and product stocks, with crude inventories building as product stocks continue to tighten. The stock split in March is more pronounced with OECD crude oil stocks rising by 1.43 mb/d while total products dropped by 0.83 mb/d. This trend was strongest within North America (with crude building by 0.82mb/d and product stock falling by 0.79 mb/d), and to a lesser degree in Europe, where the decline in products was less pronounced (0.23 mb/d). The Pacific region experienced a rise in stocks at the primary storage level for crude and total products.



Preliminary Industry Stock Change in March and the First Quarter 2001

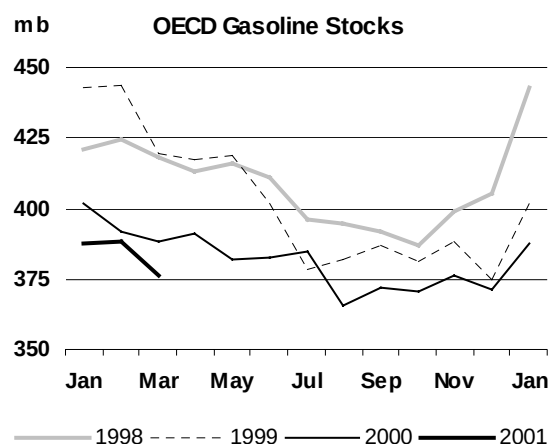
(million barrels per day)

	March (preliminary)				First Quarter			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.82	0.51	0.10	1.43	0.22	0.07	0.08	0.36
Gasoline	-0.32	-0.06	0.01	-0.38	0.00	0.02	0.02	0.04
Distillates	-0.48	-0.18	-0.06	-0.72	-0.17	-0.06	-0.19	-0.43
Residual Fuel Oil	0.07	0.02	-0.02	0.08	0.05	-0.03	0.00	0.02
Other Products	-0.07	0.00	0.27	0.20	-0.11	-0.03	-0.01	-0.16
Total Products	-0.79	-0.23	0.19	-0.83	-0.24	-0.10	-0.19	-0.52
Other Oils ¹	0.26	0.00	0.03	0.30	0.14	0.00	0.02	0.16
Total Oil	0.29	0.29	0.32	0.90	0.12	-0.03	-0.09	0.00

other oils includes NGLs, feedstocks and other hydrocarbons

Gasoline stocks in the OECD were down significantly in March, falling by some 0.38 mb/d or 11.76 million barrels from February. The fall in stocks followed a strong build in January and a slight increase in February, in line with refinery maintenance over this period. The bulk of the draw occurred in North America (0.32 mb/d) where declines in US stocks of motor gasoline weighed heavily on the overall decline in March. Europe and the Pacific, on the other hand, remained virtually flat over the month.

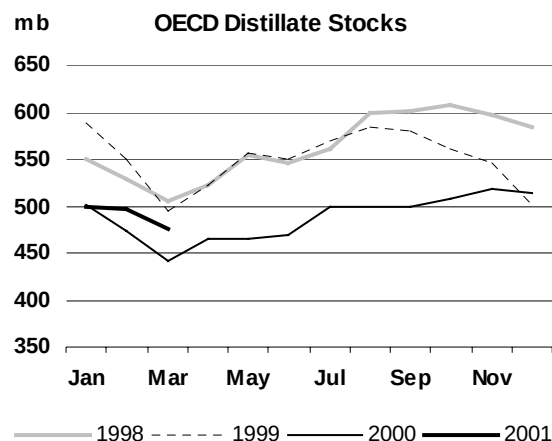
Gasoline balances and futures prices suggest the possibility of a gasoline crunch during the US summer driving season. Futures markets are in steep backwardation with the prompt month price of unleaded gasoline reaching all-time highs on the NYMEX. The front month premium calls for immediate rather than future sales and thus discourages goods from moving into storage. Although the current low level in stocks leaves the market exposed to further price run-ups in the eventuality of supply bottlenecks or disruptions, a gasoline crunch may not necessarily occur. With healthy refining margins and crack spreads derived from the strength of gasoline prices over the month of April, production should continue to increase



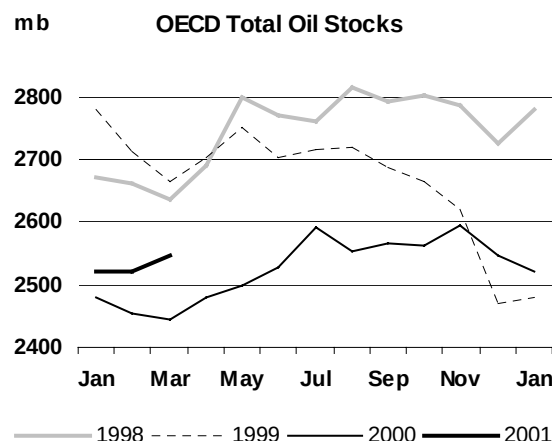
over the coming months. As the gasoline yield on crude rises to 55 per cent or higher in North America, recovery in gasoline stocks in the Atlantic Basin is still possible. Coupled with a projected easing of second quarter US gasoline demand, stocks at the primary storage level may well interrupt their slide and move sideways, or rebound from their current low levels. Should a shortfall in North American production occur, arbitrage opportunities inviting imports from Europe and Asia, could mitigate some of the weakness in the absolute levels of stocks. Although Europe may act as swing producer of gasoline to US, its own stock levels are tight and can be expected to deplete at a faster pace than usual for the season.

The crude/product split in the OECD is driven mainly by seasonal distillate draws. Middle distillates, rather than gasoline, led the draw in products, declining by 0.72 mb/d or 22.47 million barrels in March from February levels. Regionally, the draw in stocks occurred mainly in North America, with a decline of 0.48 mb/d.

At the end of the winter season, distillate stocks bottomed out in March as expected. With refineries now focusing on gasoline production, distillate builds over the next months will be slow. A repeat of last winter's distillate scenario will hinge on the speed of recovery of gasoline stocks. Should gasoline inventories recover at an early stage, distillate inventories in turn could be incremented ahead of the winter season. Additionally, in North America, builds in distillate stocks may be limited by fuel switching. Should natural gas prices remain high, anticipated air conditioning demand will mean higher oil burn as an alternative fuel for power generation. For now, the seasonal build in distillates is likely to continue, albeit at a lower pace, as the North American distillate yield on crude is around 23 per cent. As the shortage of distillate supply relative to demand fades in the cash markets, futures markets allow for forward hedging. The end of the March future price curve on the NYMEX heating oil contract has moved into contango, encouraging the seasonal builds during the summer months. Although the IPE front month on the gasoil contract posted a modest premium to the near month, the remainder of the price curve has moved into shallow contango.



Overall, observed total oil inventory movements in industry stocks in the Atlantic Basin during March reflects first quarter refinery turnarounds and futures markets term structure. Crude stocks piled up because of refinery maintenance and a switch in oil flow away from eastward destinations. A widening of the front month discount of the WTI contract on the NYMEX futures exchange further supported a build in crude stocks. On the other hand, backwardation on gasoline futures has discouraged gasoline stock builds. Although currently in a product-driven market, reversal in leadership to crude is likely to occur in the coming months as the return of refineries from maintenance in the Atlantic Basin takes place and demand for gasoline picks up.



The rise in crude runs, motivated by widening spreads between gasoline and crude, will shift attention to crude, especially when European refiners come back in full strength in May. As refiners ramp up production and draw down crude stocks, the issue of adequate crude supplies during the midsummer will re-emerge, pending on the outcome of OPEC's June discussions.

For now, product stocks are low and the availability of product supply to end-users is a concern. Despite the recent rebound in crude stocks and projected increase in refinery runs, low product stocks contribute to the possibility of demand driven price volatility during peak consumption periods in light of producer reticence to increase oil production.

Revisions versus 12 April 2001 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Jan 01	Feb 01	Jan 01	Feb 01	Jan 01	Feb 01	Jan 01	Feb 01
Crude Oil	3.6	-1.5	-2.5	-9.9	1.6	0.4	2.7	-11.0
Gasoline	0.0	2.2	-2.0	-4.4	0.0	0.2	-2.1	-2.0
Distillates	0.2	-0.3	1.6	10.2	0.3	0.2	2.2	10.1
Residual Fuel Oil	-0.1	-0.6	-1.3	-2.1	-0.3	0.2	-1.7	-2.5
Other Products	-0.8	6.3	0.4	0.2	-0.7	0.7	-1.1	7.2
Total Products	-0.6	7.6	-1.3	3.9	-0.8	1.2	-2.7	12.8
Other Oils ¹	-1.7	0.0	-0.5	3.0	0.0	0.7	-2.2	3.7
Total Oil	1.2	6.1	-4.3	-3.0	0.9	2.3	-2.2	5.4

1 other oils includes NGLs, feedstocks and other hydrocarbons

Revisions in official submissions for January remained modest, resulting in a downward adjustment of 2.2 million barrels, in line with the usual beginning of the quarter. More surprisingly, February revisions were counter-seasonal with an upward revision in total oil of some 5.4 million barrels. This upward adjustment consists of distillate stocks (upward revision by 10.1 million barrels, concentrated in Europe) and "other products" (upward revision by 7.2 million barrels, essentially in North America). In the Atlantic Basin, downward revisions to gasoline stocks in Europe were partially offset by increases in North America. Revisions of 0.27 mb/d to February total oil figures left the stock change during the month virtually flat. As January and March stock changes offset each other, the change in total oil stocks in the first quarter 2001 was virtually zero.

OECD Industry Stock Changes: Effects for February

(million barrels per day)

	January			
	North America	Europe	Pacific	Total
Crude Oil	-0.18	-0.27	-0.05	-0.49
Gasoline	0.08	-0.08	0.01	0.00
Distillates	-0.02	0.31	0.00	0.28
Residual Fuel Oil	-0.02	-0.03	0.02	-0.03
Other Products	0.25	-0.01	0.05	0.30
Total Products	0.29	0.19	0.07	0.55
Other Oils ¹	0.06	0.13	0.02	0.21
Total Oil	0.17	0.05	0.05	0.27

1 other oils includes NGLs, feedstocks and other hydrocarbons

Preliminary Stocks at the End of March

OECD industry stocks of total oil closed out the month of February at 2.55 billion barrels, up by 102.8 million barrels over a year earlier but still lower than in 1998 and 1999. Total oil stocks in all OECD regions posted gains on the previous year with North America closing out at 1156.2 million barrels whereas Europe and the Pacific stood at 945.1 and 446.4 million barrels respectively.

Both OECD crude and products remained above previous year's levels although the surplus in crude (18.4 million barrels) was more modest than the surplus in total products (61.6 million barrels). Products were above the previous year's levels across all regions whereas Europe fell short on the crude side. As the winter season ends, OECD total distillate stocks of 475 million barrels are 33.2 million barrels over last year and are poised to build from more comfortable levels - second and third quarter yields permitting. Gasoline stocks of 376.3 million barrels at the onset of the driving season are below year earlier levels by 12.1 million barrels.

Year-on-Year Industry Stock Comparisons for March 2001

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	19.5	-9.4	8.3	18.4	Total Oil	1.7	1.1	4.5	2.0
Total Products	14.5	24.4	22.8	61.6	<i>Versus 2000</i>	-5.7	-2.7	0.8	-3.7
Other Oils ¹	14.5	2.8	5.5	22.8	<i>Versus 1999</i>	-6.0	0.9	-2.9	-3.4
Total Oil	48.5	17.7	36.6	102.8	Total Products	0.5	1.6	2.8	1.2
<i>Versus 1999</i>	-106.0	-27.1	15.6	-117.5	<i>Versus 1999</i>	-3.7	-0.6	1.7	-1.8
<i>Versus 1998</i>	-85.0	3.8	-6.1	-87.3	<i>Versus 1998</i>	-4.1	-0.2	0.4	-2.2

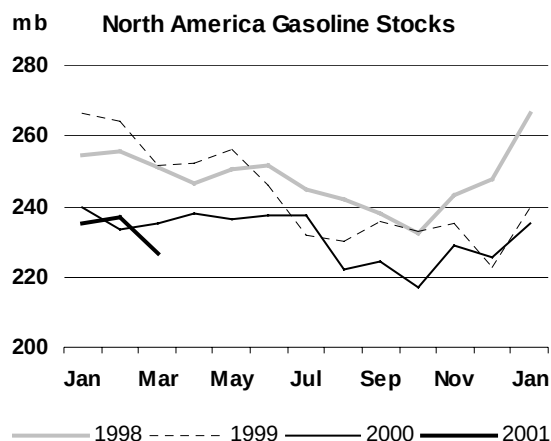
1 other oils includes NGLs, feedstocks and other hydrocarbons

Regional Stock Developments

North America

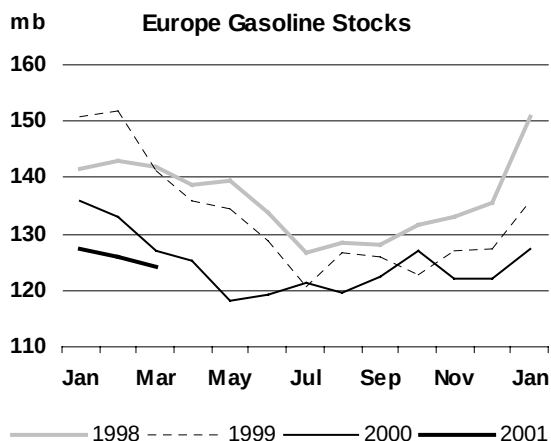
The March stock split in the OECD was sharpest in North American inventory movements. Total oil stocks increased by some 9 million barrels over February, but crude stocks increased by 25.3 million barrels as products dropped by 24.6 million barrels. Crude stocks benefited from weakness in Asian refinery demand, as the surplus of Middle East crude moved west during peak US maintenance in March.

Stock levels of gasoline in the **United States** continued to capture the attention of the market ahead of the summer driving season. Gasoline prices are already above the peaks achieved last year. DOE figures indicate that gasoline stocks fell for six consecutive weeks to reach 193 million barrels at the end of March, while crude inventories climbed to 303.2 million barrels. April witnessed continued crude builds with stocks ending the month at 318.2 million barrels whereas gasoline stocks rebounded by 5.1 million barrels to reach 199 million at month's end. Despite an apparent tightness in gasoline markets, higher runs accompanied by imports should meet the seasonal rise in demand. Storage is likely to play a diminished role. Regional imbalances in the Midwest and California may occur as already-low levels of reformulated gasoline stocks (RFG) moved sideways from March to April. These regions will remain vulnerable to refining outages and distribution problems as well as supply constraints from RFG II specifications and Unocal's patents. Inventories of US distillates continued their fall through March and stabilised in April just above last year's levels. Stocks should be able to accommodate anticipated incremental air conditioning demand through the summer in the event of fuel switching away from high priced natural gas.



Europe

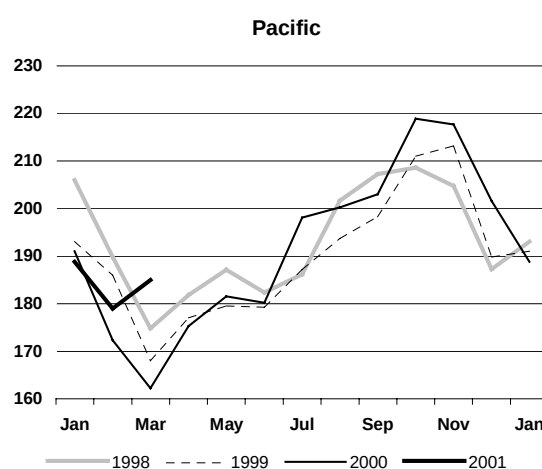
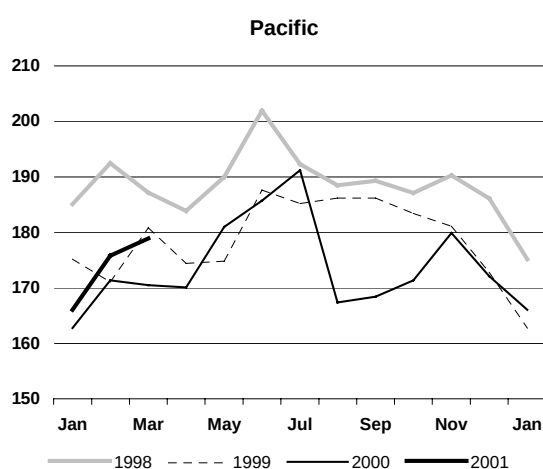
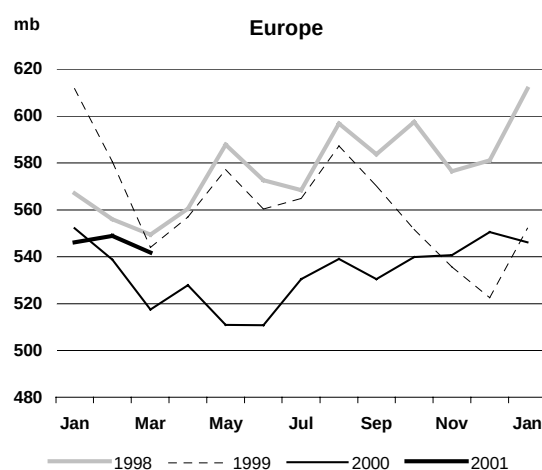
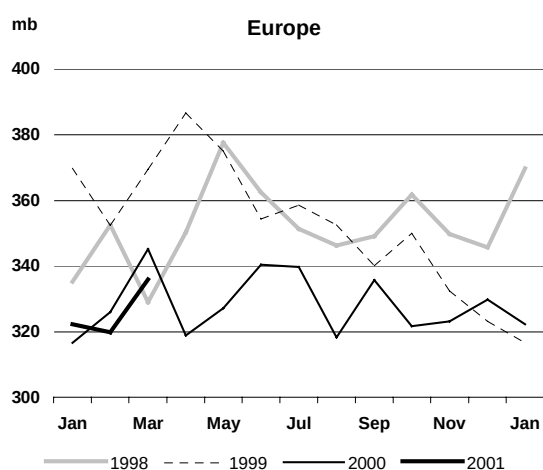
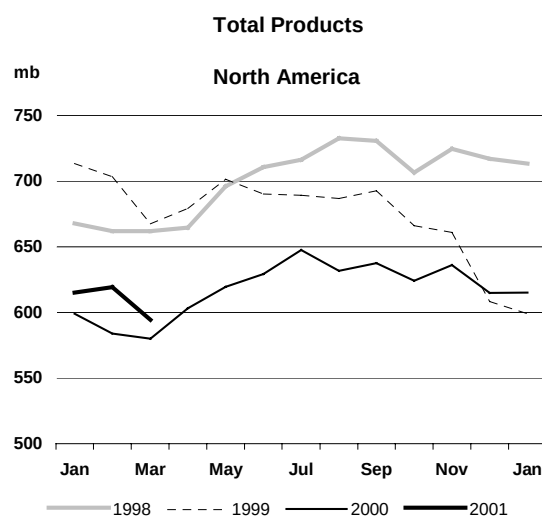
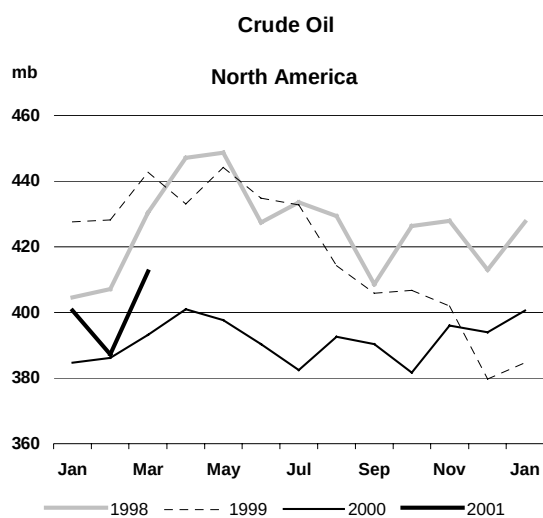
The crude/products divergence in Europe was less pronounced than in North America. Product builds, hampered by spring refinery maintenance in March, dropped by 7 million barrels over the month to 541.8 million barrels. Crude rebounded by nearly 16 million barrels in March to reach 335.9 million barrels. European product trends, particularly for gasoline, will be tied to developments in the **United States**. Europe often acts as a major source of incremental or swing gasoline to the US. Refineries capable of producing low sulphur gasoline are also capable of producing blendstocks suitable for RFG. They will step up exports with open transatlantic arbitrage.



Pacific

Crude stocks also increased in the OECD Pacific in line with European and North American trends, albeit at a slower pace. Crude builds in **Japan** were significant in March, rising by some 8.5 million barrels, whereas **Korea** posted a decline in crude stocks of 5.5 million barrels. Korean imports of crude slackened by 12.3 per cent over last year as refiners filled their tanks ahead of an import duty increase effective beginning March. The decline in Korean crude stocks stemmed from increased runs to alleviate the stock overhang. The product draw seen in other OECD regions was absent in the Pacific due to depressed demand and refinery maintenance to begin in May. Just as in Europe, gasoline builds are expected to weaken due to exports to the US West Coast toward the summer season.

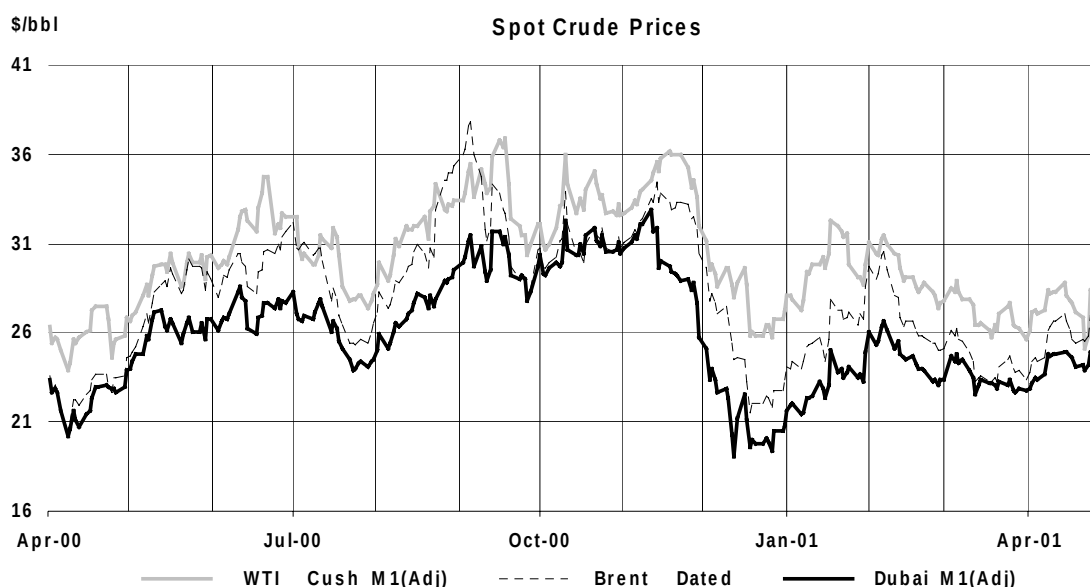
Regional OECD End of Month Industry Stocks Crude Oil and Total Products (millions of barrels)



PRICES AND REFINERY ACTIVITY

Summary

- US gasoline prices continued to lead oil markets in April, strengthening the position they held in the second half of March. This was particularly due to tightness in US reformulated gasoline. **Crude oil prices** gained during the month, following very strong gasoline prices upward. However, the crude price increases were generally more modest than those for products.
- Spot **WTI** prices were 21 cents higher in April. Although US refinery maintenance ended and refinery demand for crude surged, the upward pressure was offset by steady builds in US crude inventories. **Dated Brent** rose by \$1.21. Although many European refineries were shut down for maintenance, they secured supplies for May, when refinery runs are expected to increase sharply. Crude inventories have not built as much in Europe, and North Sea maintenance is expected to reduce crude supply in May. **Urals** gained \$2.22, as the availability of competing Iraqi Kirkuk crude in the Mediterranean was limited. **Dubai** prices increased by 73 cents. Crude demand in Asia started to taper off in April, as refinery maintenance got under way.
- Dubai weakened relative to Brent. The **dated Brent-Dubai price differential** widened by 50 cents to \$1.48/bbl in April. This decreased the Asian pull on West African crude and left more crude available to buyers in the Atlantic Basin.
- Prices** rose in April for **light products** and **middle distillates**, while **heavy fuel oil** prices fell everywhere except Singapore. Products, and the oil markets in general, were led by extraordinary price increases of \$6-10/bbl for **gasoline** in the Atlantic Basin. Gasoline-crude differentials in the US and Europe ranged from \$12-18/bbl, giving refiners a great incentive to maximise gasoline production.
- With crude price increases lagging behind product prices, **refining margins** in Northwest Europe, the US Gulf Coast and Singapore gained. Margins were particularly robust on the US Gulf Coast. In the Mediterranean, however, where Urals crude prices rose strongly, margins retreated.
- March **refinery throughputs** in OECD countries fell by 1.2 mb/d from February. Throughputs fell by 0.6 mb/d in OECD Europe, where refinery maintenance began, and by 0.5 mb/d in OECD Pacific, where Japanese runs fell seasonally. In the US, refinery maintenance continued, and throughputs fell slightly.



Note: As of this Report, the IEA has changed the source of its Platt's price data. As a result, historical price data may differ slightly from that shown in previous Reports.

Crude Oil Prices

Spot Crude Prices and Differentials

Prices for all three main marker crudes were higher during April. Gasoline's "leadership" of the crude markets, which began during the second half of March, grew stronger. "Leadership" involves much more than market psychology. The link between crude oil and gasoline (or any other product) is quite real. It stems from the fact that refiners need the first in order to make the second. When product stocks are ample, the connection can be looser. But when product stocks are low, the link between crude and the product is quite direct. The gasoline situation in the US - particularly the market for cleaner-burning reformulated gasoline (RFG) - has been very tight, with low inventories. Both gasoline prices and the profit margins to refine crude into gasoline have been extremely strong. As a result, in the Atlantic Basin, where the refinery maintenance season is over, refinery demand for crude has been increasing sharply, and crude prices reflect this fact - particularly prices for light, sweet grades with high gasoline yields.

Spot Crude Oil Prices and Differentials*

(monthly and weekly averages, \$/bbl)

	Feb	Mar	Apr	Change	Week Beginning:					
					26 Mar	02 Apr	09 Apr	16 Apr	23 Apr	30 Apr
Crudes										
Brent Dated	27.45	24.42	25.66	1.24	24.19	24.09	25.91	26.17	26.22	27.49
Brent 1 month (adjusted)	27.54	25.50	26.54	1.04	24.63	24.99	26.35	26.62	26.59	27.92
Brent 2 month (adjusted)	28.12	26.63	25.47	-1.17	25.07	25.39	26.83	27.20	27.05	28.06
WTI Cushing 1 month (adjusted)	29.56	27.18	27.40	0.21	na	26.64	28.04	27.93	25.94	28.94
WTI Cushing 2 month (adjusted)	29.62	27.47	27.72	0.25	26.82	26.86	28.29	28.41	27.69	28.87
Urals (Mediterranean)	24.87	21.69	23.91	2.22	21.72	21.79	24.14	24.68	24.73	25.97
Es Sider	27.35	23.80	24.86	1.06	23.51	23.29	25.11	25.37	25.42	26.79
Iran Light	24.97	23.65	23.10	-0.55	23.10	23.10	na	na	na	Na
Iran Heavy	24.47	23.24	22.75	-0.49	22.75	22.75	na	na	na	Na
Dubai 1 month (adjusted)	24.80	23.45	24.18	0.73	na	23.13	24.50	na	na	25.42
Oman 1mth (adjusted)	25.43	23.72	23.59	-0.14	na	22.96	24.37	na	na	25.65
Minas	25.48	25.62	27.91	2.29	25.52	26.22	27.98	28.93	28.32	28.85
Tapis	27.86	26.86	27.94	1.08	26.70	26.63	28.03	28.86	28.13	28.73
Forcados	27.04	23.63	25.04	1.41	23.44	23.36	25.25	25.57	25.70	27.13
Bonny Light	27.46	24.24	25.71	1.47	24.00	23.98	25.95	26.25	26.38	27.77
Differential to Dated Brent										
Brent 1mth (adjusted)	0.09	1.08	0.88	-0.19	0.43	0.90	0.44	0.45	0.37	0.43
WTI Cushing 1month (adjusted)	2.11	2.76	1.74	-1.02	na	2.55	2.13	1.75	-0.28	1.45
Urals (Mediterranean)	-2.58	-2.74	-1.75	0.98	-2.47	-2.30	-1.77	-1.49	-1.49	-1.53
Es Sider	-0.10	-0.62	-0.80	-0.18	-0.68	-0.80	-0.80	-0.80	-0.80	-0.70
Iran Light	-2.48	-0.77	-2.56	-1.79	-1.09	-0.99	na	na	na	Na
Iran Heavy	-2.98	-1.18	-2.91	-1.73	-1.44	-1.34	na	na	na	Na
Dubai	-2.65	-0.97	-1.48	-0.50	na	-0.96	-1.40	na	na	-2.08
Oman	-2.02	-0.70	-2.07	-1.38	na	-1.13	-1.54	na	na	-1.84
Minas	-1.97	1.19	2.25	1.05	1.33	2.13	2.07	2.75	2.10	1.36
Tapis	0.41	2.44	2.28	-0.16	2.51	2.54	2.12	2.68	1.91	1.23
Forcados	-0.41	-0.79	-0.62	0.18	-0.75	-0.73	-0.66	-0.61	-0.52	-0.36
Bonny Light	0.01	-0.18	0.05	0.23	-0.20	-0.11	0.04	0.08	0.16	0.28
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	-0.58	-1.14	1.07	2.21	-0.44	-0.40	-0.48	-0.58	-0.46	-0.14
WTI Cushing 1mth-2mth (adjusted)	-0.06	-0.29	-0.32	-0.04	na	-0.22	-0.26	-0.48	-1.75	0.08

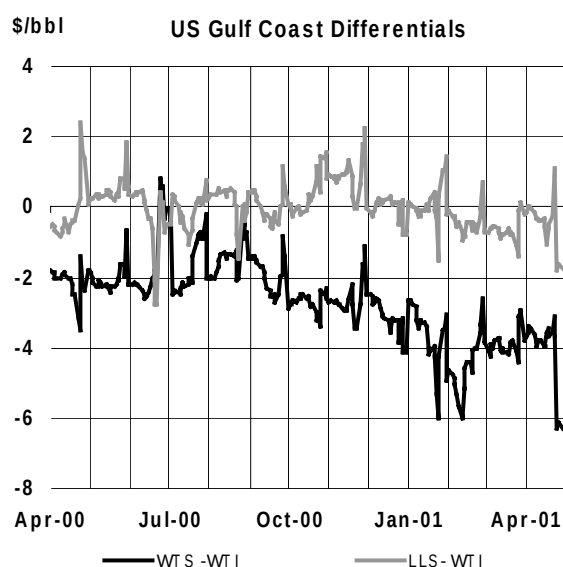
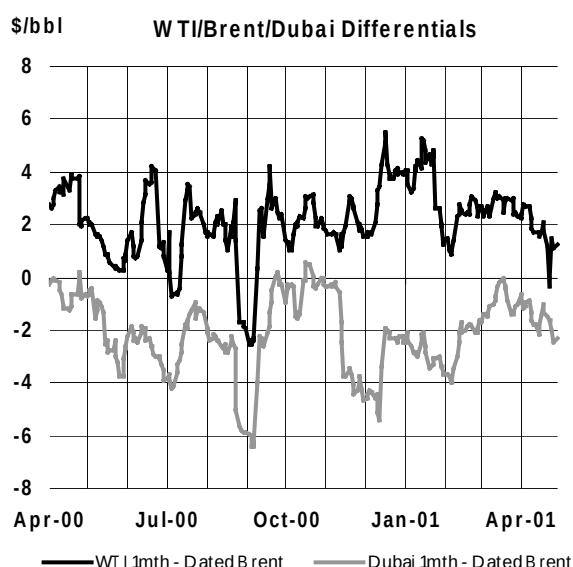
* Weekly data for Brent, WTI, Dubai and Oman 1st month and 2nd month are unadjusted

Concerns about the economy and oil demand growth may already have been factored into crude prices. They played less of a role in the markets last month than in March. In April, there was a continuous flow of mixed US macroeconomic indicators, in contrast to the first quarter, when all the news was bad. The crude markets did not have a compelling reason to become any more pessimistic in April.

In the Atlantic Basin in April, spot **WTI** prices gained 21 cents, dated Brent prices rose by \$1.24 and Urals was \$2.22 higher. US refiners had finished most of their maintenance by early April. According to preliminary weekly figures, runs increased steadily during the month, with late April throughputs around 1 mb/d higher than late March. But much of this upward pressure on prices was offset by equally steady weekly builds in US crude inventories. The offset came in the form of a significant downward price correction that began on 23-24 April and lasted just a few days. The correction was spurred by the widely-watched weekly API statistical release, which reported a US gasoline stockbuild after a string of stockdraws. There are suggestions that the correction was amplified by a trading play by companies that control significant crude storage at Cushing, Oklahoma. Prices recovered after OPEC ministers said publicly that they might not necessarily raise production at the June meeting. US Congressional hearings on the tight domestic gasoline market added to the upward movement. April WTI-WTS differentials remained quite wide, at almost \$4, indicating that there was an ample supply of sour crudes on the US Gulf Coast.

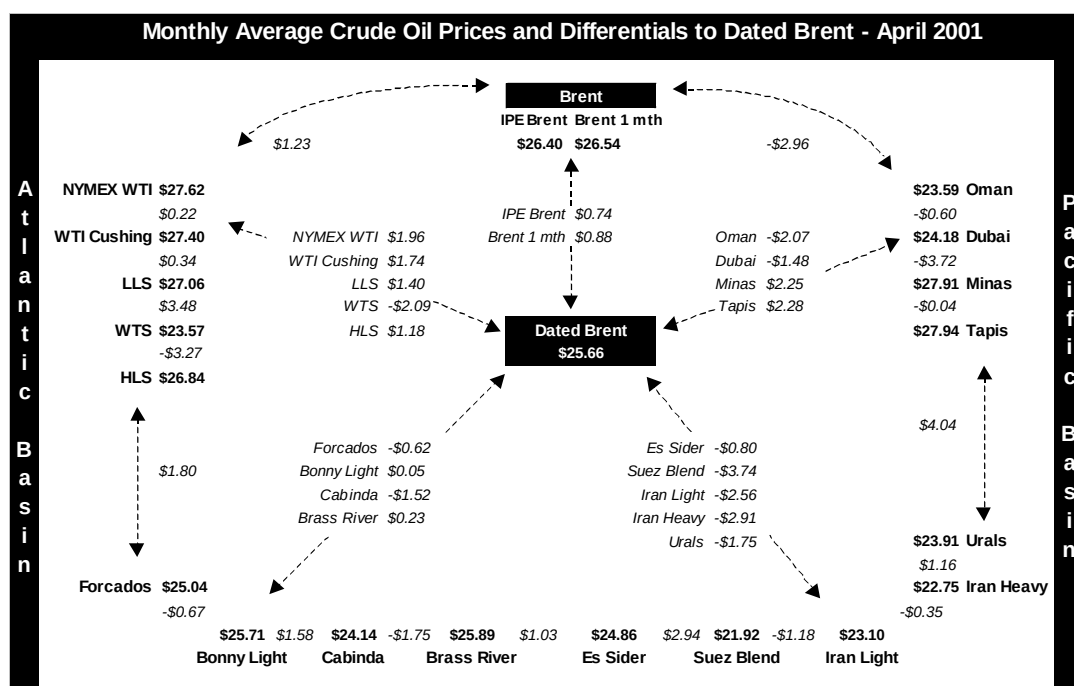
Despite the peaking of European refinery maintenance in April, **dated Brent** increased in price by more than WTI, narrowing the transatlantic spread and reducing arbitrage opportunities. Why the relative strength of Brent? Crude inventory builds in Europe were not as strong as in the US, so the offsetting downward price pressure was not as great. More European refiners were buying ahead for May, when maintenance is mainly over. The summer driving season has almost arrived in Europe, as well as in North America. The European gasoline market is not as tight as in the US, and diesel helps to meet driving demand more than in the US. Nevertheless, European gasoline stocks are still on the low side. European refiners need to supply European gasoline demand, as well as export to the US. So they are quickly increasing runs as well. In addition, North Sea crude production in May was expected to be reduced by planned maintenance. These factors caused the late April price correction to be much less severe for Brent than it was for WTI. **Urals** prices moved upward even more than dated Brent. Although FSU exports were high in April, the availability of Iraqi Kirkuk grade in the Mediterranean was limited. Thus, Urals sellers had little competition and Urals buyers had few alternative choices.

Dubai prices increased by a modest 73 cents. Prompt crude demand east of Suez started to taper off, as the Asian refinery maintenance season got underway in April. With prompt Asian demand softening - and with the underlying consumption trends less than robust to begin with - Dubai weakened relative to Brent and the differential widened by 50 cents, to \$1.48. Thus, the Asian pull on West African crudes, which increased in March, appears to have lessened in April, leaving more crude oil available in the Atlantic Basin.



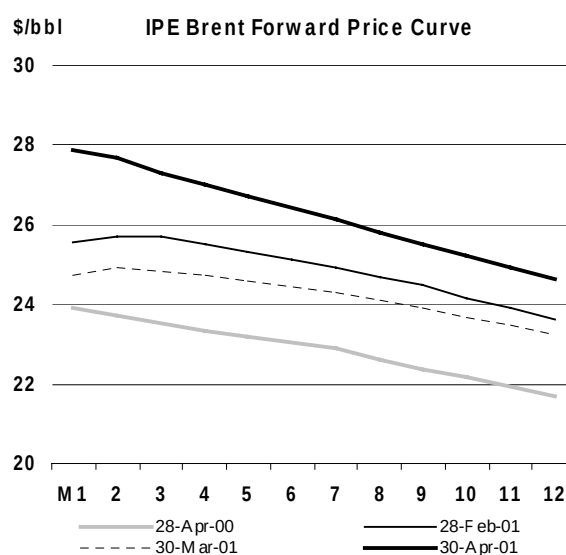
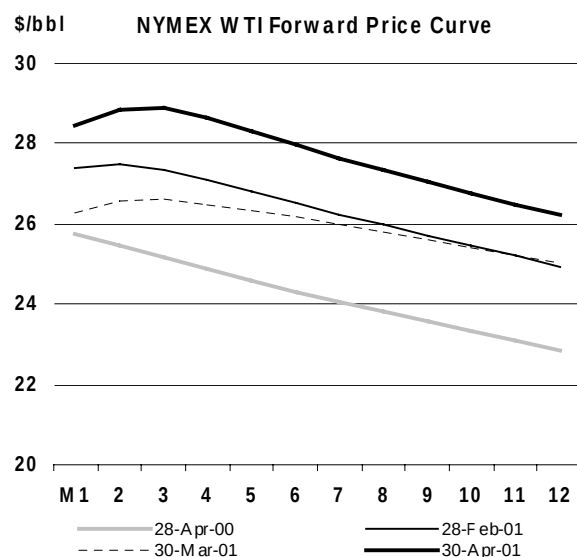
In the next couple of months, the crude markets in the Atlantic Basin appear set to firm. An emerging "base-case" scenario is that the gasoline markets will be tight, and gasoline prices and refining margins will remain high. In response to the margins, however, Atlantic Basin refiners will run all out, increasing crude throughputs to near full-capacity, and maximising gasoline yields in the US at

around 55-56% or more. As a result, gasoline stocks will start to build, likely approaching year-earlier levels. Prices may remain high, and the occasional regional imbalances and refinery outages may cause volatility. But, all things considered, there will be no major or sustained outright shortages, and the "crisis" atmosphere will start to diminish as gasoline stocks build. The other side of the coin is that, as gasoline stocks build, crude stocks will fall. As crude tightens, it will take market leadership back from gasoline. Part of this scenario is seasonally lower crude supply in places like the North Sea and Alaska, and risks to crude supply, including the transition to a new phase of Iraqi "oil-for-food" exports. There seems to be more uncertainty in the Asian crude markets. Refinery maintenance there will be over by July, and at that point, some clearer signals regarding underlying regional demand strength may emerge.



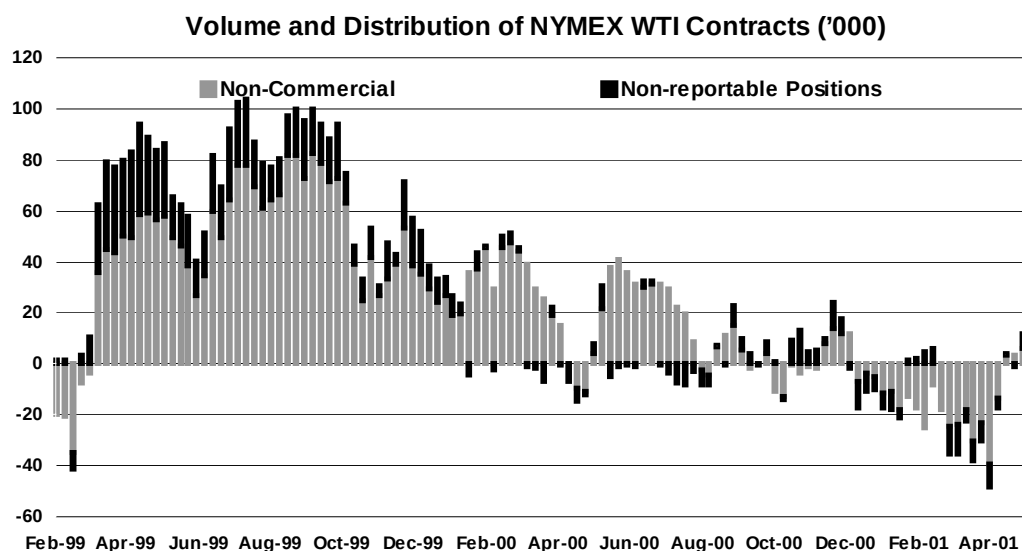
Crude Futures

At the end of April, the forward price curve for **NYMEX WTI** remained in shallow contango (upward-sloping) for the first three months. Prices for the three front months were about \$2.15-\$2.20 higher than a month earlier, moving up with expectations of tightening crude fundamentals. The lightly-traded outer months also rose by \$1.20, as market participants have come to expect higher prices over a longer period. But the lack of real prompt tightness for WTI was reflected in the fact that the contango persisted. The contango may not last too much longer, as the prompt market is expected to tighten due to higher crude runs.



The figures for the volume and distribution of NYMEX WTI futures contracts, as of 1 May, indicate that the speculators - the non-commercials and holders of non-reportable positions - had moved from net short to marginally net long in four straight weeks. This indicates that the speculators have recognised the market situation described above, with US crude inventories about to stop building and start drawing down.

Reflecting a tighter prompt physical crude balance, **IPE Brent** futures prices rose by more than NYMEX WTI, with front-month going up by \$3.15 during April and third-month gaining \$2.45. In fact, the prompt markets were tight enough to push IPE Brent from shallow contango at the end of March to backwardation (downward-sloping) at the end of April. Prices for a year ahead also rose, as was the case with NYMEX WTI.



Delivered Crude Prices

The IEA CIF crude import price averaged \$25.75 in February, an increase of 90 cents compared to the previous month. On a regional basis, the monthly changes were highest in Europe and lowest in North America. The gain in the cost of imports received in February was driven by the rise in spot crude prices that took place the previous month. However, crude prices had strengthened by much more than 90 cents in January. Dated Brent, for example, rose by almost \$2. The difference lies in the fact that a significant part of the crude increase was offset by sharply falling tanker rates in January, which was when the February arrivals were fixed.

Weighted-Average CIF Crude Import Cost by Area**
\$/ bbl

	Total IEA	IEA Europe	IEA North America	IEA Pacific
Sep 00	30.82	31.01	30.73	30.53
Oct 00	30.46	30.23	29.77	32.30
Nov 00	31.10	31.36	29.93	32.60
Dec 00	27.00	26.22	26.03	30.81
Jan 01	24.85	25.25	24.34	24.83
Feb 01*	25.75	26.84	24.76	25.34

* preliminary, based on partial submissions

** CIF = cost, insurance and freight

Product Prices

Spot Product Prices

The entire oil complex - both crude and products - was driven by US gasoline during April. The gasoline price strength that emerged in the Atlantic Basin in the middle of March had spread to Asia by the end of March. Thus, in April, the trend was worldwide.

The US gasoline situation has been discussed above. It is worth emphasising, however, that during April, it became clearer that it was not really total US gasoline that was so critically tight - it was RFG. RFG demand is roughly a third of total US motor gasoline consumption of 8.5-8.6 mb/d; use of the cleaner-burning fuel is required only in those parts of the US with the most severe air quality problems. So right now, the 75 mb/d world oil markets are being led by the 2.6-2.8 mb/d US RFG market. On 1 May, Citgo and Tesoro became the first two refiners to sign licensing deals with

Unocal. The companies will pay royalties to Unocal in exchange for the right to use Unocal's patented "recipe" for making Phase II RFG. This should help to ease the RFG situation, and other licensing agreements may follow.

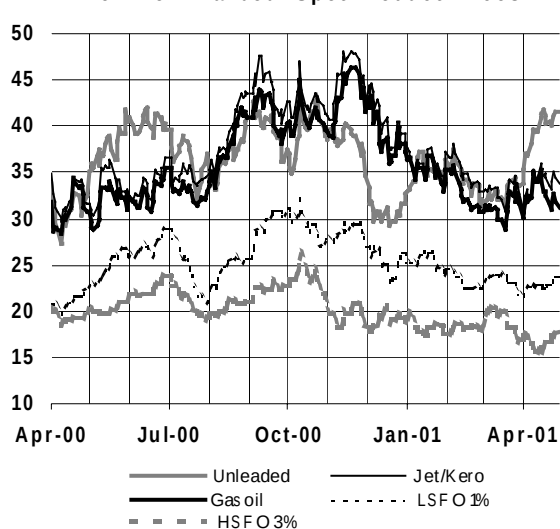
Spot Product Prices

(monthly and weekly averages, \$/bbl)

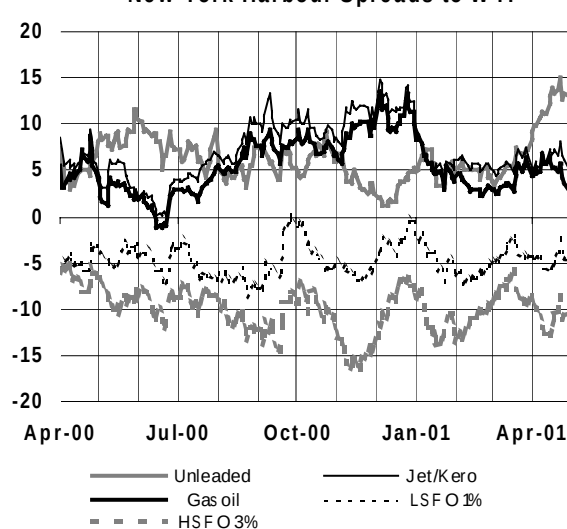
	Feb	Mar	Apr	Apr-Mar	% Chg	Week Beginning:					Feb	Mar	Apr
						02 Apr	09 Apr	16 Apr	23 Apr	30 Apr			
Rotterdam, Barges FOB						Differential to Brent							
Premium Unleaded (Cargo)	33.20	31.84	38.03	6.19	19.44	34.74	37.32	39.52	40.00	41.74	5.75	7.42	12.37
Regular Unleaded	31.99	30.39	36.59	6.19	20.38	33.34	36.12	37.74	38.57	40.42	4.54	5.97	10.93
Naphtha	28.78	25.97	27.15	1.18	4.54	24.86	25.89	28.38	28.91	29.73	1.33	1.55	1.49
Jet/Kerosene	33.64	31.75	32.49	0.74	2.33	30.84	32.16	33.68	33.22	33.48	6.19	7.33	6.83
Gasoil	31.27	29.74	30.75	1.02	3.41	29.30	30.98	31.62	31.15	31.27	3.82	5.31	5.09
Fuel Oil 1.0%S	21.60	21.55	21.17	-0.38	-1.77	21.20	21.34	21.20	21.00	21.12	-5.85	-2.87	-4.49
Fuel Oil 3.5%S	18.78	18.44	17.66	-0.78	-4.25	16.68	17.24	17.82	18.57	18.96	-8.67	-5.98	-8.00
Mediterranean – Basis Italy, Cargoes FOB						Differential to Urals							
Premium Leaded (0.15 g/l)	33.42	32.32	38.89	6.57	20.33	36.11	38.58	40.09	40.40	42.04	8.55	10.64	14.99
Premium Unleaded	32.70	31.60	38.18	6.57	20.80	35.39	37.86	39.37	39.68	41.32	7.83	9.92	14.27
Naphtha	26.48	24.08	25.46	1.39	5.75	23.18	24.22	26.70	27.20	28.04	1.61	2.39	1.55
Jet/Kerosene	28.92	28.53	28.81	0.29	1.00	27.37	28.59	29.77	29.41	29.83	4.05	6.84	4.90
Gasoil	30.99	26.83	27.96	1.13	4.21	25.90	28.05	29.09	28.73	29.21	6.11	5.14	4.05
Fuel Oil 1.0%S	19.72	19.71	20.27	0.56	2.83	20.10	20.34	20.30	20.32	20.41	-5.15	-1.98	-3.64
Fuel Oil 3.5%S	15.61	15.29	14.58	-0.71	-4.65	13.83	14.07	14.72	15.34	15.91	-9.26	-6.40	-9.33
NY Harbour, Barges						Differential to WTI							
Premium Unleaded 93	37.31	34.53	45.03	10.50	30.41	38.19	42.08	49.11	49.21	48.69	7.74	7.35	17.64
Regular Unleaded 87	34.66	32.74	39.37	6.63	20.26	36.03	39.14	41.11	40.73	41.48	5.09	5.55	11.97
Jet/Kerosene	35.21	32.94	33.81	0.88	2.66	32.01	34.31	34.98	34.05	34.78	5.65	5.75	6.42
No.2 Heating Oil	32.98	31.08	32.53	1.45	4.67	31.37	34.02	33.55	31.74	31.61	3.41	3.90	5.14
Fuel Oil 1.0%S (Cargo)	23.32	23.32	22.86	-0.47	-1.99	22.26	22.79	22.79	23.41	23.70	-6.24	-3.86	-4.54
Fuel Oil 3.0%S (Cargo)	18.16	19.03	16.75	-2.28	-12.00	17.20	16.19	16.18	17.10	17.88	-11.40	-8.15	-10.65
Singapore, Cargoes						Differential to Dubai							
Premium Unleaded 95	31.51	29.81	32.80	2.99	10.04	29.60	31.46	34.18	35.15	35.60	6.70	6.36	8.62
Naphtha	27.15	26.55	27.00	0.44	1.67	26.22	26.96	27.69	26.95	27.75	2.34	3.10	2.81
Jet/Kerosene	30.59	28.77	30.06	1.29	4.50	28.02	30.08	31.64	30.41	30.65	5.79	5.32	5.88
Gasoil	27.51	26.81	29.78	2.96	11.05	27.72	29.72	31.23	30.25	30.65	2.71	3.36	5.59
LSWR (0.3%S)	22.53	22.32	25.71	3.39	15.21	23.56	25.75	26.91	26.41	26.85	-2.28	-1.13	1.53
HSFO (3.5%S 180cst)	21.21	21.35	21.89	0.54	2.51	21.07	21.34	22.03	22.77	23.00	-3.59	-2.10	-2.30
HSFO 4%S	20.69	21.00	21.61	0.61	2.91	20.73	21.05	21.84	22.50	22.72	-4.12	-2.45	-2.57

Prices for super unleaded and unleaded gasoline in **New York Harbour** rose by 30% and 20% in April, gains which were simply extraordinary. Gasoil and jet/kerosene prices also firmed during the month. However, gasoil weakened mid-month as stocks built. Low-sulphur fuel oil (LSFO) prices

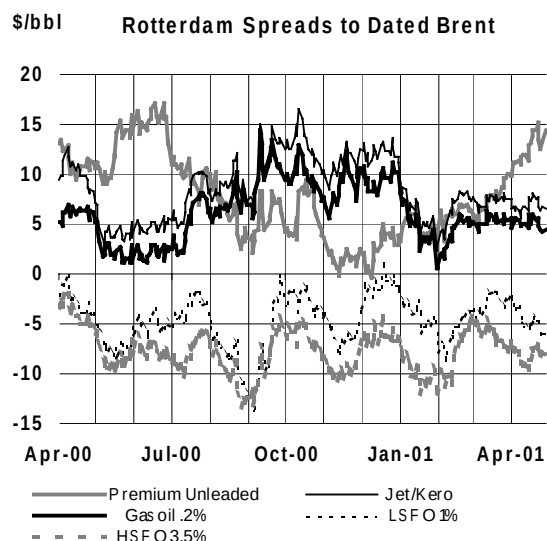
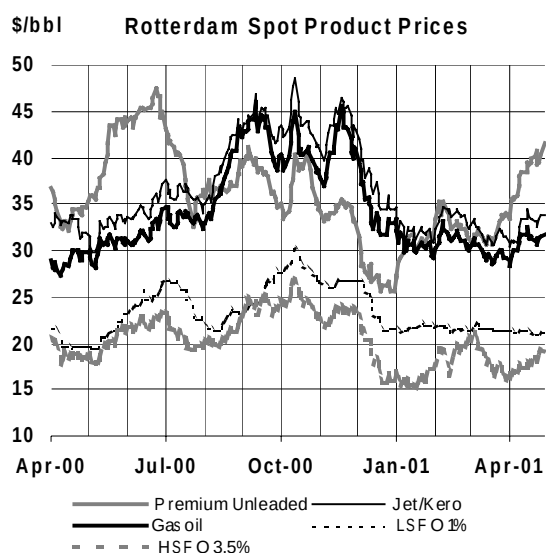
\$/bbl New York Harbour Spot Product Prices



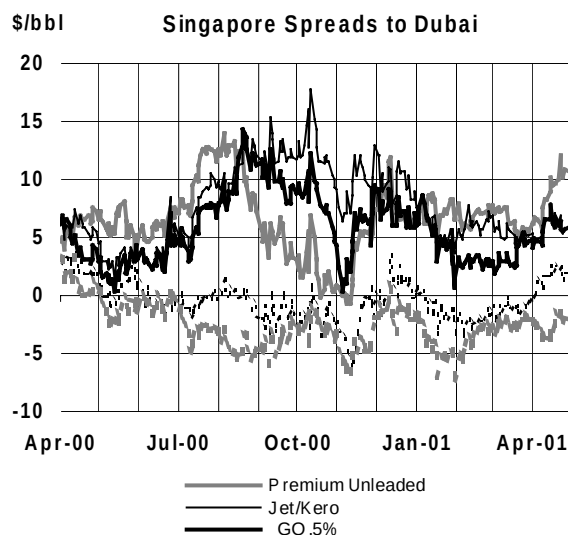
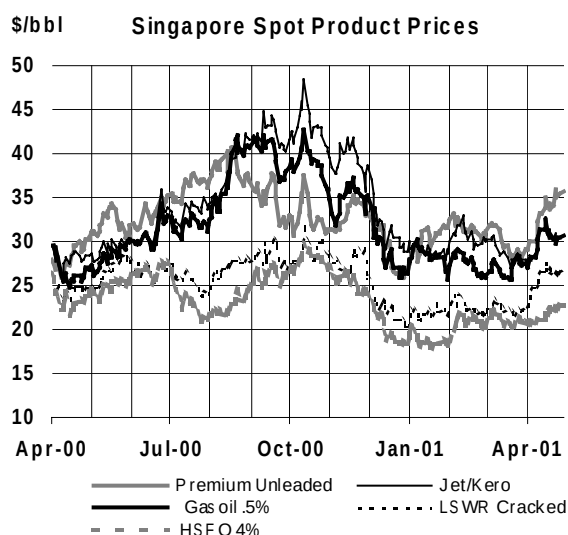
\$/bbl New York Harbour Spreads to WTI



eased slightly. Incremental demand for both gasoil and LSFO, from utilities and industrial plants switching away from expensive natural gas, has supported prices this year. However, gas prices have been falling in recent weeks, as storage levels rise, and the support for the middle and heavy ends of the barrel may be moderating. It could quickly strengthen again this summer during air-conditioning season. High-sulphur fuel oil (HSFO) prices fell in New York.

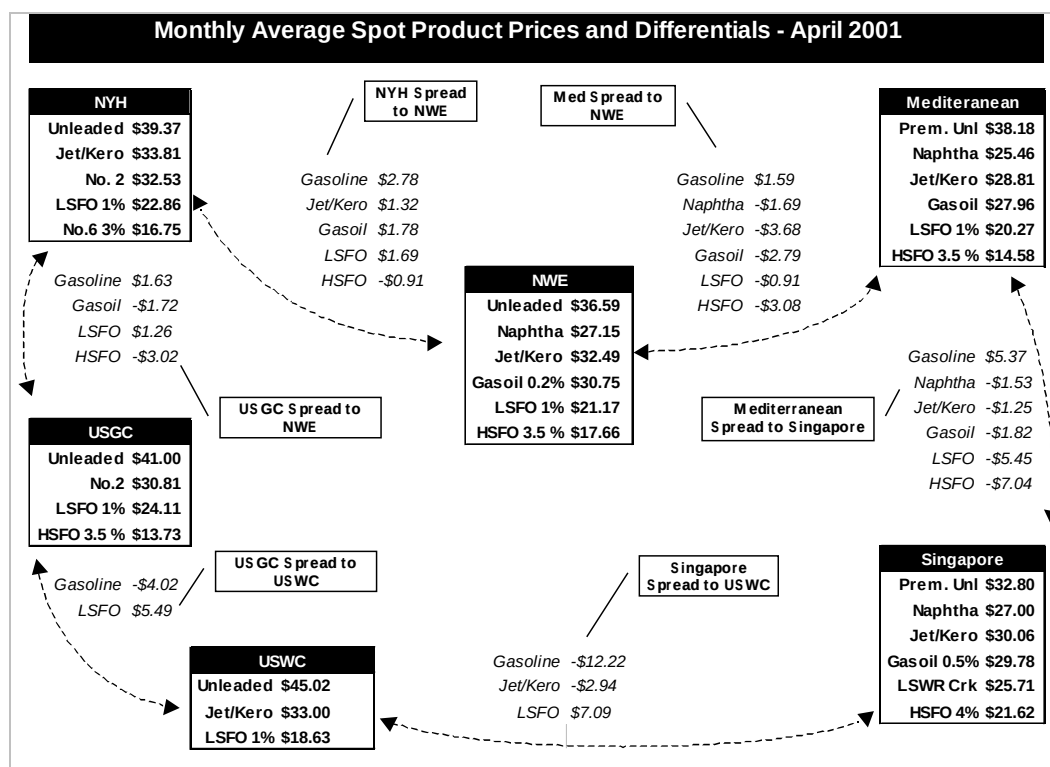


The pattern was much the same in **Europe**. Gasoline prices rose due to tight markets both within Europe and across the Atlantic. Demand for ultra-low sulphur gasoline was strong in the UK and Denmark. Naphtha prices were higher, as reformer-grade naphtha demand from gasoline refiners was robust. Late in the month, petrochemical demand for naphtha also emerged. Gasoil prices firmed in **Northwest Europe** on cold weather in Germany, France and Belgium. LSFO prices, which rose slightly in the **Mediterranean** and fell slightly at Rotterdam, were supported by refiners buying it as a feedstock instead of costlier crude. Prices for HSFO fell, but the declines would have been steeper without demand for exports to Asia.



Asian product prices were supported by the first month of refinery maintenance in the region, which limited product availability. In **Singapore**, gasoline prices rose, on attractive arbitrage opportunities to the US West Coast. The spread between the two markets was over \$12/bbl, making shipments from Asia profitable. Gasoline cargoes sailed from China and India to the US West Coast. While not meeting US specifications, Asian gasoline is used for blending. Regional gasoline demand, from Indonesia and Vietnam, was also healthy. Gasoil prices rose, as prompt supply was tight. At the same time, Indonesia had to purchase gasoil supplies on the spot market because a processing deal

with Shell Singapore ended in April. Prices for low-sulphur waxy residual fuel oil (LSWR) rose on strong demand from Japanese and Korean utilities. HSFO prices gained. Buyers from China, Taiwan and Indonesia competed for tight HSFO supplies, which were limited by refinery maintenance and OPEC cuts of heavy, sour crudes to Asia.



End-User Product Prices

End-user gasoline prices, which are summarised here and also reported in Table 9 at the end of the Report, rose everywhere except in Japan, where they fell by 0.9%. The gasoline gains were most pronounced in North America. Taxes there make up the smallest proportion of the end-user price, so changes in the pre-tax price of the underlying product have a bigger impact. Nevertheless, in both North America and Europe, the end-user price increases were much more modest than those seen for spot gasoline prices. Automotive diesel prices rose by 0.9% in France and Germany, but fell elsewhere, most noticeably in the UK. The situation in domestic heating oil was broadly similar, with gains seen only in France and Germany. Prices for heavy fuel oil for industry were higher in Italy and France but fell in all other reporting countries. The biggest drop for heavy fuel oil was 3.5% in Germany.

Mid-Month End-User Product Price Changes April 2001 versus March 2001

Local Currency Including Taxes (%)

	Gasoline ¹	Automotive Diesel ³	Domestic Heating Oil	HFO for Industry ⁵
US	6.0	-0.5	-4.7	na
Canada	12.9	-0.4	na	na
France	4.4	0.9	5.4	1.3
Germany	2.1	0.9	0.7	-3.5
Italy	1.4	-2.0	-1.4	3.5
Spain	1.8	-2.0	-4.5	-1.3
UK	2.4	-5.2	-1.7	-1.1
Japan	-0.9	0.0	-0.2	na

1 premium leaded gasoline for France, Italy, Spain, the UK; regular unleaded gasoline for Canada, Germany, Japan and the US

2 previous month's data

3 VAT excluded where it is refundable: Heavy Fuel Oil for Industry, Automotive Diesel for Industry

4 kerosene

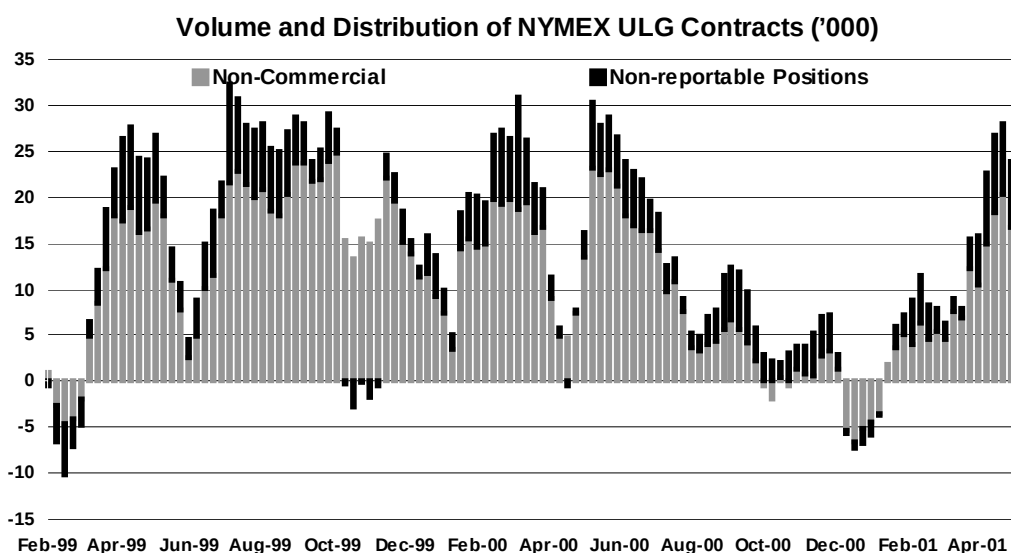
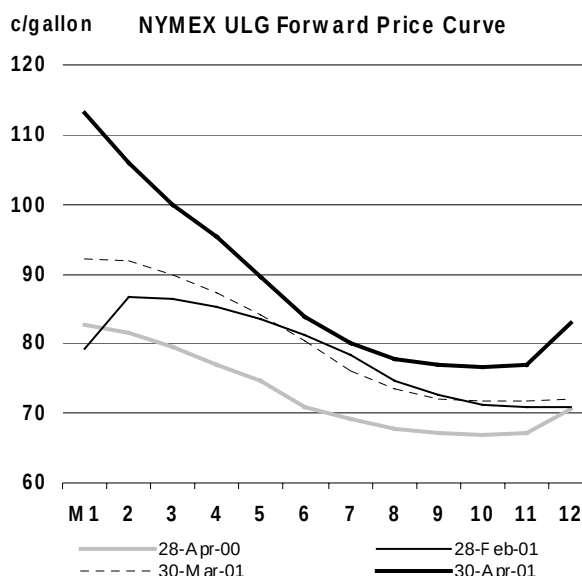
5 high sulphur fuel oil price for France, Spain, the UK and Japan; low sulphur fuel oil price for Germany and Italy - details are shown in Table 9 at the back of the Report

Product Futures

Front-month **NYMEX gasoline** futures rose dramatically during April, in line with spot prices at New York Harbour. On 30 April, the front month stood at \$1.13/gallon, 21 cents higher than a month earlier. Not only did this exceed any front month prices seen last year, the increase happened earlier. Last year, the first peak did not occur until late May. Reflecting the tight prompt fundamentals - low inventories, particularly for RFG - the backwardation of the futures strip steepened during the month. At the end of March, the difference between the first month and third month contracts was 2 cents/gallon; one month later, it had widened to 13 cents/gallon. Interestingly, an upward bend

developed in the lightly-traded outer months. It would appear that some market participants are of the opinion that the US gasoline market will get tight again relatively early in 2002.

After getting increasingly more bullish for the previous 7 consecutive weeks, the latest weekly figures indicate that, as of 1 May, the speculators have become slightly less optimistic on gasoline. One week does not make a trend. However, it is interesting that the speculators got a bit less positive on gasoline at the same time that they became less negative, and even became slightly positive, on crude (see above). In other words, they may have started to switch from gasoline to crude. US gasoline stocks did build slightly in the last two weeks of April, and this is consistent with the view of gasoline stocks building as crude stocks start to decline, due to high refinery crude runs.



Refining Margins

During April, product prices strengthened markedly, led by gasoline. With crude price gains lagging behind, product differentials to crude leapt upwards (see Product Prices section above). For premium unleaded gasoline, the product-crude spreads were astonishing, especially in the Atlantic Basin: \$12.36 in **Northwest Europe**, \$14.27 in the **Mediterranean**, \$17.64 in **New York Harbour** and a narrower but still solid \$8.62 in **Singapore**. In all four regions, the strength extended to all of the light and middle products, though not as spectacularly as for gasoline. Only fuel oil spreads were negative.

As a result, April refinery margins improved in Northwest Europe, the US Gulf Coast and Singapore, but fell in the Mediterranean. Shipping costs were a factor only in Asia and did not change in other regions. Freight rates from the Middle East Gulf to Japan, for example, fell by about 65-75 cents per barrel in April, a positive factor for Asian refinery margins. They were also supported by Asian refinery maintenance, which began in April, will peak in May and will continue into June. In the Atlantic Basin, planned maintenance was mostly over in the US but heavy in Europe. However, margins were also supported by steady news of unplanned refinery shutdowns and delayed re-starts in the US, Caribbean, Venezuela, Belgium and the UK. Broadly speaking, the incidents result from two factors. First, last autumn's maintenance was abbreviated or deferred, leaving some units vulnerable

to problems. Second, this spring's maintenance was heavier than normal, to make up for last autumn, and the more intense the work programmes are, the more difficult it is to bring units back onstream.

Refining Margins in Major Refining Centres

(\$/bbl)

	Monthly Averages				End of Week:					
	Feb	Mar	Apr	Change	23 Mar	30 Mar	06 Apr	13 Apr	20 Apr	27 Apr
NW Europe										
Brent (Hydroskimming)	-2.41	-0.58	0.08	0.66	-0.13	0.34	0.21	-0.28	1.13	-0.40
Brent (Cracking)	-0.53	1.11	2.59	1.48	1.47	2.28	2.37	2.30	3.90	2.37
Mediterranean										
Urals (Hydroskimming)	0.15	1.58	0.53	-1.05	1.15	1.53	1.39	-0.24	1.13	-0.11
Urals (Cracking)	2.43	3.46	3.33	-0.13	2.88	3.66	3.92	2.69	4.15	2.92
US Gulf Coast										
Brent (Cracking)	2.08	3.50	7.53	4.03	4.77	5.34	6.73	6.81	7.95	7.58
WTI (Cracking)	1.06	3.29	6.55	3.27	4.69	4.92	6.80	5.81	7.05	5.96
Singapore										
Dubai (Hydroskimming)	-0.61	0.24	0.97	0.74	0.11	0.67	0.47	0.71	1.91	1.50
Dubai (Cracking)	1.53	2.09	3.49	1.40	1.98	2.48	2.60	3.56	4.43	4.22

For the purposes of this Report, refining margins are calculated on the basis of an "average" refinery that is running a "typical" crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

OECD Refinery Throughput

Preliminary data indicate that total OECD refinery throughput in March averaged 37.98 mb/d, a decrease of 1.2 mb/d from the previous month's downwardly revised figure. March throughputs were more than 2 mb/d lower than last December's. The graph below clearly shows the light maintenance last autumn and the heavy maintenance so far this year (discussed above).

Refinery Crude Throughput and Utilisation in OECD Countries

	million barrels per day						Change from Mar 00		Utilisation rate ²	
	Oct 00	Nov 00	Dec 00	Jan 01	Feb 01	Mar 01 ¹	mb/d	%	Mar 01	Mar 00
OECD North America										
US ³	15.04	15.03	15.24	14.80	14.81	14.79	0.157	1.1	89.1	88.7
Canada	1.61	1.79	1.71	1.92	1.70	1.67	-0.011	-0.6	90.2	90.8
Mexico	1.05	1.12	1.16	1.12	1.16	1.11	-0.043	-3.8	71.5	73.6
Total	17.69	17.93	18.12	17.84	17.68	17.56	0.103	0.6	87.8	87.7
OECD Europe										
France	1.75	1.85	1.78	1.90	1.81	1.66	0.046	2.8	95.3	92.6
Germany	2.27	2.18	2.21	2.28	2.19	2.06	-0.062	-2.9	90.9	93.6
Italy	1.95	1.95	1.83	1.85	1.68	1.76	0.157	9.8	86.7	78.9
Netherlands	1.24	1.18	1.14	1.19	1.14	1.09	0.070	6.9	89.5	83.7
Spain	1.19	1.22	1.26	1.16	1.10	1.08	-0.004	-0.4	84.5	84.9
UK	1.74	1.66	1.73	1.68	1.55	1.65	-0.080	-4.6	94.5	99.1
Other OECD Europe	4.06	4.07	4.05	3.82	3.94	3.57	0.105	3.0	82.0	79.6
Total	14.20	14.11	14.00	13.88	13.41	12.85	0.233	1.8	88.0	86.4
OECD Pacific										
Japan	3.94	4.42	4.50	4.56	4.69	4.25	-0.275	-6.1	80.5	84.5
Korea	2.51	2.61	2.60	2.64	2.58	2.53	0.082	3.4	102.5	99.2
Other OECD Pacific	0.82	0.81	0.86	0.86	0.81	0.80	0.081	11.3	96.3	86.6
Total	7.27	7.84	7.96	8.06	8.09	7.57	-0.113	-1.5	88.4	88.8
OECD Total	39.16	39.87	40.08	39.79	39.18	37.98	0.223	0.6	88.0	87.5

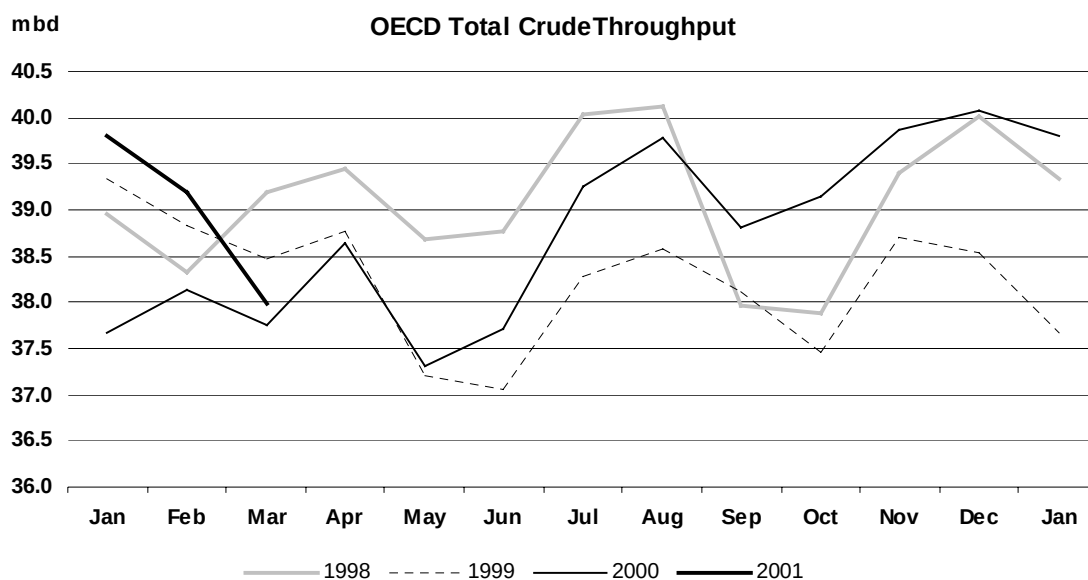
1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$0

In **North America**, throughput fell slightly, as refinery maintenance season continued. However, throughput declined sharply in **OECD Europe** and **OECD Pacific**, by 0.56 mb/d and 0.52 mb/d. In Europe, the reduction was caused by the beginning of the primary maintenance season. Throughput in February had already been significantly lower than in January, but this was mainly due to

discretionary run cuts aimed at increasing margins, rather than maintenance. In the Pacific region, most of the decline was due to Japan. The decrease was due to seasonally lower refinery crude demand, with maintenance not scheduled until May and June.



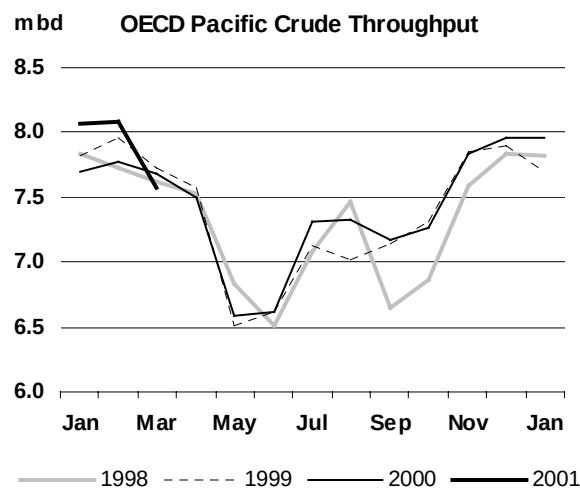
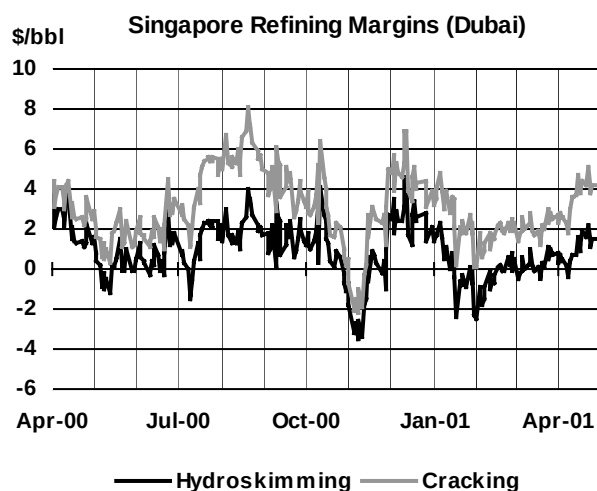
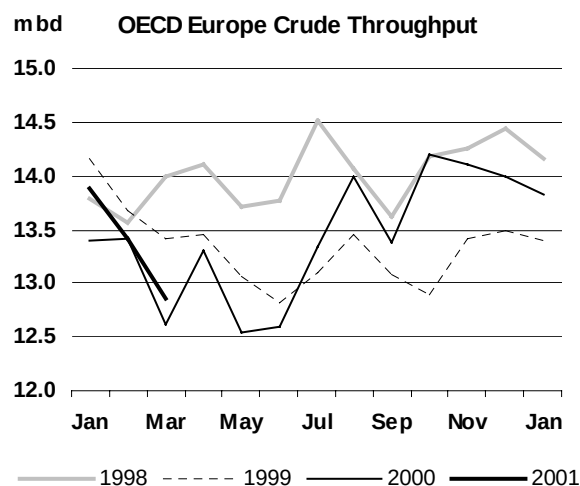
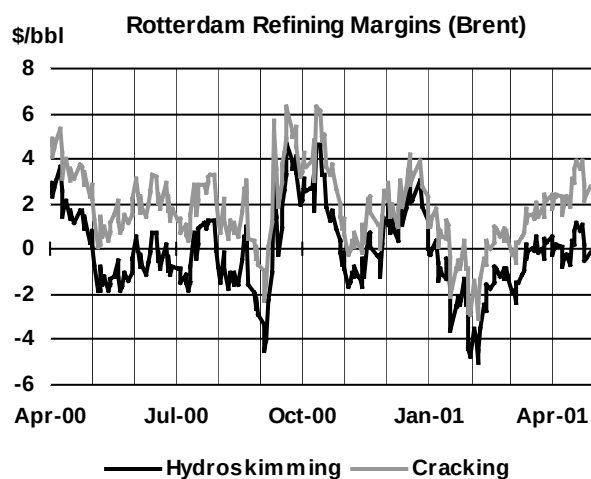
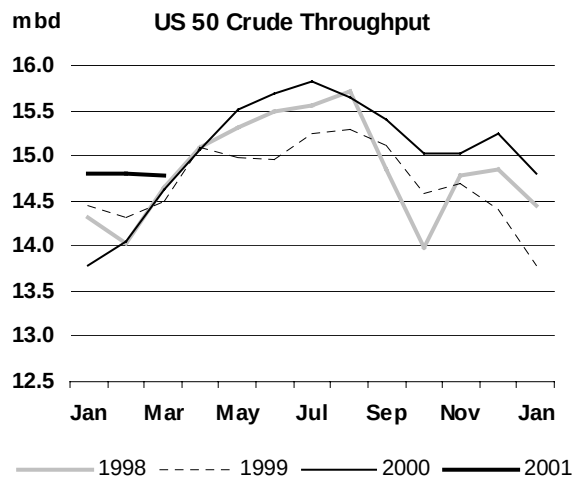
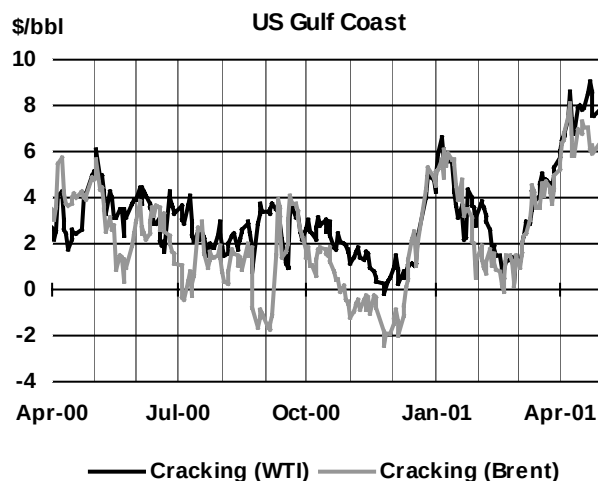


Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	22.7	23.1	23.6	23.5	24.1	24.2	23.9	23.7	23.9	24.5	24.5	24.2	24.2	24.1	24.7	24.7	24.4
Europe	15.0	15.3	15.8	14.4	14.7	15.6	15.1	15.1	14.5	15.1	15.3	15.0	15.1	14.5	15.1	15.6	15.1
Pacific	9.0	8.4	9.4	7.9	8.2	9.1	8.6	9.3	8.0	8.3	8.8	8.6	9.3	8.0	8.3	8.9	8.7
Total OECD	46.7	46.8	48.7	45.7	47.0	48.9	47.6	48.1	46.5	47.9	48.6	47.8	48.7	46.6	48.1	49.3	48.2
NON-OECD DEMAND																	
FSU	3.8	3.7	3.6	3.3	3.4	3.7	3.5	3.5	3.4	3.5	3.7	3.5	3.6	3.4	3.3	3.5	3.5
Europe	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	4.2	4.2	4.4	4.6	4.3	4.6	4.5	4.7	4.5	5.1	4.8	4.8	4.8	5.0	5.0	5.3	5.0
Other Asia	6.7	6.7	7.0	7.1	7.1	7.1	7.1	7.1	7.3	7.2	7.1	7.2	7.2	7.3	7.3	7.3	7.3
Latin America	4.7	4.8	4.6	4.8	4.9	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.8	4.9	5.0	5.0	4.9
Middle East	4.0	4.2	4.3	4.4	4.4	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5
Africa	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4
Total Non-OECD	26.5	26.7	27.0	27.2	27.1	27.5	27.2	27.5	27.5	28.2	27.9	27.8	28.0	28.3	28.5	28.7	28.4
Total Demand¹	73.1	73.5	75.8	72.9	74.0	76.4	74.8	75.6	74.0	76.1	76.4	75.5	76.7	74.9	76.5	78.0	76.5
OECD SUPPLY																	
North America	14.6	14.5	14.1	13.9	13.9	14.1	14.0	14.3	14.4	14.3	14.2	14.3	14.3	14.5	14.5	14.6	14.5
Europe	6.7	6.7	6.8	6.5	6.7	7.1	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.5	6.8	6.6
Pacific	0.7	0.7	0.6	0.6	0.7	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Total OECD	22.1	21.9	21.5	20.9	21.3	22.0	21.4	22.3	21.8	21.7	21.9	21.9	21.8	21.7	21.7	22.3	21.9
NON-OECD SUPPLY																	
FSU	7.2	7.3	7.4	7.4	7.5	7.6	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.3	8.4	8.5	8.4
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.2	3.3	3.3	3.2	3.3
Other Asia	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Latin America	3.4	3.6	3.8	3.8	3.8	3.8	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.8	3.8	3.8	3.8
Middle East	1.9	1.9	1.9	1.9	1.9	2.0	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.7	2.8	2.7	2.7	2.8	2.9	2.8	2.9	2.9	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	20.9	21.2	21.5	21.5	21.6	21.8	21.6	21.9	22.0	22.4	22.8	22.2	22.7	22.8	22.9	22.9	22.8
Processing Gains ²	1.6	1.6	1.7	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8
Total Non-OPEC	44.5	44.7	44.6	44.0	44.6	45.5	44.7	45.9	45.5	45.8	46.4	45.9	46.4	46.2	46.4	47.0	46.5
OPEC																	
Crude	27.2	28.0	27.8	26.3	26.2	26.1	26.6	26.5	27.8	28.4	29.0	27.9	28.4				
NGLs	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0
Total OPEC	29.9	30.8	30.6	29.1	29.1	29.0	29.4	29.3	30.7	31.3	31.9	30.8	31.3				
Total Supply³	74.4	75.5	75.3	73.1	73.6	74.5	74.1	75.2	76.2	77.1	78.2	76.7	77.7				
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.3	0.2	-0.7	0.4	-0.2	-2.3	-0.7	-0.3	0.9	0.4	-0.2	0.2	0.0				
Government	0.0	0.1	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0				
Total	0.3	0.3	-0.7	0.4	-0.3	-2.5	-0.8	-0.3	0.9	0.5	-0.5	0.1	0.0				
Floating Storage/Oil in Transit	0.1	0.1	0.0	0.1	-0.1	-0.1	-0.1	0.0	0.1	0.0	0.4	0.1	-0.2				
Miscellaneous to balance ⁴	0.9	1.6	0.2	-0.3	0.0	0.6	0.1	0.0	1.2	0.5	1.9	0.9	1.2				
Total Stock Ch. & Misc	1.3	2.0	-0.5	0.2	-0.4	-2.0	-0.7	-0.4	2.2	1.0	1.8	1.2	1.0				
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	25.9	26.0	28.3	26.1	26.7	28.1	27.3	26.8	25.6	27.4	27.2	26.7	27.4	25.7	27.2	28.0	27.1
Total Demand ex. FSU	69.3	69.8	72.1	69.6	70.6	72.8	71.3	72.0	70.6	72.6	72.8	72.0	73.0	71.5	73.2	74.5	73.1
Total demand exc. FSU (% ch) ⁶	3.1	0.7	3.7	1.8	1.5	1.6	2.1	-0.1	1.4	2.8	0.0	1.0	1.4	1.3	0.8	2.4	1.5

¹ measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel and includes crude for direct burning,

oil from non-conventional sources and other sources of supply

² net of volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ includes changes in non-reported stocks in OECD and non-OECD areas

⁵ equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	-	-	-	-	-	-	-	0.1	0.2	0.2	0.1	0.2	-0.3	0.2	0.2	0.1	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-0.2	-0.1	-	-0.1	-0.1
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-0.2	-0.1	-0.1	-0.1	-
Total OECD	-	-	-	-	-	-0.1	-	0.2	0.2	0.2	0.2	0.2	-0.5	0.1	0.1	0.1	-
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-0.1	-	-0.1	-0.1	-0.1
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-0.1	-	-	-	-0.1	-0.1	-0.1	-0.2	-0.1
Total Demand	-	-	-	-	-	-0.1	-	0.2	0.2	0.2	-	0.1	-0.6	-	-0.1	-0.1	-0.2
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.2	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.2	-0.1	-0.1	-0.1
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	0.1	0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	0.1
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-	0.1	-	-	0.1	0.1	0.1	0.1
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	0.1	-	-
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	0.1	-	-	-	-	-0.1	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous to balance	-	-	-	-	-	-	-	-0.1	-0.2	-0.2	-	-0.1	-	-	-	-	-
Total Stock Ch. & Misc	-	-	-	-	-	-	-	-0.2	-0.2	-0.2	-0.1	-0.1	0.6	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	-	-	-	-	0.1	0.2	0.2	0.1	0.1	-0.6	0.1	-	-0.1	-0.1
Total Demand ex. FSU	-	-	-	-	-	-	-	0.1	0.2	0.2	0.1	0.1	-0.7	-	-	-0.1	-0.1

When submitting their monthly oil statistics, IEA Member countries periodically update data for earlier years. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	October			November			December			Fourth Quarter			January		
	1999	2000	%	1999	2000	%	1999	2000	%	1999	2000	%	2000	2001	%
North America															
LPG	3.10	3.08	-0.6	2.90	2.97	2.3	3.41	3.41	0.1	3.14	3.15	0.5	3.57	3.02	-15.5
Naphtha	0.40	0.44	10.8	0.32	0.47	48.8	0.38	0.38	-0.4	0.36	0.43	17.7	0.37	0.42	14.1
Motor Gasoline	9.77	9.69	-0.9	9.49	9.66	1.8	10.16	9.97	-1.9	9.81	9.77	-0.4	8.82	9.29	5.4
Jet/Kerosene	1.99	2.05	2.9	1.95	2.00	2.9	2.07	2.16	4.1	2.00	2.07	3.3	1.95	2.07	5.9
Gasoil	4.62	4.61	-0.2	4.52	4.76	5.2	4.77	5.14	7.8	4.64	4.84	4.3	4.68	5.21	11.4
Residual Fuel Oil	1.43	1.97	37.4	1.49	1.68	12.7	1.66	1.94	16.7	1.53	1.86	22.0	1.55	1.97	26.8
Other Products	2.88	2.51	-12.7	2.82	2.38	-15.7	2.42	2.27	-6.4	2.71	2.39	-11.8	2.33	2.38	2.0
Total	24.18	24.34	0.6	23.50	23.92	1.8	24.87	25.26	1.6	24.19	24.51	1.3	23.28	24.36	4.7
Europe															
LPG	0.88	0.86	-2.2	1.00	0.94	-5.8	1.13	0.95	-15.4	1.00	0.92	-8.4	1.06	0.96	-10.1
Naphtha	1.16	1.18	1.7	1.22	1.29	5.6	1.27	1.26	-1.0	1.22	1.24	2.0	1.21	1.27	5.7
Motor Gasoline	3.09	2.98	-3.4	3.13	2.99	-4.6	3.13	3.00	-4.3	3.12	2.99	-4.1	2.70	2.71	0.6
Jet/Kerosene	1.10	1.15	5.1	1.05	1.06	0.9	1.08	1.03	-3.9	1.07	1.08	0.7	1.01	1.06	4.3
Gasoil	5.66	5.96	5.2	6.16	5.88	-4.5	6.12	5.71	-6.7	5.98	5.85	-2.2	5.42	5.91	9.1
Residual Fuel Oil	1.93	1.88	-2.8	2.08	1.95	-6.3	2.13	1.90	-10.7	2.05	1.91	-6.7	2.09	1.95	-6.6
Other Products	1.24	1.40	13.0	1.24	1.26	2.0	1.14	1.24	8.5	1.21	1.30	7.9	0.99	0.97	-2.1
Total	15.06	15.41	2.3	15.88	15.38	-3.2	16.00	15.10	-5.7	15.65	15.29	-2.2	14.47	14.83	2.5
Pacific															
LPG	0.79	0.83	5.3	0.94	0.98	4.2	1.07	1.04	-2.5	0.93	0.95	1.9	0.91	1.02	11.8
Naphtha	1.41	1.36	-3.0	1.50	1.48	-1.4	1.51	1.50	-1.0	1.47	1.45	-1.8	1.41	1.53	8.6
Motor Gasoline	1.48	1.45	-2.0	1.52	1.54	1.0	1.62	1.58	-2.1	1.54	1.52	-1.1	1.35	1.45	7.6
Jet/Kerosene	0.87	0.84	-4.2	1.17	1.16	-1.0	1.80	1.62	-9.8	1.28	1.21	-5.9	1.50	1.79	19.1
Gasoil	1.86	1.77	-4.6	1.97	1.91	-2.8	2.15	2.04	-5.3	1.99	1.91	-4.3	1.76	1.83	4.0
Residual Fuel Oil	1.15	1.12	-2.7	1.24	1.21	-2.4	1.38	1.17	-15.2	1.25	1.16	-7.3	1.19	1.24	4.4
Other Products	0.57	0.57	-1.2	0.62	0.56	-10.9	0.69	0.56	-18.1	0.63	0.56	-10.6	0.53	0.54	2.9
Total	8.12	7.93	-2.3	8.95	8.82	-1.5	10.21	9.51	-6.9	9.10	8.75	-3.8	8.65	9.41	8.7
OECD															
LPG	4.76	4.76	0.1	4.84	4.88	1.0	5.60	5.40	-3.5	5.07	5.02	-1.0	5.55	4.99	-10.0
Naphtha	2.96	2.98	0.7	3.04	3.24	6.7	3.16	3.13	-0.9	3.06	3.12	2.1	2.99	3.23	8.1
Motor Gasoline	14.34	14.12	-1.5	14.15	14.19	0.3	14.91	14.54	-2.4	14.47	14.28	-1.3	12.86	13.46	4.6
Jet/Kerosene	3.96	4.04	2.0	4.17	4.22	1.3	4.95	4.82	-2.7	4.36	4.36	0.0	4.47	4.91	10.0
Gasoil	12.14	12.34	1.6	12.65	12.55	-0.8	13.04	12.89	-1.2	12.61	12.59	-0.1	11.85	12.95	9.3
Residual Fuel Oil	4.51	4.96	10.0	4.81	4.84	0.6	5.17	5.01	-3.1	4.83	4.94	2.2	4.83	5.16	6.8
Other Products	4.69	4.48	-4.5	4.68	4.20	-10.4	4.25	4.07	-4.3	4.54	4.25	-6.4	3.85	3.89	1.0
Total	47.36	47.68	0.7	48.33	48.12	-0.4	51.08	49.86	-2.4	48.93	48.56	-0.8	46.40	48.60	4.7

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	November			December			Fourth Quarter			January			February		
	1999	2000	%	1999	2000	%	1999	2000	%	2000	2001	%	2000	2001	%
United States²															
LPG	2.12	2.14	0.9	2.71	2.58	-4.8	2.39	2.33	-2.4	2.75	2.19	-20.4	2.56	2.06	-19.7
Naphtha	0.25	0.37	50.6	0.28	0.29	3.2	0.28	0.33	19.5	0.27	0.34	27.7	0.29	0.29	0.7
Motor Gasoline	8.24	8.38	1.7	8.86	8.67	-2.1	8.55	8.49	-0.7	7.65	8.06	5.4	8.29	8.20	-1.0
Jet/Kerosene	1.74	1.79	3.0	1.86	1.94	4.3	1.79	1.86	3.5	1.75	1.86	6.3	1.77	1.83	3.2
Gasoil	3.61	3.83	6.1	3.89	4.25	9.2	3.75	3.93	4.7	3.82	4.28	12.1	3.79	4.21	11.2
Residual Fuel Oil	0.76	0.89	16.0	0.85	1.16	35.6	0.78	1.05	35.2	0.83	1.15	38.8	0.85	0.95	11.2
Other Products	2.38	1.93	-18.8	2.04	1.93	-5.6	2.29	1.99	-12.8	1.92	2.02	5.0	2.09	2.06	-1.1
Total	19.09	19.32	1.2	20.50	20.82	1.6	19.83	19.98	0.8	18.99	19.90	4.8	19.63	19.60	-0.2
Japan³															
LPG	0.60	0.62	3.4	0.71	0.69	-3.0	0.61	0.60	-0.5	0.57	0.67	17.4	0.68	0.73	7.4
Naphtha	0.87	0.84	-3.5	0.89	0.85	-4.9	0.84	0.83	-1.9	0.77	0.85	10.4	0.80	0.88	9.7
Motor Gasoline	0.98	0.98	0.7	1.05	1.06	0.4	0.99	1.00	0.2	0.85	0.89	4.1	0.97	0.98	1.2
Jet/Kerosene	0.76	0.79	3.4	1.25	1.15	-7.9	0.85	0.83	-2.8	0.95	1.21	26.9	1.21	1.22	1.2
Diesel	0.73	0.71	-3.1	0.75	0.73	-2.6	0.73	0.71	-3.5	0.59	0.59	-0.1	0.72	0.71	-1.5
Other Gasoil	0.56	0.55	-1.1	0.72	0.65	-8.8	0.58	0.56	-3.3	0.57	0.64	12.5	0.72	0.71	-1.2
Residual Fuel Oil	0.72	0.65	-10.0	0.80	0.64	-20.5	0.72	0.63	-13.4	0.64	0.70	9.9	0.70	0.70	-1.2
Direct use of Crude Oil	0.17	0.08	-55.4	0.21	0.12	-45.3	0.16	0.10	-39.5	0.15	0.13	-16.7	0.19	0.10	-46.6
Other Products	0.34	0.36	5.6	0.37	0.33	-9.7	0.36	0.35	-3.3	0.32	0.36	14.8	0.36	0.34	-4.7
Total	5.73	5.58	-2.7	6.74	6.21	-8.0	5.86	5.60	-4.4	5.40	6.03	11.6	6.34	6.37	0.3
Germany															
LPG	0.08	0.06	-21.5	0.10	0.08	-16.9	0.08	0.07	-17.5	0.09	0.09	-1.7	0.09	0.09	-4.6
Naphtha	0.40	0.41	1.0	0.44	0.43	-4.1	0.41	0.40	-3.5	0.41	0.41	0.6	0.42	0.41	-3.5
Motor Gasoline	0.69	0.66	-4.1	0.71	0.65	-8.5	0.70	0.65	-7.0	0.55	0.52	-4.8	0.65	0.59	-8.7
Jet/Kerosene	0.15	0.15	-1.1	0.13	0.15	12.0	0.14	0.15	6.4	0.13	0.14	3.7	0.14	0.14	2.6
Diesel	0.55	0.58	5.2	0.50	0.53	6.4	0.51	0.55	7.3	0.37	0.41	12.9	0.48	0.47	-1.5
Other Gasoil	0.81	0.66	-19.5	0.81	0.72	-11.0	0.81	0.68	-15.8	0.60	0.83	37.1	0.65	0.64	-1.5
Residual Fuel Oil	0.15	0.17	13.3	0.14	0.17	16.9	0.15	0.17	13.8	0.17	0.19	8.0	0.18	0.19	9.2
Other Products	0.15	0.18	18.2	0.11	0.12	8.0	0.14	0.15	2.5	0.08	0.09	7.5	0.11	0.09	-21.7
Total	2.98	2.86	-4.2	2.94	2.84	-3.5	2.95	2.82	-4.6	2.41	2.68	11.3	2.72	2.62	-3.6
Italy															
LPG	0.12	0.13	8.2	0.14	0.15	7.1	0.12	0.13	7.4	0.16	0.14	-14.8	0.16	0.15	-4.1
Naphtha	0.11	0.11	-4.8	0.13	0.11	-18.8	0.12	0.11	-6.1	0.10	0.09	-7.4	0.14	0.14	5.2
Motor Gasoline	0.43	0.40	-8.1	0.41	0.41	0.8	0.42	0.41	-4.4	0.38	0.40	3.8	0.42	0.40	-3.0
Jet/Kerosene	0.07	0.08	8.2	0.09	0.06	-24.5	0.08	0.07	-2.8	0.08	0.08	5.9	0.07	0.08	12.3
Diesel	0.40	0.41	4.7	0.38	0.38	1.5	0.39	0.40	3.0	0.31	0.35	10.5	0.39	0.40	2.6
Other Gasoil	0.23	0.21	-11.8	0.28	0.27	-3.3	0.24	0.23	-5.2	0.24	0.22	-6.0	0.23	0.22	-2.2
Residual Fuel Oil	0.46	0.38	-17.4	0.44	0.39	-11.4	0.44	0.37	-14.5	0.45	0.36	-19.3	0.45	0.38	-15.4
Other Products	0.11	0.13	18.2	0.12	0.16	32.0	0.12	0.15	20.6	0.07	0.08	23.0	0.09	0.10	6.9
Total	1.94	1.84	-4.8	1.98	1.94	-2.5	1.92	1.87	-3.0	1.78	1.72	-3.6	1.94	1.88	-3.1
France															
LPG	0.14	0.14	0.0	0.16	0.12	-25.0	0.14	0.12	-9.4	0.16	0.15	-7.5	0.15	0.15	-5.6
Naphtha	0.19	0.19	-0.6	0.17	0.17	-0.2	0.18	0.17	-1.4	0.18	0.19	0.5	0.16	0.17	4.0
Motor Gasoline	0.32	0.29	-7.9	0.34	0.30	-10.3	0.32	0.30	-6.8	0.29	0.28	-3.4	0.31	0.30	-4.6
Jet/Kerosene	0.14	0.13	-6.9	0.11	0.13	17.5	0.13	0.13	4.1	0.13	0.14	6.8	0.13	0.13	-0.7
Diesel	0.56	0.57	0.8	0.58	0.55	-4.0	0.57	0.55	-3.2	0.51	0.54	7.4	0.56	0.57	1.8
Other Gasoil	0.48	0.42	-12.9	0.52	0.42	-19.5	0.48	0.51	6.6	0.55	0.61	9.6	0.49	0.51	2.3
Residual Fuel Oil	0.18	0.15	-16.0	0.18	0.12	-35.0	0.17	0.14	-18.6	0.19	0.14	-25.6	0.18	0.14	-20.2
Other Products	0.14	0.12	-11.6	0.12	0.12	1.0	0.14	0.13	-2.7	0.12	0.10	-17.0	0.11	0.11	-2.4
Total	2.14	2.01	-6.5	2.19	1.94	-11.2	2.11	2.06	-2.6	2.13	2.14	0.4	2.11	2.07	-1.7
United Kingdom															
LPG	0.17	0.12	-28.7	0.17	0.12	-28.6	0.16	0.12	-26.1	0.14	0.11	-23.0	0.14	0.13	-10.3
Naphtha	0.06	0.09	57.6	0.07	0.08	21.2	0.07	0.09	25.9	0.09	0.08	-4.6	0.10	0.05	-46.2
Motor Gasoline	0.53	0.54	2.0	0.50	0.49	-2.0	0.50	0.51	0.7	0.47	0.50	5.9	0.48	0.49	0.7
Jet/Kerosene	0.29	0.31	4.4	0.30	0.29	-6.2	0.30	0.31	3.1	0.30	0.32	5.5	0.31	0.33	6.0
Diesel	0.33	0.33	-1.9	0.31	0.29	-8.6	0.32	0.31	-4.0	0.28	0.31	10.0	0.32	0.32	-1.0
Other Gasoil	0.18	0.19	2.3	0.17	0.15	-15.6	0.17	0.17	-0.3	0.19	0.18	-4.7	0.20	0.17	-14.6
Residual Fuel Oil	0.09	0.09	1.9	0.09	0.07	-19.6	0.09	0.08	-12.6	0.09	0.09	-5.3	0.08	0.09	19.3
Other Products	0.17	0.15	-10.5	0.14	0.14	4.8	0.15	0.15	1.4	0.13	0.13	3.2	0.15	0.13	-9.7
Total	1.82	1.81	-0.5	1.75	1.62	-7.3	1.77	1.73	-1.9	1.69	1.71	1.6	1.78	1.71	-3.9
Canada															
LPG	0.32	0.37	16.3	0.21	0.35	65.8	0.29	0.36	25.4	0.31	0.36	13.1	0.43	0.48	10.6
Naphtha	0.08	0.08	7.7	0.08	0.08	-9.6	0.07	0.08	12.9	0.08	0.08	11.0	0.07	0.08	6.1
Motor Gasoline	0.65	0.65	0.0	0.67	0.66	-0.4	0.66	0.66	0.0	0.59	0.62	4.6	0.64	0.65	1.3
Jet/Kerosene	0.12	0.12	-1.3	0.12	0.12	2.5	0.12	0.11	-0.9	0.11	0.10	-5.2	0.12	0.12	1.7
Diesel	0.20	0.20	0.0	0.18	0.18	0.0	0.19	0.19	0.0	0.16	0.18	9.4	0.16	0.16	-1.5
Other Gasoil	0.34	0.33	-0.5	0.33	0.37	12.8	0.32	0.34	6.6	0.36	0.39	9.0	0.41	0.42	1.5
Residual Fuel Oil	0.14	0.21	48.8	0.18	0.19	7.8	0.14	0.19	34.7	0.12	0.18	52.1	0.15	0.18	22.5
Other Products	0.28	0.29	6.8	0.22	0.23	6.0	0.26	0.27	4.8	0.24	0.26	11.5	0.25	0.27	8.9
Total	2.12	2.26	6.7	1.98	2.18	10.0	2.04	2.21	8.1	1.97	2.17	10.6	2.23	2.35	5.4

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	1999	2000	2001	4Q00	1Q01	2Q01	3Q01	4Q01	Feb 01	Mar 01	Apr 01
OPEC											
Crude Oil											
Saudi Arabia	7.52	8.00		8.45	8.03				7.90	7.89	7.64
Iran	3.50	3.69		3.83	3.92				3.89	3.82	3.74
Iraq	2.52	2.57		2.40	2.18				2.13	2.67	2.95
UAE	2.07	2.24		2.35	2.41				2.45	2.34	2.20
Kuwait	1.65	1.77		1.88	1.82				1.79	1.79	1.69
Neutral Zone	0.59	0.63		0.67	0.68				0.68	0.67	0.63
Qatar	0.63	0.69		0.73	0.71				0.70	0.70	0.68
Nigeria	1.95	2.04		2.15	2.15				2.15	2.13	2.06
Libya	1.38	1.41		1.45	1.41				1.38	1.39	1.37
Algeria	0.76	0.81		0.85	0.82				0.81	0.81	0.80
Venezuela	2.79	2.89		2.99	3.00				2.98	2.98	2.88
Indonesia	1.27	1.20		1.25	1.25				1.25	1.24	1.22
Total Crude Oil	26.61	27.92		28.98	28.38				28.10	28.41	27.85
Total NGLs ¹	2.82	2.88	2.99	2.91	2.93	2.97	3.01	3.04	2.95	2.89	2.92
Total OPEC	29.43	30.80		31.89	31.31				31.05	31.30	30.77
NON-OPEC²											
OECD											
North America											
United States	8.10	8.12	8.06	8.03	7.91	8.12	8.05	8.15	7.98	8.18	8.15
Mexico	3.35	3.45	3.66	3.38	3.56	3.64	3.69	3.74	3.56	3.58	3.64
Canada	2.56	2.74	2.75	2.76	2.79	2.72	2.74	2.77	2.80	2.81	2.70
Europe											
UK	2.93	2.70	2.59	2.66	2.59	2.50	2.56	2.71	2.53	2.63	2.62
Norway	3.14	3.32	3.30	3.45	3.44	3.23	3.19	3.36	3.35	3.44	3.34
Others	0.69	0.75	0.74	0.78	0.75	0.73	0.74	0.75	0.76	0.74	0.73
Pacific											
Australia	0.61	0.78	0.72	0.74	0.74	0.69	0.73	0.73	0.73	0.74	0.68
Others	0.07	0.06	0.06	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.43	21.93	21.89	21.85	21.85	21.69	21.75	22.26	21.78	22.18	21.92
NON-OECD											
Former USSR											
Russia	6.16	6.50	6.83	6.70	6.74	6.78	6.87	6.93	6.75	6.79	6.74
Others	1.34	1.44	1.56	1.52	1.54	1.55	1.56	1.57	1.56	1.55	1.55
Asia											
China	5.42	5.51	5.56	5.56	5.58	5.57	5.55	5.54	5.65	5.57	5.57
Malaysia	3.19	3.23	3.25	3.22	3.25	3.26	3.25	3.25	3.33	3.25	3.25
India	0.70	0.71	0.71	0.72	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Others	0.75	0.73	0.72	0.75	0.74	0.73	0.72	0.70	0.73	0.74	0.73
Europe											
Latin America	0.19	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Brazil	3.78	3.77	3.82	3.89	3.81	3.80	3.83	3.83	3.79	3.74	3.72
Argentina	1.36	1.50	1.60	1.63	1.59	1.58	1.60	1.63	1.61	1.58	1.56
Colombia	0.85	0.81	0.80	0.80	0.81	0.80	0.80	0.79	0.80	0.81	0.80
Ecuador	0.83	0.70	0.63	0.67	0.63	0.63	0.64	0.62	0.63	0.57	0.57
Others	0.38	0.39	0.43	0.42	0.42	0.43	0.43	0.43	0.39	0.43	0.43
Middle East³											
Oman	0.36	0.36	0.36	0.37	0.37	0.36	0.36	0.36	0.37	0.36	0.36
Syria	1.93	2.00	2.02	2.04	2.01	2.03	2.02	2.00	2.01	2.02	2.04
Yemen	0.91	0.96	0.99	1.01	0.97	1.01	1.00	0.98	0.97	0.98	1.01
Others	0.57	0.55	0.52	0.54	0.53	0.52	0.52	0.51	0.53	0.53	0.53
Africa											
Egypt	0.41	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Angola	2.79	2.86	2.88	2.87	2.87	2.87	2.88	2.89	2.87	2.87	2.87
Gabon	0.85	0.81	0.77	0.80	0.78	0.78	0.77	0.76	0.79	0.78	0.78
Others	0.75	0.75	0.74	0.76	0.74	0.74	0.73	0.73	0.75	0.73	0.74
Total Non-OECD											
Total Non-OECD	21.60	22.25	22.83	22.76	22.72	22.78	22.89	22.93	22.80	22.72	22.66
Processing Gains ⁴	1.67	1.72	1.77	1.74	1.79	1.75	1.75	1.79	1.79	1.79	1.75
TOTAL NON-OPEC	44.69	45.89	46.48	46.35	46.36	46.22	46.38	46.98	46.36	46.69	46.33
TOTAL SUPPLY	74.12	76.69		78.24	77.66				77.42	78.00	77.10

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	1999	2000	2001	4Q00	1Q01	2Q01	3Q01	4Q01	Feb-01	Mar-01	Apr-01
United States											
Alaska	1050	970	956	987	1005	968	910	942	995	1023	1001
California	857	836	801	839	805	805	800	792	806	809	802
Texas	1231	1234	1218	1244	1232	1223	1213	1204	1231	1228	1226
Federal Gulf of Mexico ²	1349	1405	1551	1431	1503	1532	1558	1609	1510	1517	1526
Other US Lower 48	1390	1375	1307	1353	1332	1315	1299	1283	1332	1323	1322
NGLs ³	1834	1908	1844	1792	1665	1892	1887	1929	1728	1892	1892
Other Hydrocarbons	386	389	381	380	369	385	385	385	382	390	383
Total	8096	8118	8058	8027	7911	8119	8052	8145	7984	8182	8151
Canada											
Alberta Light/Medium/Heavy	784	764	721	753	741	717	714	710	739	739	707
Alberta Bitumen	244	271	302	302	307	299	301	303	296	310	293
Saskatchewan	374	416	415	429	425	409	413	414	428	427	396
Other Crude	187	227	226	226	222	225	225	231	228	225	225
NGLs	649	738	722	735	739	707	715	728	749	740	720
Synthetic Crudes	323	322	365	315	352	361	370	378	361	368	358
Total	2560	2739	2752	2759	2787	2718	2738	2765	2801	2809	2699
Mexico											
Crude	2906	3012	3219	2956	3124	3200	3250	3300	3136	3151	3200
NGLs	439	438	439	425	437	440	440	440	428	431	440
Total	3345	3450	3658	3381	3562	3640	3690	3740	3564	3582	3640
UK Offshore⁴											
Brent Fields	414	339	279	285	303	270	268	277	300	298	290
Forties Fields	904	775	783	738	752	715	792	871	700	779	771
Ninian Fields	154	140	131	145	135	134	129	124	131	135	135
Flotta Fields	201	177	152	178	163	149	152	145	156	164	161
Other Fields	928	984	972	985	919	975	989	1004	916	952	981
NGLs	238	224	218	261	262	200	170	240	267	240	220
Total	2839	2638	2535	2592	2534	2444	2500	2661	2470	2568	2558
Norway⁴											
Ekofisk-Ula Area	452	461	449	471	489	468	389	452	512	480	475
Oseberg-Troll Area	672	731	733	753	748	717	727	740	728	729	731
Statfjord-Gullfaks Area	1017	926	863	931	935	823	827	867	930	911	908
Haltenbanken Area	695	766	732	820	760	711	710	748	684	805	714
Sleipner-Frigg Area	179	316	315	327	301	303	320	335	299	287	300
NGLs	121	121	213	150	211	213	213	214	194	228	210
Total	3136	3320	3304	3453	3443	3234	3187	3356	3347	3440	3338
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	346	403	403	418	403	396	407	408	403	400	398
UK Onshore	88	66	57	62	61	58	55	53	61	60	58
Italy	82	74	69	82	65	65	65	80	65	67	65
Turkey	59	53	50	53	51	50	49	48	54	50	50
Other	150	163	164	167	169	166	163	160	168	167	167
NGLs (excl. North Sea)	24	29	32	33	39	28	28	35	41	38	29
Non-Conventional Oils	31	32	23	24	24	23	23	22	25	23	23
Total	780	820	798	839	811	787	791	805	817	805	790
Australia											
Gippsland Basin	210	178	149	158	152	150	148	146	150	151	151
Cooper-Eromanga Basin	25	25	23	25	24	24	23	22	24	24	24
Carnarvon Basin	248	320	335	322	332	324	336	349	329	329	327
Other Crude	51	183	140	165	161	116	146	138	159	162	109
NGLs	72	73	73	66	68	75	77	72	71	72	72
Total	606	780	721	736	738	689	731	727	733	738	683
Other OECD Pacific											
New Zealand	42	36	33	38	34	33	33	32	35	34	33
Japan	8	7	6	7	6	6	6	6	6	6	6
NGLs	14	16	19	17	20	19	19	18	20	20	20
Synthetic Fuels	4	3	2	3	2	2	2	2	2	2	2
Total	67	62	60	65	62	61	59	58	63	62	61
OECD											
Crude Oil	17286	17626	17547	17642	17653	17338	17412	17786	17507	17735	17543
NGLs	3400	3555	3568	3488	3449	3582	3556	3683	3503	3668	3610
Non-Conventional Oils	743	746	771	722	746	771	779	788	770	783	766
Total	21430	21927	21887	21852	21848	21691	21747	22257	21780	22186	21920

¹ subcategories refer to crude oil only unless otherwise noted

² only production from Federal waters is included

³ to the extent possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Nov2000	Dec2000	Jan2001	Feb2001	Mar2001*	Mar1998	Mar1999	Mar2000	2Q2000	3Q2000	4Q2000	1Q2001
North America												
Crude	396	394	401	387	413	430	443	393	-0.03	0.00	0.04	0.22
Gasoline	229	226	235	237	227	251	252	235	0.03	-0.14	0.02	0.00
Middle Distillate	196	195	196	194	179	206	204	167	0.14	0.08	0.08	-0.17
Residual Fuel Oil	48	45	46	47	49	51	48	45	0.01	0.00	-0.01	0.05
Total Products ³	636	615	615	619	595	662	668	580	0.54	0.09	-0.25	-0.24
Total ⁴	1181	1145	1152	1147	1156	1241	1262	1108	0.63	0.16	-0.37	0.12
Europe												
Crude	323	330	322	320	336	329	369	345	-0.05	-0.05	-0.07	0.07
Gasoline	122	122	127	126	124	142	141	127	-0.09	0.03	0.00	0.02
Middle Distillate	231	235	230	235	230	236	231	217	0.02	0.11	0.07	-0.06
Residual Fuel Oil	83	86	85	83	84	81	81	79	-0.03	0.02	0.09	-0.03
Total Products ³	541	551	546	549	542	549	544	517	-0.07	0.21	0.22	-0.10
Total ⁴	933	948	932	936	945	941	972	927	-0.11	0.17	0.16	-0.03
Pacific												
Crude	180	172	166	176	179	187	181	171	0.17	-0.19	0.04	0.08
Gasoline	25	24	25	25	25	25	27	26	-0.01	0.00	-0.02	0.02
Middle Distillate	92	83	73	68	66	64	60	58	0.14	0.13	0.01	-0.19
Residual Fuel Oil	25	23	24	24	24	25	23	22	0.00	0.02	-0.01	0.00
Total Products ³	218	202	189	179	185	175	168	162	0.20	0.25	-0.01	-0.19
Total ⁴	481	455	438	437	446	453	431	410	0.39	0.08	0.02	-0.09
Total												
Crude	899	896	889	883	927	947	993	909	0.08	-0.24	0.01	0.36
Gasoline	376	372	387	388	376	418	420	388	-0.07	-0.11	-0.01	0.04
Middle Distillate	519	513	498	497	475	506	495	442	0.30	0.32	0.16	-0.43
Residual Fuel Oil	156	155	154	154	157	157	152	146	-0.02	0.05	0.07	0.02
Total Products ³	1394	1367	1350	1347	1321	1386	1380	1260	0.67	0.55	-0.04	-0.52
Total ⁴	2595	2548	2522	2520	2548	2635	2665	2445	0.91	0.42	-0.19	0.00

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Nov2000	Dec2000	Jan2001	Feb2001	Mar2001*	Mar1998	Mar1999	Mar2000	2Q2000	3Q2000	4Q2000	1Q2001
North America												
Crude	548	541	542	542	542	563	572	569	-0.01	0.02	-0.32	0.02
Products ⁷	2	2	2	2	2	0	0	0	0.00	0.02	0.01	0.00
Europe												
Crude	136	138	138	139	139	118	148	146	-0.05	-0.03	-0.01	0.01
Products	215	215	215	215	215	208	212	202	0.05	0.07	0.03	0.00
Pacific												
Crude	312	313	314	314	314	315	315	315	-0.01	-0.02	0.01	0.01
Total												
Crude	996	992	995	995	995	997	1035	1031	-0.06	-0.04	-0.32	0.04
Products	217	217	217	217	217	208	212	202	0.05	0.09	0.03	0.00
Total ⁴	1213	1210	1213	1213	1213	1205	1248	1234	-0.02	0.05	-0.29	0.03

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 The US government controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	October			November			December			January			February		
	1999	2000	%	1999	2000	%	1999	2000	%	2000	2001	%	2000	2001	%
United States															
Crude	304.1	282.3	-7.2	298.3	290.6	-2.6	284.5	289.8	1.9	285.0	294.2	3.2	287.6	280.4	-2.5
Motor Gasoline	204.1	187.9	-7.9	205.5	198.3	-3.5	193.3	195.9	1.3	208.0	205.6	-1.2	201.3	205.8	2.2
Middle Distillate	189.0	164.5	-13.0	189.0	167.6	-11.3	170.8	166.5	-2.5	153.9	166.5	8.2	150.5	164.3	9.2
Residual Fuel Oil	40.5	35.0	-13.6	40.4	39.0	-3.5	35.8	36.2	1.1	36.1	37.1	2.8	34.4	38.4	11.6
Other Products	138.1	142.7	3.3	132.2	137.0	3.6	117.7	122.7	4.2	106.5	112.0	5.2	101.9	114.8	12.7
Total Products	571.7	530.1	-7.3	567.1	541.9	-4.4	517.6	521.3	0.7	504.5	521.2	3.3	488.1	523.3	7.2
Other ²	137.0	135.1	-1.4	136.0	130.7	-3.9	123.6	121.1	-2.0	121.8	120.5	-1.1	123.7	125.4	1.4
Total	1012.8	947.5	-6.4	1001.4	963.2	-3.8	925.7	932.2	0.7	911.3	935.9	2.7	899.4	929.1	3.3
Japan															
Crude	134.8	124.0	-8.0	132.0	123.8	-6.2	125.1	125.1	0.0	117.9	120.2	2.0	123.7	125.3	1.3
Motor Gasoline	13.0	13.8	6.2	14.4	14.1	-2.1	13.2	12.6	-4.5	14.4	14.5	0.7	14.0	14.6	4.3
Middle Distillate	58.8	57.1	-2.9	62.1	55.9	-10.0	50.7	49.7	-2.0	51.1	45.6	-10.8	37.6	40.9	8.8
Residual Fuel Oil	9.4	10.2	8.5	9.5	10.1	6.3	9.8	10.5	7.1	9.7	10.4	7.2	9.3	10.7	15.1
Other Products	56.4	55.2	-2.1	53.4	55.3	3.6	49.1	52.4	6.7	44.9	50.6	12.7	43.3	43.7	0.9
Total Products	137.6	136.3	-0.9	139.4	135.4	-2.9	122.8	125.2	2.0	120.1	121.1	0.8	104.2	109.9	5.5
Other ²	70.9	70.1	-1.1	72.7	73.6	1.2	65.8	70.5	7.1	68.9	72.3	4.9	70.2	70.6	0.6
Total	343.3	330.4	-3.8	344.1	332.8	-3.3	313.7	320.8	2.3	306.9	313.6	2.2	298.1	305.8	2.6
Germany															
Crude	19.7	18.1	-8.1	19.6	20.0	2.0	19.7	16.8	-14.7	20.8	17.4	-16.3	20.5	21.4	4.4
Motor Gasoline	10.9	13.6	24.8	12.2	12.2	0.0	11.0	11.1	0.9	14.0	13.1	-6.4	13.1	12.0	-8.4
Middle Distillate	21.1	17.9	-15.2	18.3	16.8	-8.2	19.2	17.1	-10.9	23.8	17.8	-25.2	21.4	18.5	-13.6
Residual Fuel Oil	9.2	9.5	3.3	8.5	9.0	5.9	9.0	9.4	4.4	10.1	8.6	-14.9	9.4	8.7	-7.4
Other Products	12.7	11.9	-6.3	13.2	12.4	-6.1	12.1	13.4	10.7	12.4	12.7	2.4	11.9	13.2	10.9
Total Products	53.9	52.9	-1.9	52.2	50.4	-3.4	51.3	51.0	-0.6	60.3	52.2	-13.4	55.8	52.4	-6.1
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	73.6	71.0	-3.5	71.8	70.4	-1.9	71.0	67.8	-4.5	81.1	69.6	-14.2	76.3	73.8	-3.3
Italy															
Crude	39.7	37.8	-4.8	36.8	37.5	1.9	34.5	36.9	7.0	38.1	36.9	-3.1	34.6	36.9	6.6
Motor Gasoline	29.9	26.0	-13.0	31.6	25.1	-20.6	30.4	22.9	-24.7	30.8	22.9	-25.6	31.0	22.9	-26.1
Middle Distillate	29.9	34.2	14.4	28.7	37.0	28.9	28.2	35.8	27.0	28.3	35.8	26.5	27.6	35.8	29.7
Residual Fuel Oil	17.4	18.7	7.5	18.3	19.4	6.0	17.4	18.5	6.3	18.1	18.5	2.2	18.5	18.5	0.0
Other Products	8.9	13.9	56.2	9.2	14.2	54.3	9.3	14.8	59.1	10.3	14.8	43.7	10.8	14.8	37.0
Total Products	86.1	92.8	7.8	87.8	95.7	9.0	85.3	92.0	7.9	87.5	92.0	5.1	87.9	92.0	4.7
Other ²	7.9	11.5	45.6	8.4	11.5	36.9	10.6	11.2	5.7	10.3	11.2	8.7	9.3	11.2	20.4
Total	133.7	142.1	6.3	133.0	144.7	8.8	130.4	140.1	7.4	135.9	140.1	3.1	131.8	140.1	6.3
France															
Crude	39.9	37.9	-5.0	38.3	36.7	-4.2	37.6	38.3	1.9	35.1	36.9	5.1	34.8	39.3	12.9
Motor Gasoline	13.1	15.2	16.0	13.7	14.2	3.6	15.4	13.5	-12.3	15.6	14.2	-9.0	15.4	13.8	-10.4
Middle Distillate	36.7	29.4	-19.9	36.4	33.4	-8.2	32.8	33.2	1.2	36.9	27.6	-25.2	35.2	30.1	-14.5
Residual Fuel Oil	7.2	7.7	6.9	7.0	7.5	7.1	6.1	7.8	27.9	8.0	7.8	-2.5	8.4	7.2	-14.3
Other Products	8.5	9.5	11.8	8.8	9.8	11.4	8.8	10.2	15.9	8.8	9.7	10.2	8.7	8.6	-1.1
Total Products	65.5	61.8	-5.6	65.9	64.9	-1.5	63.1	64.7	2.5	69.3	59.3	-14.4	67.7	59.7	-11.8
Other ²	12.8	12.8	0.0	13.1	12.3	-6.1	11.7	12.5	6.8	11.0	12.9	17.3	12.0	13.3	10.8
Total	118.2	112.5	-4.8	117.3	113.9	-2.9	112.4	115.5	2.8	115.4	109.1	-5.5	114.5	112.3	-1.9
United Kingdom															
Crude	40.6	33.1	-18.5	40.3	33.9	-15.9	39.3	34.7	-11.7	37.5	32.1	-14.4	40.1	31.7	-20.9
Motor Gasoline	11.5	10.0	-13.0	11.5	8.3	-27.8	10.4	8.2	-21.2	11.4	9.1	-20.2	10.6	8.7	-17.9
Middle Distillate	18.3	20.5	12.0	17.8	21.0	18.0	20.0	21.2	6.0	20.9	20.3	-2.9	21.0	22.6	7.6
Residual Fuel Oil	5.4	5.5	1.9	5.8	4.9	-15.5	6.0	5.0	-16.7	5.5	6.2	12.7	5.3	5.3	0.0
Other Products	13.1	15.9	21.4	13.1	15.7	19.8	12.6	17.6	39.7	12.8	17.5	36.7	13.3	17.3	30.1
Total Products	48.3	51.9	7.5	48.2	49.9	3.5	49.0	52.0	6.1	50.6	53.1	4.9	50.2	53.9	7.4
Other ²	13.5	13.9	3.0	11.6	14.0	20.7	12.8	13.3	3.9	13.0	11.4	-12.3	12.8	12.3	-3.9
Total	102.4	98.9	-3.4	100.1	97.8	-2.3	101.1	100.0	-1.1	101.1	96.6	-4.5	103.1	97.9	-5.0
Canada³															
Crude	71.6	67.9	-5.2	71.3	70.6	-1.0	68.9	71.1	3.2	69.3	74.4	7.4	69.3	74.4	7.4
Motor Gasoline	16.1	15.8	-1.9	16.7	16.8	0.6	16.5	15.8	-4.2	18.1	16.8	-7.2	18.5	16.8	-9.2
Middle Distillate	19.3	17.8	-7.8	19.9	19.6	-1.5	19.9	18.6	-6.5	19.6	19.7	0.5	19.4	19.7	1.5
Residual Fuel Oil	4.3	3.6	-16.3	3.8	3.8	0.0	2.7	3.8	40.7	3.0	3.7	23.3	3.8	3.7	-2.6
Other Products	19.3	21.3	10.4	19.4	19.3	-0.5	18.3	18.7	2.2	19.5	18.6	-4.6	19.2	18.6	-3.1
Total Products	59.0	58.5	-0.8	59.8	59.5	-0.5	57.4	56.9	-0.9	60.2	58.8	-2.3	60.9	58.8	-3.4
Other ²	18.7	19.0	1.6	17.9	17.8	-0.6	15.3	15.5	1.3	9.7	15.5	59.8	9.3	15.5	66.7
Total	149.3	145.4	-2.6	149.0	147.9	-0.7	141.6	143.5	1.3	139.2	148.7	6.8	139.5	148.7	6.6

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following counties are estimated: Canada for February 2001; Italy for January and February 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End March 2000		End June 2000		End September 2000		End December 2000		End March 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	141.3	68	143.1	66	148.4	67	143.4	-	-	-
Mexico	37.3	18	38.3	19	47.2	24	47.6	-	-	-
United States	1476.4	76	1530.1	76	1533.8	77	1474.9	-	-	-
Total ⁴	1677.1	70	1733.6	71	1751.6	71	1688.1	70	1700.4	71
Pacific										
Australia	37.6	43	41.2	49	43.9	51	40.9	-	-	-
Japan	606.0	122	631.6	117	626.8	112	634.0	-	-	-
Korea ⁵	71.6	35	77.4	40	83.0	38	82.5	-	-	-
New Zealand	9.7	77	10.1	77	11.6	87	10.5	-	-	-
Total	724.9	90	760.3	92	765.3	87	768.0	82	760.9	95
Europe⁶										
Austria	19.2	80	17.5	65	17.9	76	18.7	-	-	-
Belgium	27.7	51	27.4	51	27.7	42	26.4	-	-	-
Czech Republic	14.6	79	14.6	86	14.9	84	15.2	-	-	-
Denmark	18.0	85	17.7	86	17.2	83	17.6	-	-	-
Finland	22.0	110	20.4	100	23.4	113	27.0	-	-	-
France	165.8	88	169.7	90	168.4	82	169.7	-	-	-
Germany	286.9	107	281.1	96	277.7	98	273.6	-	-	-
Greece	22.7	61	24.6	66	26.7	65	26.7	-	-	-
Hungary	23.5	160	21.1	137	21.5	147	21.6	-	-	-
Ireland	9.4	57	8.5	54	8.2	48	9.2	-	-	-
Italy	136.3	77	134.6	74	138.6	74	139.9	-	-	-
Luxembourg	0.9	19	0.9	17	0.7	15	1.1	-	-	-
Netherlands	94.2	109	106.4	123	110.0	127	112.3	-	-	-
Norway	57.1	284	45.5	216	49.0	257	52.4	-	-	-
Poland	24.9	62	22.7	52	24.5	56	27.8	-	-	-
Portugal	21.7	70	21.1	63	23.3	72	23.4	-	-	-
Spain	107.6	76	110.1	78	112.7	78	114.1	-	-	-
Sweden	32.5	98	33.8	102	37.8	132	34.4	-	-	-
Switzerland	39.1	161	39.1	143	39.2	139	37.3	-	-	-
Turkey	49.6	79	52.7	74	50.5	71	53.7	-	-	-
United Kingdom	103.0	63	96.4	56	95.7	55	100.0	-	-	-
Total	1276.8	88	1265.9	84	1285.6	84	1302.0	86	1299.7	89
Total OECD	3678.8	79	3759.8	79	3802.5	78	3758.1	77	3761.0	81
DAYS OF IEA Net Imports⁷	-	109	-	112	-	113	-	113	-	-

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net imports used for the calculation of IEA Emergency Reserves

3 end December 2000 and end March 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
1Q1998	3840	1205	2635	85	27	58
2Q1998	3997	1228	2769	86	26	59
3Q1998	4031	1238	2793	84	26	58
4Q1998	3974	1249	2725	82	26	56
1Q1999	3913	1248	2665	86	27	58
2Q1999	3954	1250	2704	84	27	58
3Q1999	3927	1240	2687	80	25	55
4Q1999	3699	1228	2471	77	26	51
1Q2000	3679	1234	2445	79	27	53
2Q2000	3760	1232	2527	79	26	53
3Q2000	3803	1237	2566	78	25	53
4Q2000	3758	1210	2548	77	25	52
1Q2001	3761	1213	2548	81	26	55

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 4Q2000 and 1Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	2Q00	3Q00	4Q00	1Q01	Nov 00	Dec 00	Jan 01	Feb 01	Mar 01	Apr 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>	12.52	17.26	28.00	26.40	29.20	29.46		31.10	27.00	24.85	25.75		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	26.89	30.43	29.67	25.79	32.58	25.12	25.66	27.45	24.42	25.66
Brent (1st month)	13.40	18.09	28.47	26.93	30.31	30.09	26.26	32.41	26.06	25.85	27.54	25.50	26.54
Brent (2st month)	13.86	17.51	28.01	25.86	29.86	30.12	26.56	30.88	28.46	24.65	28.12	26.63	25.47
WTI (1st month)	14.39	19.31	30.37	28.97	31.66	31.96	28.72	34.40	28.35	29.56	29.56	27.18	27.40
WTI (2st month)	14.68	19.14	29.64	27.99	31.13	31.45	28.40	33.44	28.26	28.20	29.62	27.47	27.72
Urals (del. Med.)	11.79	17.30	26.63	25.18	27.28	27.89	23.68	31.23	23.62	24.58	24.87	21.69	23.91
Es Sider	12.48	17.81	28.29	26.76	29.86	29.35	25.44	32.23	24.91	25.33	27.35	23.80	24.86
Iranian Light	12.02	17.23	26.66	25.68	28.14	27.48	23.60	29.99	23.42	22.16	24.97	23.65	23.10
Iranian Heavy	11.52	16.92	26.05	25.35	27.43	26.70	23.11	29.28	22.69	21.60	24.47	23.24	22.75
Dubai (1st month)	12.16	17.30	26.24	25.17	27.66	27.68	23.67	30.31	21.65	22.85	24.80	23.45	24.18
Oman	12.06	17.00	26.56	25.17	28.11	27.59	23.77	28.90	23.55	21.98	25.43	23.72	23.59
Minas (1st month)	12.29	17.94	28.88	28.13	31.31	29.75	25.07	31.04	25.01	24.10	25.48	25.62	27.91
Tapis (1st month)	13.77	18.99	29.85	28.33	32.41	31.22	26.92	32.65	27.91	26.03	27.86	26.86	27.94
Forcados	12.62	18.00	28.42	27.00	29.83	29.62	25.36	32.74	25.06	25.57	27.04	23.63	25.04
Bonny Light	12.78	18.13	28.51	27.10	30.02	29.62	25.72	32.76	25.09	25.62	27.46	24.24	25.71
OPEC Basket	12.28	17.47	28.87	28.07	29.18	29.18	24.49	31.11	25.00	24.30	25.51	23.65	24.50
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	39.96	37.84	33.31	31.77	34.30	27.77	30.39	33.20	31.84	38.03
Unleaded	16.53	20.86	34.41	37.25	36.21	32.22	30.66	33.07	27.39	29.70	31.99	30.39	36.59
Naphtha	14.33	18.34	29.09	27.24	30.05	30.35	27.54	31.89	26.36	27.99	28.78	25.97	27.15
Jet/Kerosene	17.09	22.04	36.98	33.22	39.67	41.83	32.46	43.44	37.57	32.10	33.64	31.75	32.49
Gasoil .2 %	16.17	20.12	34.38	30.41	37.76	39.06	30.54	41.05	34.83	30.69	31.27	29.74	30.75
LSFO 1%	11.96	15.05	23.74	22.05	24.19	26.40	21.63	26.58	24.03	21.72	21.60	21.55	21.17
HSFO 3.5%	10.12	14.37	21.42	20.27	21.71	22.45	17.73	23.06	19.12	16.07	18.78	18.44	17.66
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	40.72	39.50	34.55	32.34	35.40	28.22	31.39	33.42	32.32	38.89
Premium Unleaded	17.34	22.23	36.43	40.01	38.78	33.83	31.63	34.68	27.50	30.67	32.70	31.60	38.18
Naphtha	13.56	17.76	28.16	26.46	29.11	28.96	25.40	30.67	24.14	25.74	26.48	24.08	25.46
Jet/Kerosene	14.93	20.55	34.82	31.03	37.64	38.70	28.32	40.76	32.53	27.57	28.92	28.53	28.81
Gasoil .2 %	14.82	19.12	33.87	29.20	37.56	38.89	28.29	40.66	33.36	27.29	30.99	26.83	27.96
LSFO 1%	11.16	14.41	23.77	22.45	23.89	26.16	20.21	26.13	23.67	21.16	19.72	19.71	20.27
HSFO 3.5%	8.85	12.78	18.92	17.46	18.39	20.12	14.66	20.13	17.01	13.16	15.61	15.29	14.58
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	39.84	41.14	37.37	36.52	39.43	32.00	37.89	37.31	34.53	45.03
Unleaded	17.80	22.76	36.10	36.35	37.60	36.52	34.04	38.84	30.91	34.84	34.66	32.74	39.37
Jet/Kerosene	18.00	21.78	38.05	33.22	39.20	42.91	34.66	45.09	40.90	35.96	35.21	32.94	33.81
No. 2 (Heating Oil)	16.41	20.50	36.37	31.89	37.28	41.15	33.11	43.11	39.45	35.37	32.98	31.08	32.53
LSFO 1%	12.33	15.51	25.05	24.39	26.06	27.90	24.01	28.49	25.61	25.35	23.32	23.32	22.86
No. 6 3%	10.24	13.99	20.68	20.65	21.18	20.89	18.55	19.67	18.99	18.39	18.16	19.03	16.75
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	31.13	36.50	31.97	30.43	33.00	29.78	30.01	31.51	29.81	32.80
Naphtha	14.77	19.54	28.38	26.88	30.85	28.54	26.19	28.93	24.56	24.87	27.15	26.55	27.00
Jet/Kerosene	16.31	21.59	34.39	29.51	37.82	38.44	29.46	39.45	31.99	29.05	30.59	28.77	30.06
Gasoil .5%	15.40	19.25	32.58	28.61	36.50	34.59	27.56	34.87	29.34	28.41	27.51	26.81	29.78
LSWR Cracked	10.95	15.61	25.83	26.04	26.99	26.48	22.24	27.70	22.48	21.88	22.53	22.32	25.71
HSFO 180 CST	10.60	15.71	24.43	25.26	24.21	25.02	20.73	25.80	20.93	19.60	21.21	21.35	21.89
HSFO 4%	10.34	15.60	24.21	24.98	23.95	24.78	20.16	25.55	20.51	18.74	20.69	21.00	21.61

* IEA CIF Average Import price for February is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
April 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	7.110	4.839	4.4	13.1	-0.1	9.0	0.969	0.309	2.7	11.2	-5.5	3.0
Germany	2.094	1.449	2.1	6.1	12.2	26.7	0.957	0.295	0.5	4.4	6.1	19.8
Italy	2068	1352	1.4	3.5	1.6	4.0	0.955	0.330	-0.2	1.9	-3.9	-1.7
Spain	137.2	80.8	1.8	3.8	2.9	6.3	0.737	0.303	0.1	2.1	-2.7	0.5
UK	0.771	0.583	2.4	11.2	-1.5	-3.1	1.106	0.270	1.8	10.6	-10.7	-12.1
Japan	108.2	59.0	-0.9	-2.0	3.0	6.5	0.874	0.397	-3.2	-4.3	-12.1	-9.2
Canada	0.761	0.308	12.9	21.4	12.1	19.2	0.488	0.291	12.9	21.4	5.6	12.3
USA	0.405	0.101	6.0	8.2	1.8	2.7	0.405	0.304	6.0	8.2	1.8	2.7
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.394	2.469	0.9	0.4	-0.4	4.6	0.599	0.262	-0.7	-1.3	-5.9	-1.1
Germany	1.421	0.740	0.9	1.9	19.8	52.7	0.649	0.311	-0.7	0.3	13.2	44.3
Italy	1382	739	-2.0	-4.2	1.2	2.7	0.638	0.297	-3.5	-5.7	-4.3	-2.9
Spain	98.06	44.90	-2.0	-3.6	1.4	2.7	0.527	0.285	-3.6	-5.2	-4.1	-2.9
UK	0.669	0.468	-5.2	-1.5	-5.4	-2.0	0.960	0.288	-5.8	-2.0	-14.2	-11.1
Japan	88.2	36.3	-	-	3.6	6.1	0.712	0.419	-2.3	-2.3	-11.6	-9.5
Canada	0.699	0.242	-0.4	12.6	7.2	9.3	0.449	0.293	-0.4	12.6	1.0	3.0
USA	0.389	0.118	-0.5	-0.7	4.3	6.3	0.389	0.271	-0.5	-0.7	4.3	6.3
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2809.3	739.3	5.4	4.2	1.3	15.6	382.7	282.0	3.7	2.5	-4.2	9.3
Germany	705.1	217.3	0.7	0.9	3.8	4.8	322.3	222.9	-0.9	-0.7	-1.9	-1.0
Italy	1563000	957898	-1.4	-2.9	0.1	7.7	721.6	279.4	-2.9	-4.5	-5.3	1.8
Spain	62856	21767	-4.5	-5.8	-1.2	-1.5	337.6	220.7	-6.0	-7.3	-6.6	-6.9
UK	194.45	39.56	-1.7	-2.0	5.6	6.8	279.0	222.2	-2.2	-2.5	-4.3	-3.2
Japan ⁴	50400	2400	-0.2	-0.2	9.8	9.8	407.1	387.7	-2.5	-2.5	-6.3	-6.3
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	368.3	-	-4.7	-	2.6	-	368.3	-	-4.7	-	2.6	-
HFO FOR INDUSTRY^{3,6} (Price per Metric Ton)												
France	1172.8	121.8	1.3	1.4	8.8	9.9	159.8	143.2	-0.4	-0.2	2.8	3.9
Germany	336.1	35.0	-3.5	-3.9	9.4	10.6	153.6	137.6	-5.0	-5.4	3.4	4.5
Italy	406364	60777	3.5	4.1	0.2	0.3	187.6	159.6	1.8	2.5	-5.2	-5.2
Spain	30217	2235	-1.3	-1.4	-13.6	-14.5	162.3	150.3	-2.9	-3.0	-18.3	-19.2
UK	118.41	26.77	-1.1	-1.4	-4.0	-5.1	169.9	131.5	-1.7	-2.0	-13.0	-14.0
Japan	26526	1263	-	-	11.6	11.6	214.3	204.1	-2.3	-2.3	-4.8	-4.8
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Dec 00	Jan 01	Feb 01	Year Earlier	
											Feb 00	change
OECD North America												
Venezuela	1.57	1.63		1.58	1.56	1.64	1.74	1.85	1.80	1.59	1.60	-0.01
Other Central & South America	0.78	0.60		0.68	0.59	0.60	0.53	0.53	0.63	0.49	0.64	-0.16
North Sea	0.99	1.11		1.00	1.20	1.30	0.94	0.99	1.12	1.13	1.06	0.07
Other OECD Europe	-	0.01		0.02	-	0.01	-	-	-	-	0.05	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.01	0.01	0.00	0.00	-	-	-	-	-
Saudi Arabia	1.51	1.62		1.50	1.59	1.66	1.74	1.98	1.73	1.83	1.36	0.47
Kuwait	0.25	0.27		0.22	0.21	0.33	0.30	0.32	0.21	0.26	0.27	-0.01
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.55	0.69	0.89	0.66	0.54	0.45	0.31	0.81	-0.49
Oman	-	0.00		-	0.01	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	-	0.00	-	-	0.07	-	-	-
Other Middle East	0.00	0.03		-	0.05	0.03	0.02	0.07	-	0.08	-	-
West Africa	1.08	1.29		1.07	1.44	1.40	1.23	1.16	1.26	1.50	1.05	0.45
Other Africa	0.42	0.34		0.33	0.36	0.28	0.38	0.34	0.29	0.34	0.27	0.08
Asia	0.20	0.17		0.16	0.18	0.17	0.17	0.17	0.14	0.10	0.18	-0.08
Other	0.03	0.05		0.01	0.07	0.04	0.06	0.11	0.11	0.01	0.01	0.00
Total	7.62	7.77		7.14	7.97	8.36	7.79	8.06	7.81	7.63	7.28	0.34
of which Non-OECD	6.63	6.66		6.09	6.71	7.01	6.82	7.04	6.63	6.48	6.17	0.30
OECD Europe												
Canada	-	0.00		0.01	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.18	0.20	0.21	0.20	0.18	0.18	0.20	0.26	-0.06
Venezuela	0.17	0.14		0.11	0.18	0.16	0.12	0.12	0.14	0.10	0.10	0.00
Other Central & South America	0.00	0.01		0.00	0.01	0.00	0.02	0.03	0.05	0.04	0.02	0.03
Non-OECD Europe	0.01	0.01		0.00	0.01	0.01	0.00	0.01	0.01	0.00	0.00	0.00
Former Soviet Union	2.18	2.40		2.36	2.35	2.47	2.42	2.54	2.39	2.45	2.35	0.10
Saudi Arabia	1.31	1.39		1.16	1.35	1.45	1.61	1.80	1.34	1.25	1.18	0.07
Kuwait	0.17	0.20		0.14	0.20	0.26	0.21	0.16	0.23	0.15	0.15	0.00
Iran	0.94	0.79		0.72	0.72	0.93	0.81	0.90	0.64	0.63	0.86	-0.23
Iraq	0.80	0.74		0.70	0.83	0.74	0.69	0.41	0.43	0.85	0.82	0.03
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	-	0.00	0.01	-	0.03	-	-	-
Other Middle East	0.35	0.31		0.27	0.36	0.30	0.32	0.36	0.35	0.34	0.25	0.09
West Africa	0.48	0.55		0.75	0.33	0.43	0.71	0.65	0.78	0.54	0.64	-0.10
Other Africa	1.65	1.66		1.65	1.59	1.70	1.70	1.72	1.89	1.74	1.71	0.02
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.01	0.00	0.10	0.04	0.06	0.13	0.00	0.00	0.00
Total	8.25	8.45		8.07	8.13	8.75	8.86	8.93	8.58	8.27	8.34	-0.07
of which Non-OECD	8.06	8.26		7.88	7.93	8.54	8.66	8.75	8.40	8.07	8.08	-0.01
OECD Pacific												
Canada	-	-		-	-	-	-	-	0.02	-	-	-
Mexico + USA	0.10	0.07		0.17	0.08	0.03	0.03	-	-	0.06	0.14	-0.08
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.07	0.04	0.05	0.05	0.07	0.02	0.09	0.07	0.02
North Sea	0.04	0.02		0.01	0.06	0.01	-	-	-	-	-	-
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		-	0.01	0.06	0.05	0.08	-	-	-	-
Saudi Arabia	1.65	1.83		1.87	1.77	1.76	1.92	1.95	2.08	2.13	1.94	0.19
Kuwait	0.56	0.60		0.56	0.58	0.55	0.71	0.62	0.72	0.87	0.60	0.27
Iran	0.73	0.72		0.83	0.66	0.70	0.72	0.57	0.93	0.79	0.69	0.11
Iraq	0.13	0.13		0.06	0.08	0.13	0.23	0.18	-	0.04	0.03	0.01
Oman	0.45	0.36		0.34	0.40	0.38	0.31	0.38	0.33	0.46	0.43	0.03
United Arab Emirates	1.39	1.46		1.43	1.46	1.42	1.54	1.59	1.56	1.81	1.49	0.32
Other Middle East	0.57	0.59		0.59	0.56	0.58	0.64	0.60	0.69	0.77	0.70	0.07
West Africa	0.20	0.10		0.15	0.06	0.08	0.10	0.15	0.09	-	0.13	-
Other Africa	0.15	0.12		0.15	0.11	0.11	0.11	0.14	0.15	-	0.14	-
Non-OECD Asia	1.03	0.87		0.91	0.91	0.85	0.81	0.86	1.12	0.87	1.03	-0.16
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		7.14	6.78	6.71	7.22	7.20	7.72	7.90	7.41	0.49
of which Non-OECD	6.93	6.87		6.96	6.64	6.67	7.19	7.20	7.70	7.84	7.27	0.57
Total OECD Trade	22.93	23.19		22.35	22.88	23.82	23.87	24.19	24.11	23.80	23.04	0.76
of which Non-OECD	21.62	21.78		20.94	21.29	22.22	22.67	22.98	22.74	22.39	21.52	0.86

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Dec 00	Jan 01	Feb 01	Year Earlier Feb 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.40	0.51	0.33	0.57	0.71	0.52	0.56	0.33	0.22
Europe	1.01	1.01		0.92	0.98	1.04	1.12	1.29	1.10	0.74	1.00	-0.25
Pacific	0.53	0.64		0.66	0.61	0.60	0.70	0.71	0.85	0.82	0.67	0.15
Saudi Medium												
North America	0.65	0.68		0.59	0.65	0.65	0.83	1.03	0.64	0.91	0.50	0.40
Europe	0.21	0.23		0.19	0.22	0.25	0.25	0.20	0.21	0.11	0.14	-0.03
Pacific	0.15	0.13		0.16	0.15	0.11	0.11	0.15	0.07	0.10	0.16	-0.06
Saudi Heavy												
North America	0.31	0.31		0.30	0.33	0.34	0.25	0.34	0.27	0.26	0.32	-0.06
Europe	0.09	0.14		0.07	0.10	0.14	0.23	0.27	0.14	0.23	0.06	0.17
Pacific	0.09	0.12		0.11	0.10	0.13	0.13	0.16	0.12	0.13	0.11	0.02
Iraqi Basrah Light												
North America	0.71	0.61		0.41	0.70	0.75	0.57	0.47	0.30	0.21	0.58	-0.38
Europe	0.22	0.17		0.16	0.17	0.22	0.12	0.10	0.16	0.17	0.16	0.01
Pacific	0.31	0.30		0.27	0.26	0.27	0.40	0.34	0.26	0.28	0.20	0.08
Iraqi Kirkuk												
North America	0.01	-		-	-	-	-	-	-	-	-	-
Europe	0.65	0.55		0.52	0.59	0.53	0.58	0.45	0.10	0.16	0.66	-0.51
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.30	0.26	0.29	0.17	0.20	0.22	0.08	0.40	-0.32
Pacific	0.12	0.13		0.17	0.10	0.12	0.11	0.03	0.18	0.17	0.15	0.01
Iranian Heavy												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.39	0.44	0.58	0.55	0.62	0.74	0.26	0.44	-0.18
Pacific	0.38	0.37		0.38	0.36	0.36	0.38	0.32	0.48	0.42	0.36	0.06
Venezuelan Light & Medium												
North America	0.76	0.72		0.76	0.71	0.68	0.73	0.80	0.78	0.49	0.60	-0.11
Europe	0.08	0.04		0.03	0.06	0.03	0.05	0.06	0.06	0.02	0.01	0.00
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.46	0.43	0.49	0.62	0.63	0.69	0.67	0.60	0.07
Europe	0.05	0.06		0.05	0.06	0.09	0.05	0.05	0.06	0.06	0.04	0.02
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.50	0.70	0.76	0.69	0.76	0.77	0.65	0.39	0.25
Europe	0.14	0.17		0.18	0.15	0.19	0.16	0.13	0.04	0.01	0.25	-0.24
Pacific	0.02	0.02		0.02	0.02	0.02	0.02	-	-	0.03	-	-
Mexican Isthmus												
North America	0.11	0.07		0.09	0.09	0.05	0.04	0.01	0.11	0.05	0.08	-0.02
Europe	0.04	0.01		0.01	0.01	0.02	0.01	0.00	0.15	0.09	0.02	0.07
Pacific	0.01	0.02		0.04	0.02	0.01	0.01	-	-	0.03	-	-
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.84	0.77	0.77	0.61	0.76	0.63	0.49	0.87	-0.38
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light²												
North America	0.40	0.65		0.57	0.71	0.81	0.53	0.55	0.53	0.48	0.65	-0.18
Europe	0.32	0.38		0.43	0.25	0.33	0.49	0.53	0.40	0.28	0.32	-0.04
Pacific	0.03	0.01		0.02	-	0.00	0.03	0.02	-	-	-	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.01	0.01	0.03	0.05	-	-	-
Europe	0.08	0.06		0.09	0.01	0.01	0.15	0.19	0.02	0.09	0.10	0.00
Pacific	-	0.00		-	-	-	0.01	0.04	-	-	-	-

1. Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the report.

IEA North America includes United States and Canada.

IEA Europe includes OECD Europe but excludes Hungary and Poland.

IEA Pacific includes OECD Pacific but excludes Korea.

2. 33 API and lighter (Bonny Light, Escravos, Qua Iboe, Oso Condensate)

Table 12a
Regional OECD Gasoline Imports by Source^{1, 2}
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Dec 00	Jan 01	Feb 01	Year Earlier	
											Feb 00	change
OECD North America												
Venezuela	0.13	0.10		0.10	0.09	0.10	0.13	0.15	0.12	0.06	0.09	-0.03
Other Central & South America	0.05	0.06		0.03	0.06	0.08	0.06	0.07	0.06	0.09	0.02	0.07
ARA (Belgium Germany Netherlands)	0.06	0.04		0.05	0.02	0.03	0.06	0.05	0.07	0.09	0.06	0.03
Other Europe	0.15	0.12		0.15	0.11	0.10	0.12	0.13	0.22	0.25	0.19	0.06
FSU	0.02	0.03		0.03	0.04	0.04	0.01	0.01	0.05	0.04	0.02	0.02
Saudi Arabia	0.11	0.06		0.06	0.07	0.07	0.06	0.02	0.06	0.05	0.03	0.02
Algeria	0.00	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.03		0.01	0.04	0.03	0.04	0.03	0.01	0.02	0.00	0.02
Singapore	0.01	0.01		0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.00	0.00
OECD Pacific	0.02	0.00		0.01	0.01	0.00	0.00	0.00	0.01	0.02	0.01	0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.02	0.02	0.01	0.00	0.01	0.01	0.01	-	-
Other	-	-		-	-	-	-	-	-	-	-	-
Total³	0.56	0.47		0.47	0.45	0.45	0.49	0.48	0.63	0.64	0.42	0.22
of which Non-OECD	0.35	0.31		0.27	0.32	0.33	0.32	0.32	0.32	0.28	0.16	0.11
OECD Europe												
OECD North America	0.00	0.00		-	0.00	0.01	0.00	0.00	-	0.00	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Non-OECD Europe	0.02	0.02		0.01	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.00
FSU	0.01	0.02		0.00	0.04	0.03	0.02	0.01	0.01	0.01	0.00	0.01
Saudi Arabia	0.00	0.00		0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Algeria	0.01	0.01		0.00	0.01	0.00	0.01	0.04	0.00	0.00	0.00	0.00
Other Middle East & Africa	0.00	0.01		0.01	0.00	0.01	0.00	0.00	0.00	0.02	0.02	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	-	-	-	-	-	-
Other	0.07	0.08		0.13	0.05	0.07	0.05	0.02	0.08	0.09	0.15	-0.06
Total³	0.11	0.14		0.16	0.15	0.16	0.11	0.09	0.11	0.14	0.19	-0.04
of which Non-OECD	0.11	0.14		0.16	0.15	0.15	0.11	0.09	0.11	0.14	0.19	-0.04
OECD Pacific												
OECD North America	0.00	0.00		0.00	0.00	-	-	-	0.01	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.00	0.01	0.01	0.00	-	-	0.01	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		-	-	0.01	-	-	-	-	-	-
Singapore	0.02	0.02		0.01	0.04	0.02	0.01	0.01	0.02	0.02	0.01	0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.01	0.01	0.00	0.01	0.02	0.00	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total³	0.03	0.04		0.02	0.06	0.04	0.02	0.02	0.05	0.02	0.02	0.01
of which Non-OECD	0.03	0.04		0.02	0.06	0.04	0.02	0.02	0.03	0.02	0.02	0.01
Total OECD Trade³	0.70	0.65		0.65	0.66	0.65	0.62	0.60	0.79	0.81	0.63	0.19
of which Non-OECD	0.49	0.49		0.45	0.53	0.53	0.45	0.44	0.47	0.45	0.37	0.08

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Gasoline is the sum of motor gasoline, aviation gasoline, jet gasoline and additives.

3. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Dec 00	Jan 01	Feb 01	Year Earlier	
											Feb 00	change
OECD North America												
Venezuela	0.06	0.06		0.07	0.05	0.05	0.07	0.10	0.09	0.07	0.08	0.00
Other Central & South America	0.01	0.01		0.00	0.01	0.00	0.02	0.04	0.06	0.09	-	-
ARA (Belgium Germany Netherlands)	0.00	0.01		0.02	-	0.00	0.00	-	0.02	0.04	0.06	-0.02
Other Europe	0.00	0.01		0.01	0.01	-	0.00	0.00	0.06	0.06	0.03	0.03
FSU	0.02	0.02		0.03	0.02	0.01	0.03	0.06	0.18	0.13	0.08	0.06
Saudi Arabia	0.01	0.00		0.00	-	-	-	-	0.02	-	0.01	-
Algeria	0.00	0.00		0.01	-	-	0.00	0.00	-	0.01	0.03	-0.02
Other Middle East & Africa	-	0.00		0.00	-	-	0.00	0.01	0.01	0.04	0.00	0.04
Singapore	0.00	0.00		0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.01	0.00		-	0.01	0.00	0.01	0.01	0.02	0.01	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	-	0.01	0.01	0.03	0.02	0.01	0.01
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.17	0.09	0.08	0.16	0.24	0.49	0.49	0.31	0.18
of which Non-OECD	0.10	0.11		0.14	0.07	0.07	0.15	0.22	0.43	0.40	0.21	0.18
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.02	0.02	0.00	0.01	0.01	0.02	-0.01
Venezuela	0.00	0.00		0.00	-	-	-	-	-	0.00	-	-
Other Central & South America	0.00	0.00		0.01	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00
Non-OECD Europe	0.04	0.05		0.05	0.04	0.05	0.05	0.04	0.03	0.03	0.04	-0.01
FSU	0.32	0.29		0.30	0.31	0.29	0.24	0.25	0.21	0.43	0.27	0.16
Saudi Arabia	0.01	0.00		0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Algeria	0.04	0.03		0.04	0.03	0.03	0.02	0.02	0.03	0.04	0.04	0.00
Other Middle East & Africa	0.03	0.02		0.03	0.02	0.03	0.02	0.03	0.02	0.03	0.02	0.01
Singapore	-	0.00		-	-	-	0.00	-	-	-	-	-
OECD Pacific	0.00	0.00		-	0.00	-	-	-	-	0.00	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	0.01	0.00	-	-	-	-	-
Other	0.07	0.08		0.11	0.06	0.09	0.08	0.09	0.17	0.02	0.05	-0.04
Total²	0.52	0.50		0.55	0.49	0.51	0.44	0.43	0.47	0.58	0.45	0.13
of which Non-OECD	0.51	0.48		0.54	0.47	0.49	0.42	0.43	0.46	0.56	0.43	0.13
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		-	-	0.00	-	-	-	0.00	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.00	0.01	0.00	0.00	0.01	0.01	0.00	0.00	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	0.00	0.00	0.00	-	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		0.00	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.01	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	0.01	0.00	0.00	0.01	0.01	0.01	-	-
Other	0.00	0.00		0.00	-	-	0.00	0.00	-	-	0.00	-
Total²	0.03	0.02		0.02	0.04	0.02	0.02	0.02	0.02	0.03	0.02	0.02
of which Non-OECD	0.03	0.02		0.02	0.04	0.02	0.02	0.02	0.02	0.03	0.02	0.01
Total OECD Trade²	0.67	0.65		0.75	0.62	0.61	0.62	0.69	0.98	1.10	0.77	0.33
of which Non-OECD	0.64	0.61		0.70	0.58	0.59	0.59	0.68	0.91	0.99	0.66	0.33

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Dec 00	Jan 01	Feb 01	Year Earlier Feb 00	change
OECD North America												
Venezuela	0.03	0.03		0.04	0.03	0.01	0.04	0.04	0.02	0.02	0.05	-0.03
Other Central & South America	0.02	0.01		0.01	0.00	0.02	0.02	0.03	0.05	0.03	0.01	0.02
ARA (Belgium Germany Netherlands)	0.00	0.00		0.00	-	-	-	-	-	0.00	0.00	0.00
Other Europe	-	0.00		-	-	-	0.00	0.00	0.01	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.00	0.01	0.01	0.00	0.01	0.02	0.03	0.00	0.03
Algeria	0.00	0.00		0.01	-	0.00	0.00	0.00	0.01	0.01	0.01	0.00
Other Middle East & Africa	0.00	0.01		0.01	0.00	-	0.01	0.02	0.07	0.03	-	-
Singapore	0.02	0.01		0.01	0.00	0.00	0.01	0.01	0.01	0.02	0.02	0.00
OECD Pacific	0.03	0.05		0.01	0.06	0.08	0.05	0.05	0.02	0.04	0.02	0.03
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.00	0.00	0.01	0.01	0.03	0.01	-	-
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.09	0.12	0.14	0.14	0.17	0.22	0.20	0.11	0.09
of which Non-OECD	0.08	0.07		0.08	0.06	0.06	0.09	0.13	0.21	0.15	0.09	0.06
OECD Europe												
OECD North America	0.00	0.00		-	0.01	0.00	0.00	0.00	-	0.00	-	-
Venezuela	0.01	0.01		0.00	0.01	0.02	0.01	-	-	0.00	-	-
Other Central & South America	-	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	0.00	0.00	-	-	0.00	-
FSU	0.03	0.02		0.01	0.02	0.03	0.02	0.02	0.02	0.03	0.02	0.01
Saudi Arabia	0.01	0.02		0.01	0.03	0.01	0.01	0.01	0.02	0.03	0.00	0.03
Algeria	0.01	0.01		0.01	0.01	0.02	0.01	0.01	0.00	0.01	-	-
Other Middle East & Africa	0.03	0.07		0.05	0.07	0.08	0.07	0.07	0.11	0.12	0.05	0.07
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.03	0.02	0.05	0.05	0.04	0.01	0.00	0.01	-0.01
Total²	0.12	0.17		0.12	0.17	0.22	0.18	0.15	0.16	0.19	0.08	0.11
of which Non-OECD	0.11	0.17		0.12	0.16	0.22	0.18	0.15	0.16	0.19	0.08	0.11
OECD Pacific												
OECD North America	-	0.00		0.01	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		0.01	-	-	0.00	-	-	0.01	0.01	0.00
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		0.02	-	0.00	0.01	0.02	0.04	0.02	0.02	0.00
Singapore	0.03	0.01		0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01	-0.01
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.03	0.01	0.00	0.03	0.03	0.04	0.08	0.04	0.05
Other	-	0.03		0.01	0.04	0.03	0.05	0.06	0.05	0.07	0.01	0.06
Total²	0.07	0.07		0.09	0.05	0.04	0.10	0.12	0.13	0.19	0.09	0.10
of which Non-OECD	0.07	0.07		0.09	0.05	0.04	0.10	0.12	0.13	0.19	0.09	0.10
Total OECD Trade²	0.30	0.37		0.30	0.33	0.41	0.42	0.44	0.52	0.58	0.28	0.30
of which Non-OECD	0.26	0.31		0.29	0.27	0.32	0.37	0.39	0.50	0.53	0.26	0.27

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Dec 00	Jan 01	Feb 01	Year Earlier	
											Feb 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.05	0.04	0.09	0.12	0.12	0.09	0.06	0.03
Other Central & South America	0.05	0.07		0.04	0.05	0.08	0.11	0.09	0.13	0.06	0.05	0.01
ARA (Belgium Germany Netherlands)	0.01	0.01		0.00	0.01	-	0.03	0.03	0.03	0.06	-	-
Other Europe	0.01	0.03		0.01	0.02	0.05	0.05	0.05	0.07	0.09	-	-
FSU	0.02	0.01		0.01	0.01	0.02	0.02	-	0.02	0.02	0.02	0.01
Saudi Arabia	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Algeria	0.04	0.05		0.04	0.05	0.05	0.05	0.05	0.08	0.02	0.02	0.00
Other Middle East & Africa	0.01	0.02		0.01	0.01	0.01	0.03	0.03	0.03	0.03	0.05	-0.02
Singapore	0.00	0.00		0.01	0.01	0.00	0.00	0.01	0.00	0.01	0.01	-0.01
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.00	0.00	0.02	0.03	0.03	0.02	0.00	0.02
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.21	0.26		0.17	0.20	0.27	0.39	0.41	0.51	0.40	0.21	0.19
of which Non-OECD	0.19	0.22		0.16	0.17	0.22	0.32	0.33	0.43	0.27	0.21	0.06
OECD Europe												
OECD North America	0.02	0.01		0.03	0.01	0.01	0.01	-	0.03	0.03	0.02	0.01
Venezuela	0.01	0.01		0.01	0.01	0.00	0.02	0.02	0.03	0.00	-	-
Other Central & South America	0.01	0.02		0.04	0.02	0.01	0.01	0.02	0.05	0.02	0.03	0.00
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.00
FSU	0.17	0.19		0.14	0.21	0.24	0.17	0.17	0.15	0.25	0.16	0.09
Saudi Arabia	0.00	0.00		-	-	-	0.00	0.00	0.00	-	-	-
Algeria	0.00	0.00		0.00	-	0.00	0.00	-	-	-	0.01	-
Other Middle East & Africa	0.08	0.07		0.06	0.07	0.07	0.08	0.09	0.08	0.05	0.04	0.01
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Other	0.02	0.08		0.08	0.07	0.09	0.07	0.04	0.12	0.02	0.10	-0.08
Total²	0.32	0.39		0.37	0.40	0.44	0.37	0.35	0.46	0.39	0.38	0.02
of which Non-OECD	0.31	0.38		0.35	0.39	0.43	0.35	0.35	0.44	0.37	0.36	0.01
OECD Pacific												
OECD North America	0.00	0.00		0.00	-	0.00	0.00	-	0.00	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	0.01	-	-	-	-	-	-	-
Singapore	0.01	0.01		0.01	0.02	0.01	0.00	-	-	0.01	0.00	0.01
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.08	0.07	0.06	0.04	0.05	0.05	0.04	0.07	-0.04
Other	0.01	0.01		0.01	0.01	0.01	0.02	0.02	0.00	0.03	0.02	0.02
Total²	0.08	0.09		0.10	0.11	0.09	0.07	0.07	0.05	0.08	0.10	-0.01
of which Non-OECD	0.08	0.09		0.10	0.11	0.09	0.06	0.07	0.05	0.08	0.10	-0.01
Total OECD Trade²	0.61	0.74		0.64	0.71	0.80	0.82	0.83	1.02	0.88	0.68	0.20
of which Non-OECD	0.57	0.69		0.61	0.67	0.74	0.74	0.75	0.92	0.72	0.66	0.06

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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12 June 2001

HIGHLIGHTS

- Following the UN Security Council's decision to extend the Iraqi oil-for-food programme for one month instead of six, Iraq halted exports under the programme on 4 June, taking 2.1 mb/d of supply out of the market. Iraq indicated that the suspension would last for one month. While Saudi Arabia and other OPEC producers said that they were prepared to make up for the shortfall if needed, OPEC ministers decided the next day to leave production unchanged and to meet again on 3 July.
- The lack of a strong market reaction to the suspension of Iraqi oil-for-food exports, along with more comfortable inventories in the Atlantic Basin, indicate that the prompt physical crude markets are adequately supplied. However, crude tightness is expected to return, when refiners buy crude to meet seasonally increasing product demand. The uncertain economic situation still poses a risk to underlying oil demand growth.
- The forecast for 2001 oil product demand is unchanged at 76.55 mb/d. The US, which provided half of the first quarter's demand growth, will continue to be the single largest source of growth for the full year, as European and Asian economies come under pressure. Demand growth in China and the FSU is expected to remain relatively immune from the global economic slowdown.
- Total OECD industry stocks rebounded in April, gaining 40 million barrels over the previous month, in line with normal seasonal patterns. Product stocks, including gasoline, experienced the largest gains, while North American crude stocks also surged.
- Gasoline prices have fallen sharply since early May, wiping out most of April's extraordinary gains. Crude prices rose strongly throughout the month, but since late May, the upward momentum has been lost. Refining margins in the major centres fell sharply, and are now healthy only in the US. Discretionary run cuts have been reported in Europe.

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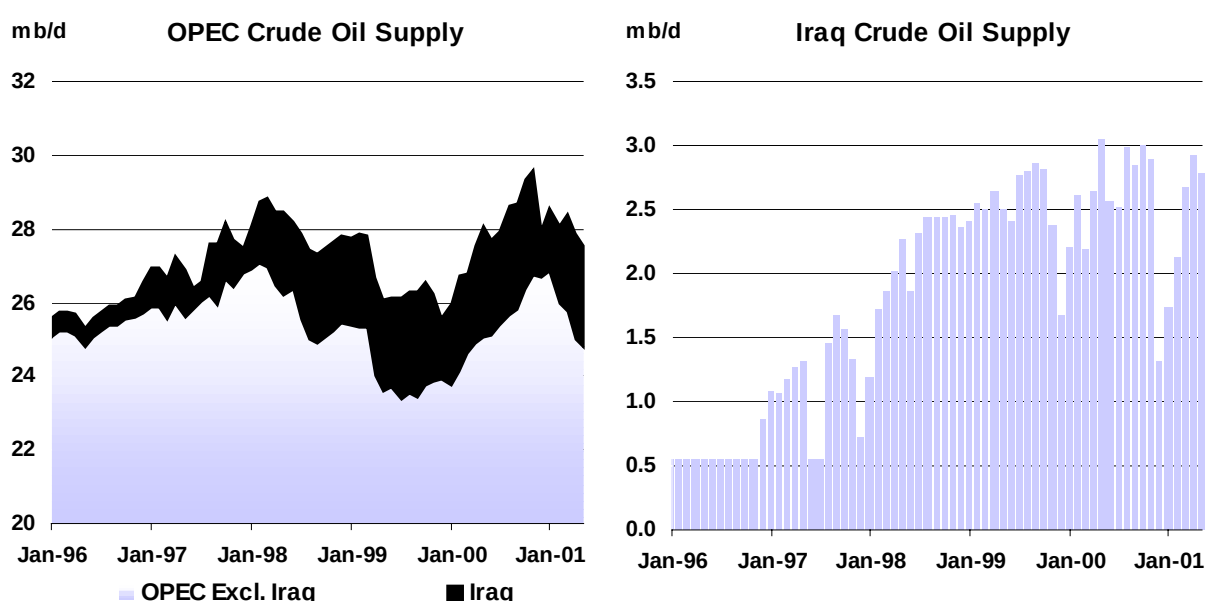
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JUST-IN-TIME PRODUCTION?

Treating the loss of Iraqi exports as a separate issue, OPEC decided not to increase production targets at its recent meeting in Vienna. The decision by Iraq to stop oil-for-food exports removes over 2 million barrels a day from the market and, if continued for a month, would result in a loss of over 60 million barrels of supply. Since the duration of the supply disruption is uncertain, one might have expected a quick price response.

Instead, markets have reacted calmly to the news. Why? This is not the first time Iraq has suspended exports, and administrative and logistic delays and supply disruption have occurred routinely at the end of each UN-authorised oil-for-food phase. With surplus production capacity exceeding 4 million barrels per day in key producing states, physical capacity to make good the shortfall in Iraqi supply certainly exists. Given the reassurance of producers that they are prepared to ensure adequate supply, and a rebound in crude and product stocks, the market, at least for now, has shrugged off the loss of Iraqi supply.



OPEC's decision to rollover production targets was also widely anticipated. Analysts expected producers to defend their price targets, in the face of uncertainties surrounding the global economy, the reduction in oil demand growth and a sharp rebound in crude and product stocks. Coupling the rollover with an announcement for a further meeting on 3 July to reassess market conditions, calmed the market.

Nonetheless demand in the third quarter habitually has grown 1 million barrels a day over the second quarter, and the fourth quarter typically sees further growth of another 2 million barrels. Independent of the Iraqi supply disruption, the market will need more oil in the second half of the year. The fundamentals remain to be faced.

Producers recognise these seasonal trends and say it is simply a matter of time before they increase crude production. But given the infrastructure constraints and inevitable time lags, it is important that producers do increase production to allow stocks to build in advance of peak demand. If Iraq remains out of the market, this situation is all the more pressing.

Stocks at levels beyond those existing at the same time last year should be no grounds for complacency. Global demand is still growing, despite the economic uncertainties. And stocks still have a way to go to regain the customary level of the 1990s, with OECD total oil industry stocks still three days lower in terms of forward cover.

DEMAND

Summary

- The assessment of global oil product demand for 2001 remains unchanged, at around 76.55 mb/d. A small gain in the demand assessment for OECD countries, compared with last month's forecast, is expected to offset a small drop elsewhere.
- In the OECD, the dampening effect on demand of the US economic slowdown and high prices continues to be partly offset by North American fuel switching from natural gas for power generation. The overall assessment of OECD 2001 demand has also been bolstered by revisions to 1999 demand, which have been carried forward as an adjustment factor. Upward revisions to 1999 demand in OECD Europe and Asia-Pacific exceed downward revisions to Mexican and Canadian demand by an average of 80 kb/d.

Global Oil Demand from 1999 to 2001

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q99	75.9	3.3	2.4	0.1
2Q99	73.0	1.3	1.0	0.1
3Q99	74.1	1.4	1.0	0.1
4Q99	76.5	1.5	1.1	0.1
1Q00	75.6	-0.3	-0.2	-
2Q00	74.1	1.5	1.1	0.1
3Q00	76.1	2.7	2.0	-
4Q00	76.5	-0.1	0.0	0.1
1Q2001	76.7	1.4	1.1	-
2Q2001	74.8	1.0	0.8	-0.1
3Q2001	76.6	0.6	0.5	0.1
4Q2001	78.1	2.1	1.6	0.1
1999	74.9	1.9	1.4	0.1
2000	75.6	1.0	0.7	0.1
2001	76.5	1.3	1.0	-

* year-on-year change

- Demand growth in the US and Canada was by far the strongest in the OECD in the first quarter, and should remain so for the year as a whole. By contrast, first quarter demand contracted slightly in OECD Europe, and would have done so in OECD Pacific as well, if not for the very strong growth posted in January due to Y2k distortions. Oil demand in OECD Pacific is now expected to contract in the second quarter and may not start growing again in earnest until the fourth quarter.

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2000	1999	2000	2001	1999	2000	2001
North America	24.10	0.68	0.33	0.29	3.0	1.4	1.2
Europe	15.84	-0.09	-0.12	0.08	-0.6	-0.7	0.5
OECD Pacific	8.65	0.27	-0.04	0.00	3.2	-0.4	0.1
China	4.79	0.30	0.30	0.21	7.3	6.6	4.3
Other Asia	7.18	0.31	0.12	0.10	4.5	1.8	1.4
Subtotal Asia	20.62	0.88	0.38	0.31	4.6	1.9	1.5
FSU	3.51	-0.23	0.01	0.00	-6.1	0.4	0.1
Middle East	4.38	0.12	0.09	0.17	2.9	2.1	3.9
Africa	2.34	-0.02	0.01	0.04	-0.7	0.4	1.9
Latin America	4.80	0.02	0.01	0.06	0.4	0.3	1.3
World	75.58	1.37	0.71	0.97	1.9	1.0	1.3

- In the FSU, apparent demand has been stronger than anticipated so far this year as gains in crude oil production defied expectations and fuelled relatively robust economic growth. Chinese apparent demand growth also continued to recover, as anticipated, from a dip in December and January. Both economies are relatively insulated from the US slowdown. By contrast, demand in Latin America is faltering, due in part to the region's exposure to the US economy. This does not spare OECD member Mexico, where preliminary data show that demand contracted for the fifth consecutive month in April. Indian demand, which remained flat in the first quarter after falling late last year, appears to have resumed its downward path in April.

OECD

Diverging Trends

Even more than in previous months, the relative strength of oil products demand in the US and Canada stands in contrast with the weaker picture offered by the rest of OECD. For the first quarter, North American demand is now estimated to have grown by a comparatively robust 2.7%, to 24.3 mb/d, while demand rose much more modestly in OECD Pacific - up only 0.9%, to 9.44 mb/d - and even fell 0.5% in OECD Europe, to 15.09 mb/d. Preliminary data show US demand continuing to grow in April, but demand falling steeply in Japan and Korea, by roughly 5%, and receding by nearly 3.5% in Mexico. April demand also slipped in Germany, Europe's largest economy.

Substantial revisions to March demand data sharpen the contrast for the first quarter. Higher assessments of LPG deliveries raised March demand by more than 400 kb/d in the US alone, to 19.89 mb/d, even as estimates for OECD Europe were cut by nearly 300 kb/d, including 220 kb/d in the four largest European economies.

March North American demand as a whole was raised by roughly 330 kb/d from previous estimates, as the gain in the US more than offset a 100 kb/d cut in Mexico, due in part to historical revisions to 1999 demand, which have been carried forward as an adjustment factor.

Those revisions are part of a regular review of yearly data by the IEA covering more products than monthly surveys, and including trade information that is sometimes available only months after the fact. For North America, they include a downward adjustment of roughly 55 kb/d a month for Mexico, and smaller cuts for Canada averaging minus 12 kb/d for the first quarter and minus 29 kb/d for the full year. Had those adjustments not been carried over, North American demand would have been 70 kb/d stronger than otherwise in the first quarter of 2001, and would be forecast 85 kb/d higher for the full year.

The reverse situation applies to OECD Europe, where March demand was revised down sharply despite a 100 kb/d upward adjustment factor carried over from 1999 revisions. The latter translate into monthly adjustment factors of about 40 kb/d for Italy, 25 kb/d for France and 15 kb/d for the UK. Without those revisions, the assessment of March OECD European demand would have been lowered by nearly 400 kb/d.

In OECD Pacific, 1999 revisions add 33 kb/d to monthly demand for Japan, 22 kb/d for Korea and 5 kb/d for New Zealand. Australian demand has been adjusted upwards by 7 kb/d for the first half of the year but not at all for the second. On average, monthly demand in OECD Pacific has been adjusted upwards by 63 kb/d. For March 2001, Japanese demand was revised upwards by an additional 85 kb/d, bringing total revisions to OECD Pacific demand for that month to nearly 150 kb/d.

Overall, the very low assessment of March OECD demand derived from preliminary figures last month has thus been raised by 180 kb/d. Substantial upward revisions to Turkish and Belgian demand for January raised estimates for that month by an even larger 220 kb/d. For the first quarter as a whole, OECD demand now appears 160 kb/d stronger than estimated last month, of which 100 kb/d is due to adjustment factors derived from 1999 annual surveys.

Yet the outlook for OECD oil demand for 2001 as a whole remains one of moderate growth. Oil demand contracted slightly in OECD Europe in the first quarter, due in part to price effects and economies that are proving less immune to the US slowdown than had been anticipated. As concerns about the European economies deepen, regional oil demand is not expected to grow significantly until the fourth quarter, offsetting the strong decline of last year.

The outlook for OECD Pacific demand is even gloomier. After strong growth of 8.6% in January, demand fell 1% in February and 4.1% in March, and looks to have shrunk by another 4.3% in April. The January increase was inflated by the decline of a year earlier that followed Y2k precautionary stock building. Without Y2k distortions, first-quarter OECD Pacific demand would have fallen substantially. Based on preliminary April data, demand in the region fell 380 kb/d short of expectations and appears set for a contraction in the second quarter. There too, growth in oil demand may not resume in earnest until the final quarter.

North America, the main bastion of OECD demand growth so far this year, should remain so until the fourth quarter, when demand in the other OECD regions is expected to pick up. But North American demand seems set for a slowdown, as fading support from power generators should compound the impact of Mexican demand contraction, and of gasoline and jet fuel price effects. Based on preliminary data, North American demand in April fell 130 kb/d short of expectations. Though this was offset by higher-than-expected demand in OECD Europe, recent upward revisions to first-quarter demand will not be extended to the full year, but will be partly offset by a second-quarter shortfall.

Preliminary Inland Deliveries – April 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	mb/d	% pa	mb/d	% pa	Mb/d	% pa	Mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.50	1.5	1.64	-2.3	2.38	-5.6	1.34	42.5	0.93	19.3	4.23	-6.6	19.02	1.1
Mexico	0.53	4.7	0.06	1.8	0.27	3.0	0.00	-100.0	0.47	-13.4	0.33	-4.7	1.66	-3.4
Japan	0.98	2.2	0.44	-9.4	0.70	-2.8	0.47	-1.5	0.48	-6.8	1.63	-9.3	4.70	-5.2
Korea	0.16	-8.0	0.05	35.0	0.35	-6.8	0.10	-40.1	0.34	-2.9	0.90	2.5	1.90	-4.9
France	0.32	1.5	0.14	5.8	0.58	8.0	0.28	6.5	0.05	-16.8	0.49	-2.8	1.86	2.5
Germany	0.63	-7.9	0.16	2.3	0.56	-1.7	0.51	8.8	0.12	14.0	0.47	-1.2	2.45	-0.5
Italy	0.39	-2.2	0.07	-5.1	0.38	9.6	0.09	4.9	0.22	-13.1	0.43	3.8	1.58	0.4
Total	12.17	0.9	2.66	-2.2	5.61	-1.7	2.91	16.3	2.76	1.5	8.70	-8.9	34.80	-0.3

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, Italy Ministry of Industry, Mexico Pemex, Korea PEDCO

Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Based on revised data for March 2000

Preliminary figures for inland deliveries of petroleum products in April were available for seven of the OECD's largest economies and offer an initial preview of deliveries for the second quarter (see table above). Overall, this thumbnail picture seems to point to a further slowdown in OECD demand, though it offers some bright spots.

On the bearish side, overall deliveries of oil products in these selected markets were slightly lower than last year, and the only substantial demand growth was for residual fuel oil and "other gasoil", whose share of the energy mix normally declines in the spring and summer. Extending previous patterns, demand for residual fuel oil grew only in the US and Germany and declined elsewhere, dropping at double-digit rates in France and Italy. US demand growth, although vigorous, was down substantially from the previous month, and is expected to decline further. And German demand for "other gasoil" should ease off after homeowners have replenished residential tanks.

US gasoline demand growth, while still comparatively strong at 1.5%, was down from 2.1% in March, a slowdown that weekly reports from the US Department of Energy suggest continued into May. With deliveries falling further in Korea, Germany and Italy, despite an uptick in France, overall gasoline demand growth stalled at below 1% for the group. Jet fuel demand also turned negative in the US for the first time since March of last year, and continued to fall in Japan.

On a brighter note, European deliveries of jet fuel and kerosene, two products for which demand is considered a leading economic indicator, appear to have been on an upswing in April. Diesel demand gained nearly 10% in Italy, extending first-quarter gains, and swung back to 8% growth in France after inching lower in March. The decline in German diesel deliveries evident in March also slowed down in April, despite the fact the German diesel demand had been very strong in April of 2000. Jet fuel demand swung back to growth in Germany and France, reversing March's decline, but moved in the opposite direction in Italy.

Furthermore, preliminary US data may have underestimated April deliveries of “other products”. Lower natural gas prices in April compared to two months earlier suggest that larger volumes of LPGs were extracted from natural gas and delivered to the market than assumed in DOE preliminary assessments. Understatement of LPG deliveries was a substantial source of DOE data revisions for March.

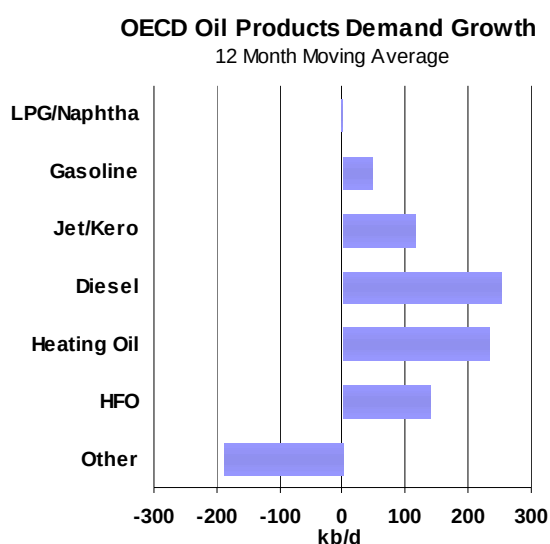
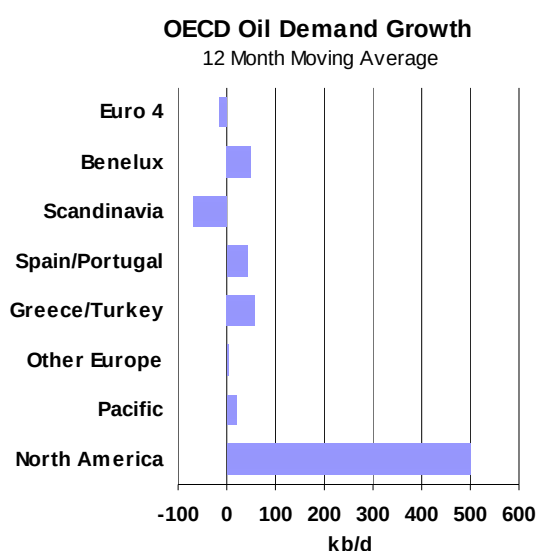
Moving Annual Average Change in Oil Demand – April 2000

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-5.4%	16.3%	0.9%	4.0%	5.2%	11.3%	20.3%	-6.5%	1.8%	348
Canada	18.2%	-3.4%	0.6%	0.9%	1.2%	8.3%	24.9%	1.3%	5.9%	119
Mexico*	1.0%	-53.9%	4.3%	4.6%	3.5%	3.1%	1.9%	-29.6%	0.9%	18
Japan	-0.1%	0.7%	2.3%	2.6%	-2.9%	1.5%	-4.8%	-6.5%	-0.6%	-32
Korea	3.9%	3.2%	-2.5%	-5.5%	5.3%	-10.3%	2.1%	-43.2%	0.9%	19
France	-5.0%	0.8%	-5.4%	1.8%	0.7%	0.4%	-13.9%	-1.3%	-1.8%	-36
Germany	-0.4%	-2.2%	-5.4%	3.5%	7.7%	9.6%	14.3%	-16.0%	1.9%	53
Italy	1.7%	2.9%	-3.6%	0.5%	5.5%	-1.8%	-8.7%	4.3%	-1.3%	-25
UK*	-12.7%	-14.6%	-1.4%	7.7%	1.0%	1.0%	-9.0%	-5.5%	-1.7%	-29
Total	-1.8%	1.7%	0.3%	3.0%	3.5%	5.5%	4.3%	-6.1%	1.1%	422
Kb/d	-77	42	43	108	192	201	148	-236	422	

* near-month data are estimated

The twelve-month moving averages of oil demand growth for the nine largest OECD markets in April fully reflected the diverging dynamics of demand in the US and Canada, and in the group’s other economies. The overall index of oil demand growth was little changed, up just one tenth of a percentage point to 1.1% from March, extending the gains of the first quarter, albeit more slowly than in the previous month. But with the exception of Italy, where demand contraction slowed from minus 1.4% in March to minus 1.3%, gains in the US and Canada accounted for all of the advance in the aggregate figure.

The German demand index, the only one of the four European indices represented that shows demand growth, fell the most, down one full percentage point to 1.9%. The Mexican index followed suit, down 0.8 percentage point to 0.9%, as demand there contracted in April for the fifth month in a row. The Korean index shed 0.6 percentage point, also to 0.9%, while the Japanese index reflected continued demand contraction, down 0.1 percentage point to minus 0.6%.



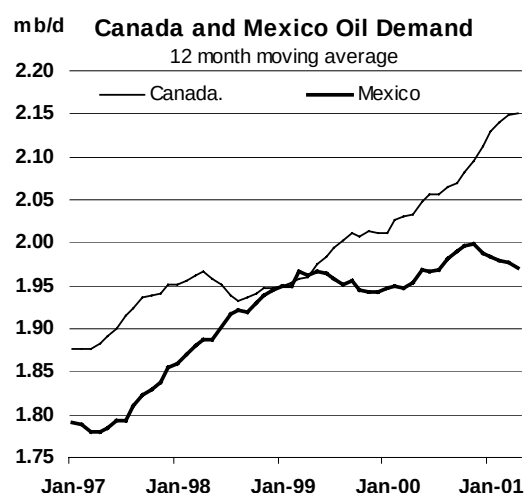
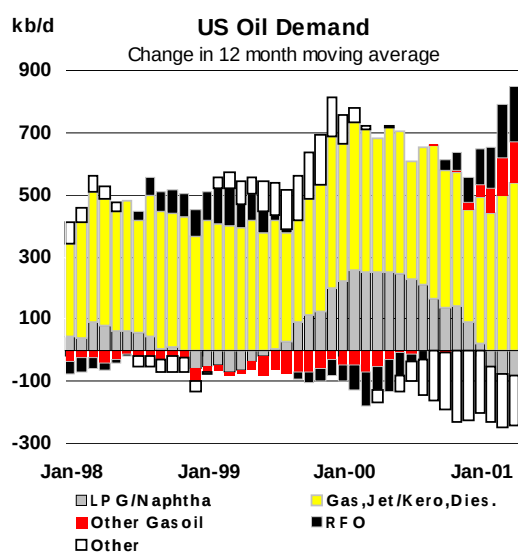
In a sharp departure from recent months, the moving averages both for residual fuel oil demand and for “other gasoil” demand, while still the strongest of the product mix, declined in April. The “other gasoil” index fell by half a percentage point to 5.5% in April after rising by 4.2 percentage points in March. Despite continued gains in the US and Canada, the aggregate moving average of residual fuel oil demand retreated by 0.2 percentage point to 4.3%, after rising from 0.4% in January to 2.1% in

February and 4.5% in March. The shift reflects the declining impact of fuel switching away from natural gas towards residual fuel oil by North American power generators, in the face of a reverse switch by European power generators.

North America

North American will remain the single largest engine of oil demand growth for 2001 as a whole, as it has been - by a wide margin - in the first quarter. However, the pace of growth will slow. In absolute terms, this Report's assessment of North American demand in 2001 has been trimmed by 40 kb/d, to 24.29 mb/d. Because the estimate of 2000 demand has been cut by 80 kb/d, the year-on-year increase in North American demand for this year has been raised by 40 kb/d, to 290 kb/d. But recent economic indicators have done little to alleviate concerns about the US economic slowdown. While this Report continues to assume a rebound in the US economy in the second half, the persistent risk of a deeper economic downturn means that North American demand for 2001 may still fall short of expectations.

In the US and Canada, however, it is the strength of power generation demand for heating oil and residual fuel oil that has defied expectations in recent months. Year-on-year gains in demand for those fuels have continued to trend at extremely high rates well past the peak of the traditional heating season, extending into the transitional "shoulder" period before the start of the cooling demand season. This unexpected strength reflects in part precautionary stock building, principally on the West Coast, where sales of back-up diesel generators for industrial facilities and even residential use have been soaring in the face of the region's power supply problems. While electric utilities elsewhere were also reported to be refilling long-idled fuel tanks in the event of natural gas shortages this summer, actual fuel burning for power generation appears less likely amid falling natural gas prices. Power generation demand for oil products demand should thus fall more closely in line with the historical range.



Continued slowdown in the US economy should also cap industrial oil demand. US first-quarter GDP growth was revised down to 1.3% from an earlier 2% estimate – barely up from 1% in the fourth quarter of last year, and down sharply from the annual growth rate of more than 4% that the economy averaged in the previous five years. First quarter GDP may be trimmed further when the government releases its final revisions in late June. US factory orders fell in April for the first time since January, by 3%, and were revised as a 0.7% gain in March from the 1.4% increase previously estimated. Durable goods orders fell by 5% in April after rising 1.9% in March.

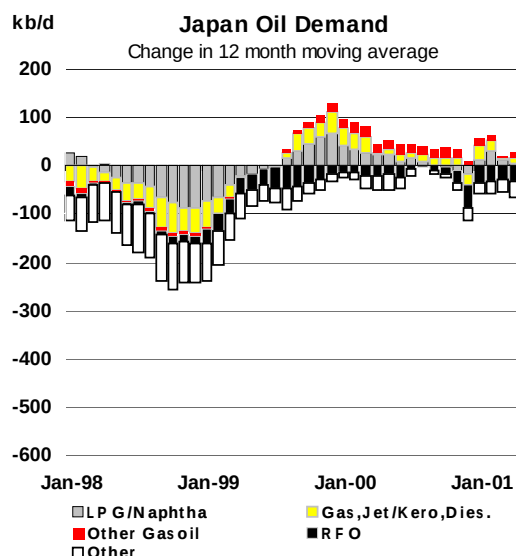
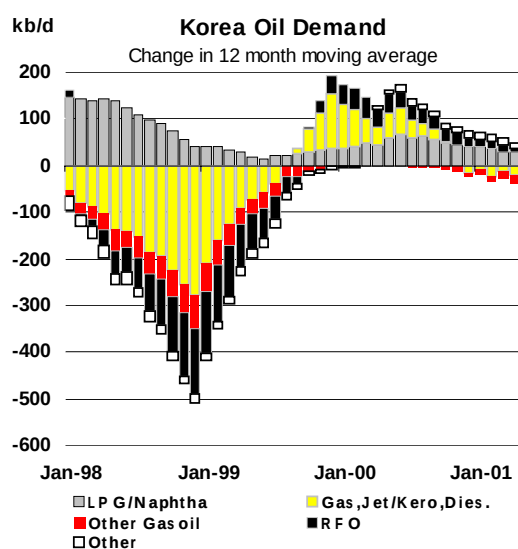
No less worrisome, the US unemployment rate has risen from 3.9% last fall to 4.4% in May. This bodes ill for jet fuel and gasoline demand growth in the current high-price environment, as consumer spending falls with employment rates. US gasoline demand growth already eased from 2.1% in March to an estimated 1.5% in April. Preliminary data suggests that it fell further in May. US sales of sport utility vehicles, a relatively fuel inefficient type of automobile that made up 17% of US car sales last year, fell nearly 10% in the first four months of this year, and dropped 14% in April. Consumer

surveys confirm that car buyers have grown far more sensitive than last year to “excessive fuel consumption” as a problem with recent-model trucks, including SUVs.

As mentioned previously, Mexican demand has proved highly sensitive to the US slowdown, with oil products deliveries falling consistently from December to April. Much of the decline stems from reduced output in US export-oriented industries.

Pacific

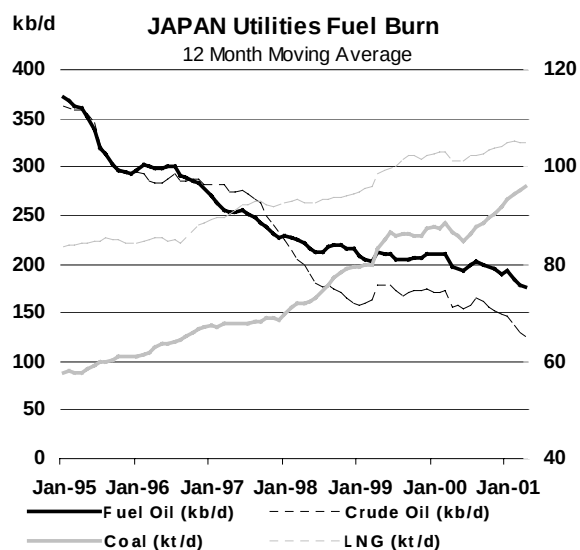
The assessment of OECD Pacific oil demand is raised by just 10 kb/d for 2001, to 8.66 mb/d, due to a 60 kb/d upward revision to 1999 demand that was carried forward as an adjustment factor. But Japan's deepening economic woes and Korea's travails are now expected to wipe out all demand growth for the region this year, making it the weakest regional market of the OECD.



Korean demand fell in April for the third consecutive month, by 4.6%, and likely retreated in May as well. Japanese demand fell by more than 5% in both March and April, while New Zealand demand shrank throughout the first quarter. Only Australian demand showed some resilience, up 1.3% in March, on the back of 1.1% GDP growth in the first quarter.

In addition to the country's economic hurdles, Japanese oil demand was undermined by poor electric utility demand amid warmer-than-normal temperatures and continued fuel switching away from oil by power generators. Japanese temperatures averaged 13.5 degrees Celsius in April, compared with 12.5 last year and 12.6 on average. In March, temperatures reached 7.4 degrees this year, versus the normal 6.9 averaged last year. February temperatures were within the norm but higher than those of last year.

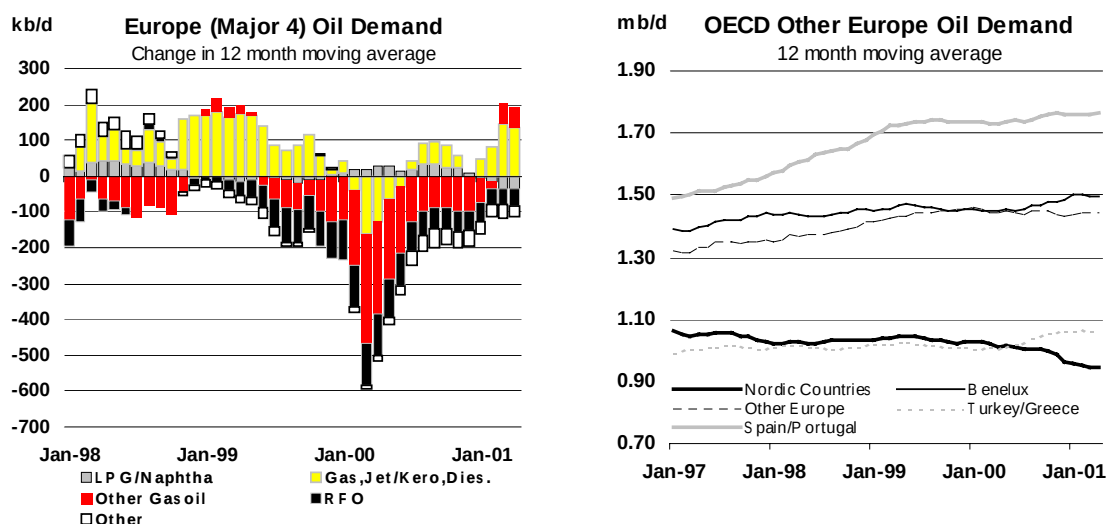
Japanese utilities for years have been cutting back on residual fuel oil and direct crude oil burning, in favour of coal and liquefied natural gas. In April, utility consumption of residual fuel oil fell 18.3% from a year earlier, to 90 kb/d, while crude oil burning dropped 44% to 40 kb/d, for a combined drop of 50 kb/d in Japanese oil consumption. By contrast, utility coal burning rose 13.7%, and LNG consumption inched up 2%.



Europe

Upward revisions of 100 kb/d for OECD European demand in 1999 have been carried forward as an adjustment factor. As a result, the assessment of 2001 OECD European demand was raised 80 kb/d, to 15.16 mb/d. The demand growth forecast for this year is thus cut by 20 kb/d, to 80 kb/d.

However, concerns over the US economic slowdown have spread to Europe, as the region has proven less insulated from transatlantic trends than previously thought, and domestic consumer demand has been showing signs of erosion. Consumer confidence in the euro area, while still at historically high levels, fell more than expected in May, after three months of holding steady. The main factors for the decline were fears of unemployment and price expectations.



Industrial confidence declined in May as well, while the euro-zone purchasing managers' index for manufacturing fell in May to its lowest level in nearly three years. In the UK, an authoritative survey of manufacturing companies showed output falling at its fastest rate since the end of the sector's last recession in late 1998. UK unemployment is also rising at its fastest rate in more than two years.

As fears of unemployment rise, high oil prices could have a greater effect on European consumer demand for transportation fuels. Gasoline demand already has been steadily declining in the region, as motorists switched from gasoline engines to more fuel-efficient and tax-advantageous diesel cars.

Continued high oil prices and deteriorating economic conditions could also lead to higher inflation and further undermine the health of euro-zone economies. Recent weak economic data have pushed the euro to new lows for the year, inflating oil importing countries' energy bills as they must pay more for high-priced, dollar-denominated oil imports. Higher import prices contribute to inflation and further erode local economies.

Non-OECD

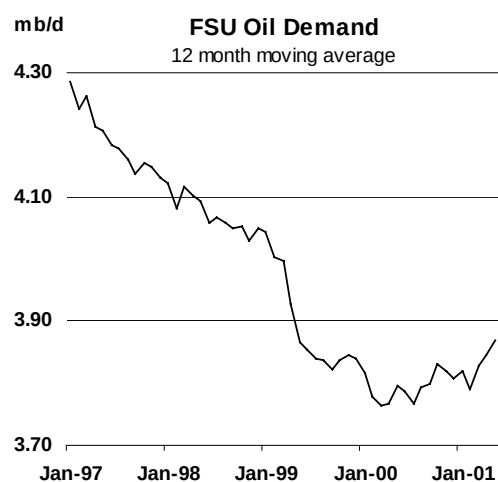
Former Soviet Union

Higher-than-expected oil production has resulted in higher apparent demand in the FSU so far this year, while fuelling robust economic growth in countries that are relatively insulated from the US slowdown. The assessment of apparent FSU demand has been revised up by 50 kb/d for the second quarter, to 3.46 mb/d, and by 60 kb/d for the third and fourth quarters. Full-year demand is expected to inch up slightly to 3.52 mb/d.

While slower than last year, Russian GDP growth of 4.2% for the first quarter remains robust by current international standards. Former Soviet republics such as Kazakhstan are expected to show even faster growth. Russian retail trade turnover reached nearly 10% in the first four months of this year, while the Russian construction index also gained. Russia's fiscal picture is much stronger, with a budget surplus of 4% in the first quarter despite much larger debt-servicing payments.

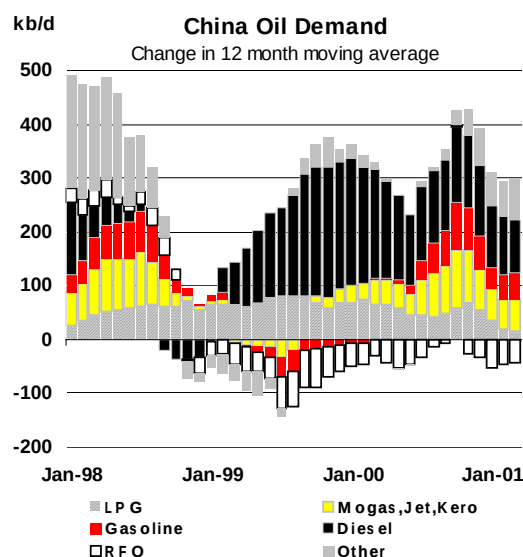
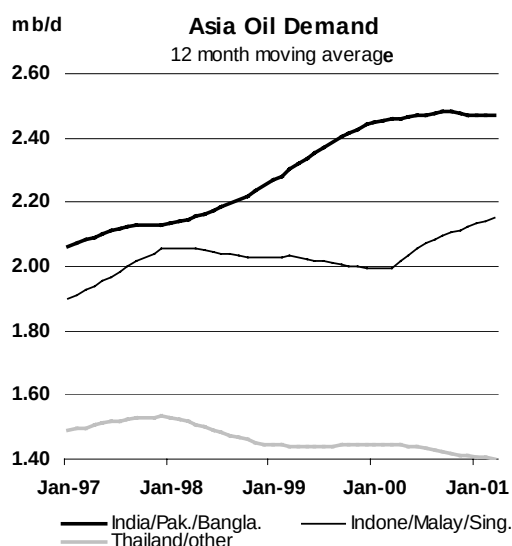
While continued gains in crude production and sustained economic growth bode well for oil consumption, demand growth should remain capped by two factors. First is the continued displacement of oil by natural gas, and, to a lesser extent, coal and nuclear power, for electricity generation in various FSU countries, including Azerbaijan, Belarus and Ukraine.

Second is the dampening effect of higher oil prices and related energy and transport prices, which is curbing both oil demand itself and economic growth. Even as international prices rose over the last year, FSU domestic markets have become more aligned with international ones. This is notably the case in Russia, where the government and oil companies have progressively raised domestic oil prices, partly as a correction for the very strong decreases implemented after the financial crisis of August 1998.



China

Chinese apparent demand continued to recover, as expected, from a brief dip in December and January. Apparent demand rose 4.8% year-on-year to 4.89 mb/d in March, extending February's 2.3% gain. May apparent demand may have risen even more, as preliminary reports peg crude imports and refinery runs at record highs for that month.



While strong economic growth and aggressive public spending should continue to support Chinese oil consumption irrespective of the US slowdown, anecdotal reports suggest that apparent demand growth may soon have to retrench. Strong buying by retailers and end-users in expectation of higher prices apparently went some way into helping refiners draw down storage in tanks that were reported brimming at year's end. Yet the draw-down was less than expected by mid-May, so that refiners were again faced with the prospect of having to cut back of crude processing rates for want of market outlet for their products. Moreover, several large refineries were due to shut down for maintenance in May, including the 220 kb/d Zhenhai, 200 kb/d Jinling Petrochemical and 155 kb/d Qilu Petrochemical plants.

India

Early reports point to a slight contraction in Indian oil demand for April, as consumption of gasoil, the mainstay of the Indian product mix, continued to decline. LPG demand growth pegged around 8.5% was up from February and March, but down sharply from the double-digit growth rates experienced since autumn of 1998.

Other Non-OECD

Oil demand contracted by 9.7% in Peru in the first quarter, extending drops of 12.3% in the fourth quarter of last year, 3.3% in the third and 3.6% in the second. Peruvian GDP contracted by 3.6% in March while industrial output declined by 6.3%.

Other Latin American economies are experiencing lower oil demand, due in part to the toll taken on their economies by the US slowdown. Argentina, whose GDP fell 2% in the fourth quarter of last year, experienced oil demand contraction estimated at 3% in the first quarter.

Brazil's economy is further threatened by an electric power supply crisis that has led the government to introduce a draconian rationing program for the second half of the year. The program, which requires commercial and residential users to cut power consumption by at least 20%, is expected to cut into economic growth and lead to unemployment.

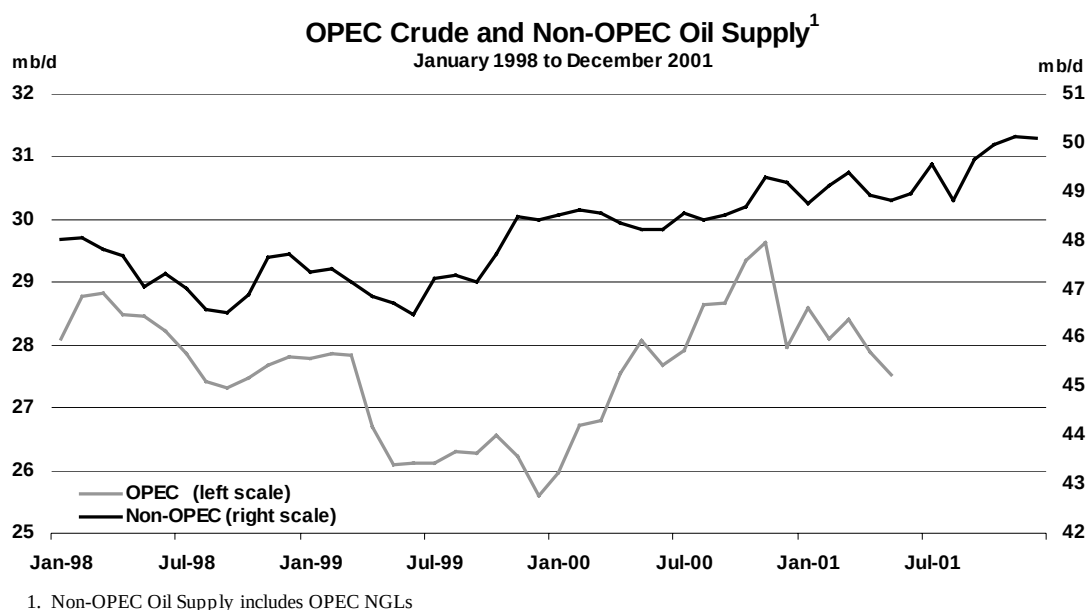
Summary of Global Oil Demand

	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
Demand (mb/d)																
North America	23.09	23.51	23.39	24.08	24.11	23.77	23.65	23.84	24.45	24.43	24.10	24.30	23.99	24.60	24.66	24.39
Europe	15.29	15.87	14.46	14.78	15.74	15.22	15.17	14.61	15.16	15.39	15.09	15.09	14.66	15.17	15.72	15.16
Pacific	8.42	9.47	7.93	8.22	9.15	8.69	9.35	8.09	8.35	8.81	8.65	9.44	7.91	8.32	8.96	8.66
Total OECD	46.80	48.85	45.78	47.08	49.01	47.68	48.17	46.55	47.96	48.64	47.84	48.84	46.55	48.10	49.34	48.21
FSU	3.73	3.63	3.28	3.44	3.66	3.50	3.54	3.39	3.45	3.67	3.51	3.64	3.46	3.39	3.57	3.52
Europe	0.76	0.80	0.74	0.69	0.74	0.74	0.81	0.75	0.69	0.75	0.75	0.81	0.76	0.70	0.76	0.76
China	4.19	4.38	4.61	4.33	4.64	4.49	4.73	4.55	5.05	4.82	4.79	4.72	4.97	5.02	5.27	4.99
Other Asia	6.75	6.98	7.08	7.05	7.10	7.05	7.10	7.27	7.22	7.13	7.18	7.22	7.28	7.31	7.32	7.28
Latin America	4.76	4.64	4.79	4.87	4.83	4.78	4.67	4.84	4.89	4.79	4.80	4.68	4.89	4.97	4.91	4.86
Middle East	4.17	4.26	4.35	4.37	4.17	4.29	4.26	4.41	4.52	4.33	4.38	4.41	4.58	4.70	4.50	4.55
Africa	2.35	2.32	2.31	2.32	2.36	2.33	2.37	2.32	2.32	2.35	2.34	2.40	2.35	2.37	2.41	2.38
Total Non-OECD	26.70	27.00	27.18	27.06	27.51	27.19	27.47	27.52	28.14	27.84	27.74	27.88	28.27	28.47	28.73	28.34
World	73.50	75.85	72.96	74.13	76.52	74.87	75.65	74.08	76.11	76.48	75.58	76.72	74.83	76.57	78.07	76.55
of which:																
US	18.92	19.21	19.22	19.80	19.83	19.52	19.27	19.48	20.02	19.98	19.69	19.80	19.61	20.09	20.17	19.92
Euro 4	8.69	9.04	7.97	8.30	8.84	8.54	8.46	8.08	8.43	8.56	8.38	8.35	8.05	8.36	8.76	8.38
Japan	5.52	6.21	5.06	5.27	5.89	5.60	6.01	5.01	5.41	5.63	5.51	6.10	4.90	5.35	5.67	5.50
Korea	1.92	2.28	1.87	1.96	2.22	2.08	2.33	2.06	1.95	2.18	2.13	2.32	1.98	1.99	2.26	2.14
Mexico	1.94	1.99	1.92	1.91	1.96	1.94	2.00	2.00	2.00	1.94	1.99	1.96	1.99	2.02	1.97	1.99
Canada	1.95	1.99	1.96	2.08	2.02	2.01	2.06	2.07	2.14	2.19	2.11	2.20	2.09	2.18	2.18	2.16
Brazil	2.08	2.02	2.09	2.14	2.14	2.10	2.02	2.12	2.18	2.21	2.13	2.18	2.24	2.28	2.20	2.20
India	1.84	2.04	2.00	1.94	2.01	2.00	2.09	2.04	1.99	2.07	2.05	2.16	2.10	2.18	2.16	2.14
Annual Change (% per annum)																
North America	1.7	4.0	2.1	2.8	3.0	3.0	0.6	1.9	1.6	1.4	1.4	2.7	0.6	0.6	0.9	1.2
Europe	1.8	3.1	-1.6	-2.7	-0.8	-0.5	-4.4	1.0	2.6	-2.2	-0.8	-0.5	0.3	0.1	2.1	0.5
Pacific	-6.0	3.2	2.3	3.2	4.1	3.2	-1.2	2.1	1.6	-3.7	-0.4	0.9	-2.3	-0.3	1.7	0.1
Total OECD	0.3	3.6	0.9	1.1	1.9	1.9	-1.4	1.7	1.9	-0.7	0.3	1.4	0.0	0.3	1.4	0.8
FSU	-1.6	-7.4	-10.2	-4.0	-2.9	-6.1	-2.4	3.5	0.5	0.2	0.4	2.9	1.8	-1.8	-2.5	0.1
Europe	-2.8	-2.2	-2.4	-2.5	-2.5	-2.4	1.1	1.4	1.3	1.3	1.3	0.0	1.3	1.3	1.3	1.0
China	-0.4	9.7	10.7	6.7	2.5	7.3	8.1	-1.4	16.6	3.8	6.6	-0.1	9.2	-0.6	9.2	4.3
Other Asia	1.1	6.2	5.2	4.9	2.0	4.5	1.7	2.6	2.3	0.4	1.8	1.6	0.1	1.3	2.6	1.4
Latin America	0.6	1.5	-0.5	-0.4	1.1	0.4	0.5	1.1	0.5	-0.9	0.3	0.2	0.9	1.6	2.4	1.3
Middle East	4.5	4.7	4.1	1.1	1.7	2.9	-0.1	1.2	3.5	3.7	2.1	3.7	3.9	4.0	3.9	3.9
Africa	2.9	-1.4	-0.9	2.2	-2.8	-0.7	2.1	0.1	0.1	-0.4	0.4	1.2	1.6	2.4	2.4	1.9
Total Non-OECD	0.9	2.7	2.0	2.0	0.7	1.8	1.7	1.3	4.0	1.2	2.0	1.5	2.7	1.2	3.2	2.1
World	0.5	3.3	1.3	1.4	1.5	1.9	-0.3	1.5	2.7	-0.1	1.0	1.4	1.0	0.6	2.1	1.3
Annual Change (mb/d)																
North America	0.38	0.90	0.48	0.65	0.70	0.68	0.15	0.45	0.38	0.33	0.33	0.65	0.15	0.15	0.22	0.29
Europe	0.27	0.48	-0.23	-0.41	-0.13	-0.07	-0.70	0.15	0.38	-0.35	-0.13	-0.08	0.04	0.01	0.32	0.08
Pacific	-0.54	0.29	0.18	0.26	0.36	0.27	-0.12	0.17	0.13	-0.34	-0.04	0.09	-0.19	-0.02	0.15	0.00
Total OECD	0.12	1.68	0.43	0.50	0.93	0.88	-0.67	0.77	0.89	-0.36	0.16	0.66	0.00	0.13	0.70	0.37
FSU	-0.06	-0.29	-0.37	-0.14	-0.11	-0.23	-0.09	0.11	0.02	0.01	0.01	0.10	0.06	-0.06	-0.09	0.00
Europe	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01
China	-0.02	0.39	0.45	0.27	0.11	0.30	0.35	-0.07	0.72	0.18	0.30	-0.01	0.42	-0.03	0.45	0.21
Other Asia	0.07	0.41	0.35	0.33	0.14	0.31	0.12	0.19	0.16	0.03	0.12	0.12	0.01	0.10	0.19	0.10
Latin America	0.03	0.07	-0.02	-0.02	0.05	0.02	0.02	0.05	0.02	-0.04	0.01	0.01	0.04	0.08	0.12	0.06
Middle East	0.18	0.19	0.17	0.05	0.07	0.12	0.00	0.05	0.15	0.15	0.09	0.16	0.17	0.18	0.17	0.17
Africa	0.07	-0.03	-0.02	0.05	-0.07	-0.02	0.05	0.00	0.00	-0.01	0.01	0.03	0.04	0.05	0.06	0.04
Total Non-OECD	0.25	0.71	0.53	0.52	0.18	0.49	0.47	0.35	1.09	0.33	0.55	0.41	0.75	0.33	0.89	0.59
World	0.37	2.39	0.96	1.02	1.12	1.37	-0.21	1.12	1.97	-0.04	0.71	1.07	0.75	0.46	1.59	0.97
Changes from Last Month's Report																
North America	-0.04	-0.07	-0.12	-0.07	-0.08	-0.08	-0.08	-0.08	-0.09	-0.08	-0.08	0.06	-0.08	-0.10	-0.06	-0.04
Europe	0.01	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.01	0.11	0.09	0.10	0.08
Pacific	0.01	0.07	0.07	0.06	0.06	0.06	0.07	0.07	0.06	0.06	0.06	0.09	-0.13	0.01	0.04	0.01
Total OECD	-0.02	0.10	0.05	0.09	0.07	0.08	0.09	0.09	0.06	0.08	0.08	0.16	-0.09	-	0.08	0.04
FSU	-	-	-	-	-	-	-0.01	-0.01	-0.01	-0.01	-0.01	-	0.05	0.06	0.06	0.04
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-0.03	-0.01	-	-	-0.01
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-0.01	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-0.02	-0.01	-0.10	-0.06	-0.04	-0.07	-0.07
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-0.01	-0.01	-0.01	-0.03	-0.02	-0.13	-0.02	0.02	-0.01	-0.04
World	-0.02	0.10	0.05	0.09	0.07	0.08	0.07	0.08	0.05	0.05	0.06	0.03	-0.11	0.02	0.07	-

SUPPLY

Summary

- On 1 June the UN Security Council extended the Iraq oil-for-food programme for 30 days instead of the normal six months. This was intended to give Security Council members time to examine proposed "smart sanctions". **Iraq** halted oil-for-food exports in protest on 4 June, taking 2.1 mb/d of supply out of markets. Indications are that Iraq will continue exports to Syria, Jordan and Turkey outside the UN controlled oil-for-food programme. While Saudi Arabia and other producers said that they were prepared to make up for the shortfall, OPEC ministers in Vienna on 5 June decided to leave their production targets unchanged and meet again on 3 July.
- Preliminary estimates indicate that **world oil production** averaged 76.53 mb/d in May, a reduction of 470 kb/d from April (see Table 4 at the end of the Report). **OPEC** crude supply in May including Iraq's fell by 360 kb/d to 27.54 mb/d, compared to an upwardly revised 27.90 mb/d for April (see Table 4 at the end of the Report). Iraqi production decreased by 150 kb/d to 2.78 mb/d, while OPEC output excluding Iraq's dropped by 210 kb/d to 24.76 mb/d. May production was 560 kb/d higher than the OPEC target of 24.2 mb/d.
- OECD** output was down 140 kb/d, to 21.48 mb/d (see Table 4A at the end of the Report). North Sea production was 190 kb/d lower due to scheduled maintenance and a gas explosion at the Gorm field in the Danish sector. **Non-OECD** oil production was 20 kb/d higher. Output increased in Brazil and China.
- The "**call on OPEC crude plus stock change**" for the second and third quarters of 2001 stands at 25.8 mb/d and 27.2 mb/d (see Table 1 at the end of the Report). The "call" for the second quarter has been revised upwards by 0.1 mb/d due to a slight reduction in non-OPEC supply. The "call" for the third quarter remains unchanged. The "call" for 2001 also remains unchanged at 27.1 mb/d.



All world oil supply figures for May discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary May crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 100 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

On 1 June the UN Security Council adopted a resolution to extend the Iraq oil-for-food programme for 30 days. Although a simple renewal of the six-month phase was originally anticipated, Security Council members needed more time to review and negotiate a revised sanction plan proposed by the UK and the US, which would lift restrictions on civilian goods but tighten the control on military-related supplies and smuggling. With the unanimously adopted resolution, Phase IX of the programme, which was due to expire on 3 June, has been extended by 30 days to 3 July.

Iraq, which strongly opposed “smart sanctions”, announced that it would stop exports under the UN oil-for-food programme. Predictions before the announcement were that Iraq would not sign any new contracts under the UN programme but would honour existing commitments and that exports would continue since there were 300 million barrels of committed, but undelivered, contracts under Phase IX of the programme. However, all exports under the UN programme were suspended, taking 2.1 mb/d of supply out of the market. The last vessel at the Ceyhan terminal in Turkey loaded on 3 June, while at the Mina al-Bakr terminal on the Gulf, one vessel finished loading on 5 June. Iraq has not scheduled any new liftings.

May Iraqi output, including exports under the UN oil-for-food programme, domestic consumption and border trade, averaged 2.78 mb/d, a decrease of 150 kb/d from the previous month. Based on UN data through 25 May, oil-for-food exports decreased by 150 kb/d, to 2.08 mb/d. Domestic consumption and border trade are estimated at a combined 700 kb/d.

OPEC Crude Production

(million barrels per day)

	1 Apr 2001 Target	May 2001 Production	Sustainable Production Capacity ¹	Spare Capacity vs. 1 Apr 2001 target
Algeria	0.773	0.810	0.90	0.13
Indonesia	1.255	1.220	1.25	0.01
Iran	3.552	3.710	3.90	0.35
Kuwait ³	1.941	1.999	2.50	0.56
Libya	1.296	1.360	1.45	0.15
Nigeria	1.993	2.000	2.20	0.21
Qatar	0.627	0.670	0.75	0.12
Saudi Arabia ³	7.865	7.899	10.50	2.64
UAE	2.113	2.260	2.50	0.39
Venezuela	2.786	2.830	3.05	0.26
Subtotal	24.201	24.758	29.00	4.80
Iraq		2.777	2.80	0.02 ²
Total		27.535	31.80	4.82

¹ Capacity levels can be reached within three months and maintained for more than six months

² Capacity versus May production

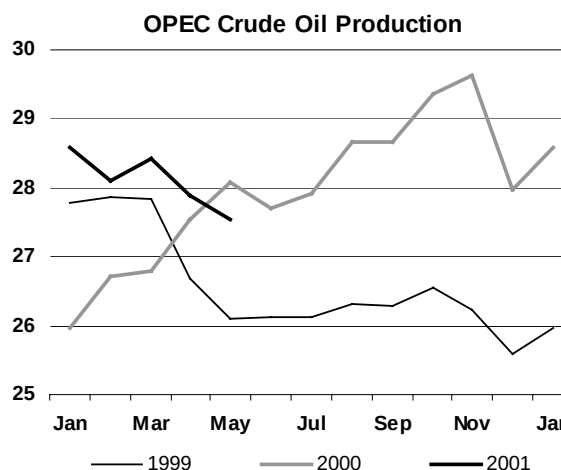
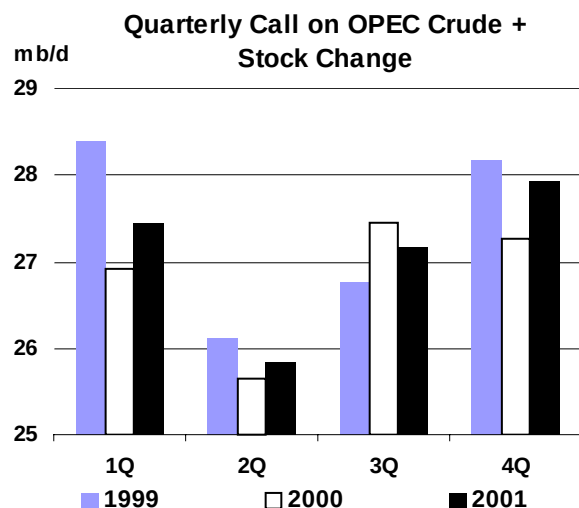
³ Includes half of Neutral Zone production

Given normal administrative delays and past experience with export suspensions on the occasion of phase renewals, Saudi Arabia said in late May that producers would meet any shortfall if there is a shortage in supply from Iraq or anywhere else. Saudi Arabia repeated the commitment following the Iraqi announcement to suspend exports.

As scheduled, OPEC ministers met in Vienna on 5 June. According to the press release after the meeting, OPEC saw “no need to make any adjustments to its agreed production levels”. However, the ministers agreed to meet again on 3 July, “to review the market situation and take whatever measures are considered appropriate at that time”. (For market reactions, see Market Overview and Prices and Refinery Activity sections.)

The preliminary estimate is that May **OPEC** crude supply, excluding Iraq's, decreased by 210 kb/d from the previous month, to 24.76 mb/d, some 560 kb/d above the May target. Iran overshot its target by 160 kb/d, while the UAE's output was 150 kb/d higher. Including Iraq, output averaged 27.54 mb/d, a decline of 360 kb/d from April. Iraqi production decreased by 150 kb/d, to 2.78 mb/d. OPEC crude production in April has been revised upwards by 50 kb/d from 27.85 mb/d in the last Report, to 28.90 mb/d. The UAE saw an upward revision of 50 kb/d.

Saudi Arabian crude supply (excluding the Neutral Zone, but including the Abu Safa field) is estimated to have fallen by 40 kb/d to 7.58 mb/d in May, while production from **Kuwait** (excluding the Neutral Zone) fell by 10 kb/d to 1.68 mb/d. **Neutral Zone** production averaged 640 kb/d for the month. **UAE** output was up 10 kb/d. **Venezuelan** crude supply is thought to have dropped by 50 kb/d to 2.83 mb/d.



Iranian output declined by 40 kb/d, to 3.70 mb/d. The country is facing two political events; the presidential election on 8 June and potential expiration of the US's Iran-Libya Sanctions Act (ILSA) on 5 August. Although these developments could have significant impacts on foreign investment into Iran's oil and gas sector, it is widely thought that the incumbent, Mohammad Khatami, will be re-elected and the ILSA will be reauthorised, and, therefore, that there will be no immediate major changes in policy.

Nigerian crude production was down 60 kb/d, due to civil unrest. In early May, protesters invaded ExxonMobil's Qua Iboe export terminal, disrupting loading for several hours. Meanwhile, Chevron had to suspend its operations due to oil spill in the Niger Delta near its Escravos export terminal. Both companies declared force majeure on deliveries of their crudes. Shell also had an oil leak, which reduced loading at its Forcados terminal for a couple of days.

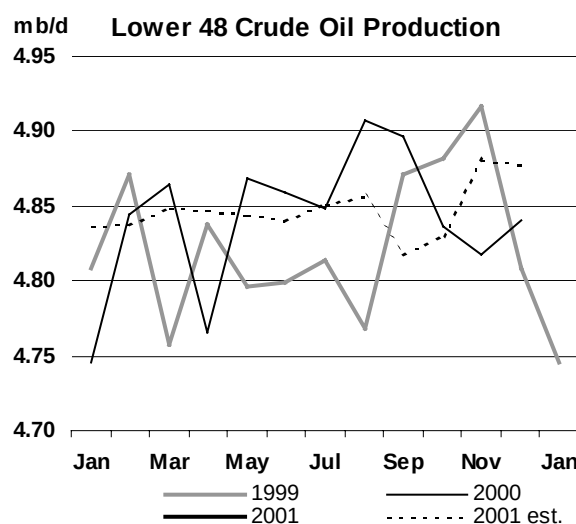
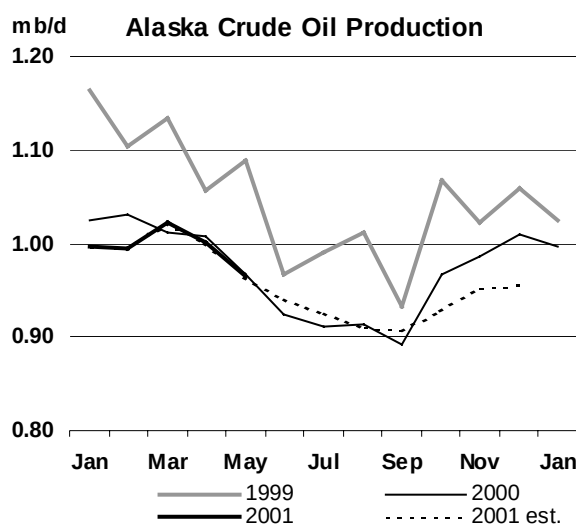
Indonesian crude output remained unchanged at 1.22 mb/d in May. Plans for early resumption of operation at the Arun gas field in northern Sumatra are not in sight. ExxonMobil halted its operation at the field on 9 March, due to technical considerations and a potentially worsening security situation. Meanwhile, the company announced an oil discovery in its onshore Cepu block in Java. Recoverable reserves are estimated at 250 million barrels, with peak production rate of 100 kb/d. Production is expected to start in 2003.

OECD

North America

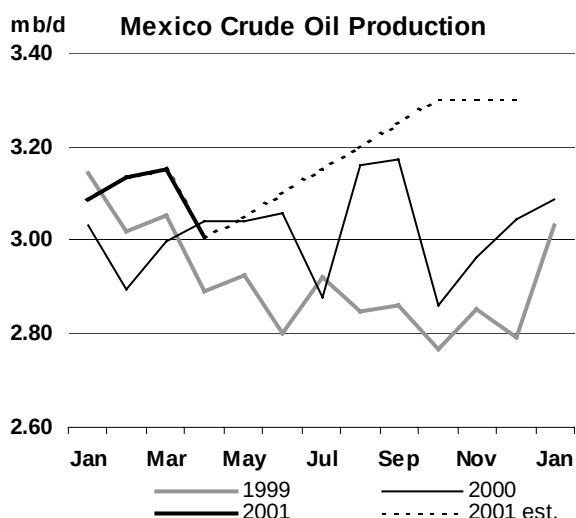
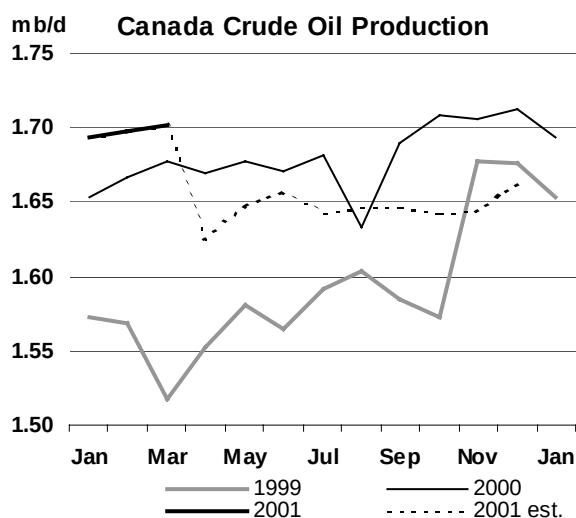
US - May - Alaska actual, other estimate: US crude production is estimated to have averaged 5.81 mb/d in May, down 40 kb/d from the previous month. Most of the decline came from Alaska. Prudhoe Bay production fell by 30 kb/d, while output from the Kuparuk fields declined by 10 kb/d. Due to success of a recent development drilling programme, some 35 million barrels of reserves will be added to the Kuparuk field. Production from the expanded area is expected to begin in 2003. April crude production in the Gulf of Mexico is estimated to have increased by 10 kb/d, while supply remained unchanged in California. Crude output from other states is thought to have decreased by 10 kb/d.

US NGL production increased by 100 kb/d from the previous month to 1.83 mb/d in March, after falling to 1.38 mb/d in January, the lowest level in more than two decades. High natural gas prices made it attractive for natural gas processing plants to leave more propane, ethane, butane and other components in the gas stream, to sell "wetter" gas, and reduce the output of liquids. NGL production is estimated to have averaged 1.89 mb/d for both April and May.



Canada - March actual, April and May estimates: Canadian crude production remained unchanged from the previous month, at 1.70 mb/d in March. Production from the offshore Hibernia field was down slightly. Saskatchewan production also fell. However, bitumen output in Alberta was up, offsetting the losses. Crude production is estimated to have fallen to 1.63 mb/d in April and 1.65 mb/d in May as the spring thaw and related road restrictions affected field operations. Synthetic crude production, averaging 370 kb/d for March, decreased to 310 kb/d in April. March NGL production was down 10 kb/d, to 740 kb/d.

Mexico - April actual, May estimate: In April, Mexican crude production fell by 140 kb/d from the previous month, to 3.01 mb/d. Most of the decline came from the offshore Cantarell field complex, where a nitrogen enhanced oil recovery project is under way. The IEA's estimate on Mexican crude production for 2001 was lowered by 50 kb/d to 3.17 mb/d, due to this weak performance. NGL production rose slightly by 10 kb/d. Mexican crude exports averaged 1.72 mb/d for April. The country had pledged to reduce its crude exports to 1.71 mb/d from 1 April, in support of OPEC's production cut.



North Sea

UK - March actual, April and May estimates: UK offshore crude and NGL production in March rose by 60 kb/d to 2.53 mb/d. This is the first increase in output since the beginning of 2001. During March the largest production increases came from the ETAP fields and the Teal field, both of which produced 16 kb/d more than in February, and from the Forties system, which saw a 26 kb/d increase on February's output. In March some production declines were also observed, the most notable being the 17 kb/d fall in production from the Schiehallion field. UK offshore crude and NGL production is estimated to have remained unchanged throughout April and May at 2.53 mb/d.

North Sea Oil Production Outlook

May - October 2001
(thousand barrels per day)

	May 01	Jun 01	Jul 01	Aug 01	Sep 01	Oct 01
UK	2529	2239	2455	2480	2544	2606
Norway	3187	3177	3306	3142	3109	3370
Denmark	315	234	231	231	230	228
Other ¹	35	36	46	55	60	60
Total	6065	5687	6038	5908	5943	6264

¹ offshore Netherlands and offshore Germany

Denmark - April actual, May estimate:

Shortly before midnight on 20 May, a gas explosion took place on the Gorm C platform in the Danish sector of the North Sea. Immediately after the explosion oil and gas production from the Dan and Gorm fields was suspended. Production from the Dan field was resumed the following day but production from the Gorm field and its satellite fields remains shut-in. In April the combined crude output from Gorm and the satellites fields of Halfan, Skjold, Rolf and Dagmar was 120 kb/d, just over one third of the total Danish crude production of 354 kb/d. The estimate for Danish production during May has been revised downwards to 315 kb/d to account for the production loss caused by this accident, and the estimates for the following six months have also been revised down to 230 kb/d.

The explosion occurred when a high-pressure pipe in a gas compression module ruptured. Two people received minor injuries but no oil pollution has been registered in connection with the incident. It is speculated that it may take several months for the damage to the Gorm C platform to be repaired. However, production from the Halfan field, which had been producing 43 kb/d prior to the accident, should resume in a couple of weeks as it will probably be re-routed to a different network. Gorm is operated by Maersk Oil & Gas, part of the AP Moller group. The Gorm field and its satellite fields are owned by Maersk Oil & Gas (39%), Shell (46%) and Texaco (15%).

Pacific

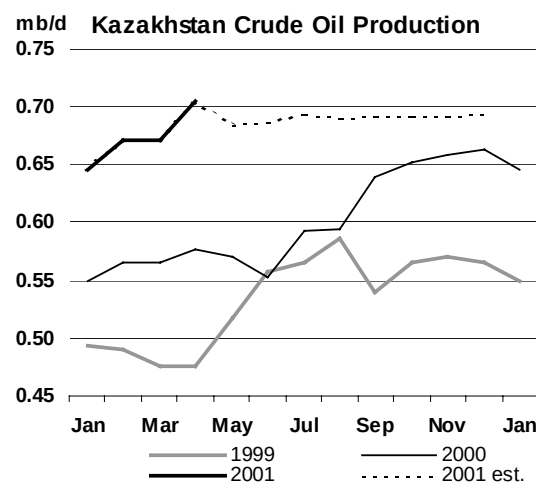
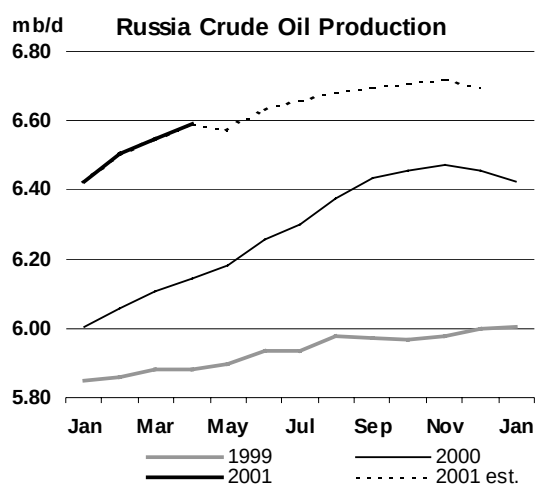
Australia - March actual, April and May estimates: Australian crude production increased by 10 kb/d from the previous month, to 670 kb/d in March. However, production is thought to have fallen to 610 kb/d in April and 590 kb/d in May, due to the impact of hurricanes and severe weather conditions. Meanwhile, March NGL production remained unchanged at 70 kb/d.

Former Soviet Union (FSU)

Russia - April actual, May estimate: Russian crude production continued to advance in April, gaining 40 kb/d over the previous month to 6.59 mb/d. Yukos' output rose by 20 kb/d to 1.13 mb/d, while production from Tyumen Oil gained 10 kb/d to 650 kb/d. Lukoil's output fell by 20 kb/d. NGL production also decreased by 10 kb/d, in line with seasonal changes. Production from Polar Lights, a joint venture between US's Conoco and Russian partners of Arkhangelskgeoldobycha and Rosneft, averaged 34 kb/d for the month, while TotalFinaElf's "Horizons 2 and 3" project at the Kharyaginskoye field produced 11 kb/d of crude.

Kazakhstan - April actual, May estimate: Kazakhstan's crude and NGL production in April remained virtually unchanged at 800 kb/d. Crude production from the Tengiz field remained unchanged. Meanwhile, decreases in NGL production at the Karachaganak field were compensated by increases in crude output from other fields in the country.

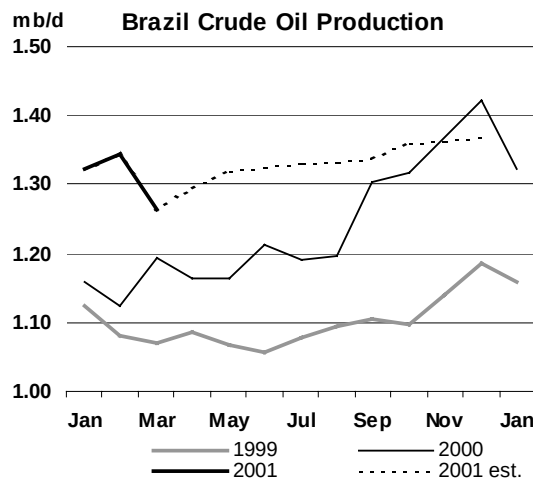
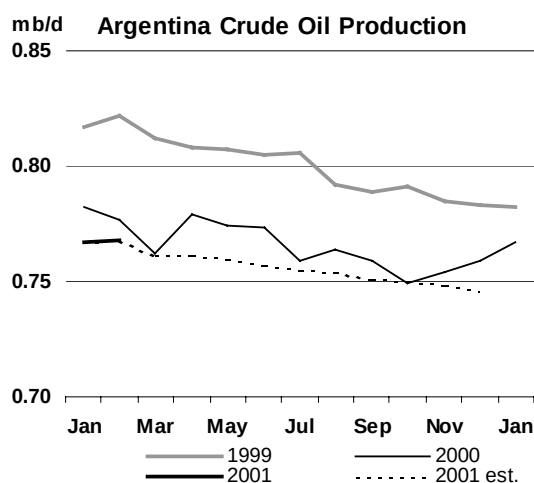
Filling of the Caspian Pipeline Consortium (CPC) pipeline resumed in late May after a hiatus of several weeks. The 1580 km pipeline connects the Tengiz field in Kazakhstan with the Russian port of Novorossiysk on the Black Sea, with a capacity of transporting 560 kb/d of crude. Unlike the Russian Transneft pipeline system, the CPC pipeline will include a quality bank for the benefit of 48° API Tengiz crude producers. The first shipment of the Tengiz crude from Novorossiysk is scheduled for early August.



Other Non-OPEC

Argentina - February actual, March to May estimates: The latest Argentine production data are those for February. Crude output averaged 770 kb/d for the month. From March to May, output is estimated to fall to 760 kb/d because of the country's long-term declining production from matured oil fields.

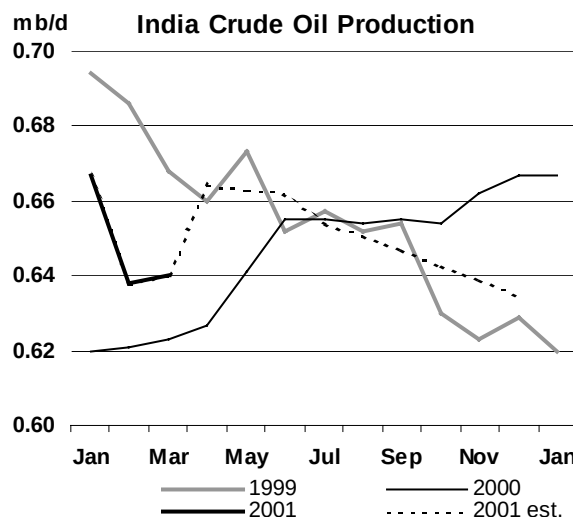
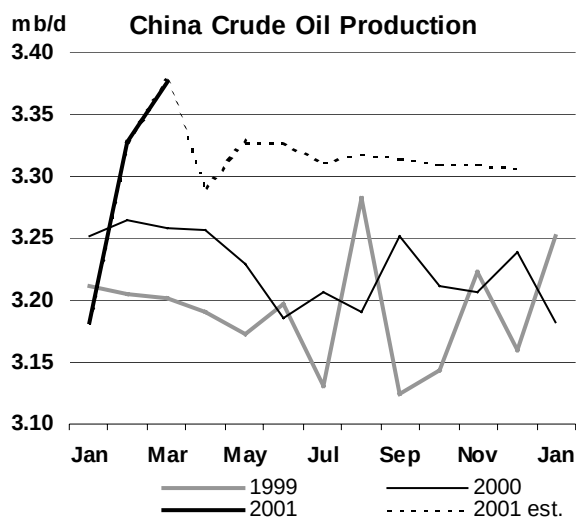
Brazil - March actual, April and May estimates: During the month of March, when an accident of the offshore production platform P-36 occurred, the country's crude production averaged 1.26 mb/d, a decrease of 80 kb/d from the previous month. Production is estimated to have risen to 1.30 mb/d in April and to 1.32 mb/d in May, due to production increases from other fields.



China - March actual, April and May estimates: Chinese crude production rose for the second month in March, posting another record of 3.38 mb/d. Production from the onshore Daqing and Shengli fields remained high at 1.05 mb/d and 530 kb/d, while most other fields also gained ground. Output from Sinopec Star Petroleum Corporation, former China National Star Petroleum Corporation, increased by 20 kb/d, to 80 kb/d. Chinese production in 2001 may achieve the Government's target of 3.26 mb/d if this strong performance continues.

India - March actual, April and May estimates: Indian crude output remained unchanged at 640 kb/d in March. Although production from the offshore Bombay High field partially recovered from a fire incident in the previous month, output from onshore fields declined. Indian crude production is thought to have averaged 660 kb/d for both April and May.

Egypt - April actual, May estimate: Egyptian crude output in April remained unchanged from the previous month, at 650 kb/d. However, the rate was 80 kb/d lower than a year earlier. Although a field on the Gulf of Suez started production in April and three fields in the Western Desert are scheduled for startup in June, their production volumes are not large enough to stop the country's long-term decline trend. Meanwhile, NGL production was up 20 kb/d year-on-year, in line with rising natural gas production.



Revisions to Non-OPEC Oil Supply

Estimated non-OPEC supply in 2001 has been revised downwards by 20 kb/d, as a result of the combination of weaker OECD production and strong non-OECD output. Downward revisions in OECD supply were due to lower-than-expected production from the Cantarell field in Mexico and a gas explosion in the Danish sector of the North Sea. Upward revisions in non-OECD production came from China and Russia. Year-on-year non-OPEC growth is now estimated at 570 kb/d, down from 590 kb/d in the last Report. (For details, see the relevant country sections.)

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2000	2001	01 vs. 00	2000	2001	01 vs. 00	2000	2001	01 vs. 00
North America	14.31	14.47	0.16	14.30	14.37	0.07	-0.01	-0.10	-0.09
Europe	6.78	6.64	-0.14	6.78	6.56	-0.22	0.00	-0.08	-0.08
Pacific	0.84	0.78	-0.06	0.84	0.79	-0.05	0.00	0.01	0.01
Total OECD	21.93	21.89	-0.04	21.92	21.72	-0.19	-0.01	-0.16	-0.15
Former USSR	7.94	8.39	0.45	7.94	8.42	0.48	0.00	0.03	0.03
Europe	0.18	0.18	0.00	0.18	0.18	0.00	0.00	0.00	0.00
China	3.23	3.25	0.02	3.23	3.31	0.08	0.00	0.06	0.06
Other Asia	2.28	2.31	0.03	2.28	2.32	0.05	0.00	0.02	0.02
Latin America	3.77	3.82	0.05	3.77	3.81	0.04	0.00	-0.01	-0.01
Middle East	1.99	2.02	0.02	1.99	2.02	0.02	0.00	0.00	0.00
Africa	2.86	2.88	0.02	2.86	2.91	0.05	0.00	0.03	0.03
Total Non-OECD	22.25	22.83	0.58	22.25	22.96	0.72	0.00	0.13	0.13
Processing Gains	1.72	1.76	0.05	1.72	1.76	0.05	0.00	0.00	0.00
Total Non-OPEC	45.89	46.48	0.59	45.88	46.45	0.57	-0.01	-0.03	-0.02

OMR = Oil Market Report

TRADE

On 4 June, Iraq suspended all crude exports made under the UN-authorised oil-for-food programme for a period it says will be one month. These shipments have most recently averaged about 2.1 mb/d, but reached 2.2 and 2.5 mb/d for the weeks ending 25 May and 1 June. The move comes to protest the UN's extension of the oil-for-food programme for a one- rather than six-month term, leaving the issue of "smart sanctions" still on the table. Other major producers have enough spare capacity to offset Iraq's loss for refiners buying crude to meet third-quarter petroleum product demand.

Net OECD Crude and Product Trade

The tables below use the IEA's petroleum import and export data to create overviews of regional balances by product category. Please note that the import data are generally of higher quality than the export data. Initially-declared export destinations change in response to market conditions while cargoes are in transit.

OECD North America Crude & Product Trade

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Jan 01	Feb 01	Mar 01	Latest month vs.	
										Feb 01	Mar 00
Net Imports of:											
Crude Oil	8.22	7.63	7.32	7.57	7.37	7.42	7.37	7.03	7.82	0.79	0.64
Products & Feedstocks	1.05	1.23	1.15	1.49	2.16	1.80	2.16	1.89	1.36	-0.53	0.34
Gasoil/Diesel	-0.06	-0.04	0.05	0.16	0.48	0.36	0.48	0.46	0.16	-0.30	0.17
Gasoline	0.34	0.37	0.36	0.39	0.49	0.51	0.49	0.54	0.49	-0.06	0.06
Heavy Fuel Oil	0.16	0.22	0.27	0.31	0.44	0.35	0.44	0.33	0.29	-0.04	0.23
LPG	0.07	0.07	0.05	0.07	0.08	0.03	0.08	0.01	0.01	0.00	0.00
Naphtha	0.06	0.10	0.12	0.07	0.15	0.10	0.15	0.07	0.06	-0.01	-0.06
Jet & Kerosene	0.19	0.09	0.09	0.16	0.22	0.17	0.22	0.20	0.10	-0.10	0.03
Other	0.28	0.42	0.20	0.32	0.29	0.27	0.29	0.28	0.25	-0.03	-0.09
Total	9.27	8.86	8.47	9.06	9.53	9.22	9.53	8.92	9.18	0.26	0.98

Source: IEA MOS imports and exports data for extra-regional trade

Imports supply almost 40% of North American oil demand, with seven-eighths of those imports being crude oil. The North American balance for the most recent four quarters shows a reliance on imports in each major category. Most noticeable is the volume of net crude oil imports to balance US refining runs, despite surpluses in both Canada and Mexico. More important to the market recently is the size of the region's call on relatively scanty global gasoline surpluses, averaging half a million barrels per day in the fourth quarter of last year and first quarter of 2000.

OECD Europe Crude & Product Trade

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Jan 01	Feb 01	Mar 01	Latest month vs.	
										Feb 01	Mar 00
Net Imports of:											
Crude Oil	7.42	7.68	7.91	7.89	7.28	7.13	7.28	7.23	6.88	-0.35	0.13
Products & Feedstocks	1.48	0.99	0.77	1.20	0.38	1.01	0.38	1.17	1.51	0.34	0.19
Gasoil/Diesel	0.32	0.38	0.19	0.36	0.03	0.27	0.03	0.24	0.53	0.28	0.14
Gasoline	-0.18	-0.27	-0.36	-0.22	-0.43	-0.30	-0.43	-0.30	-0.18	0.12	0.07
Heavy Fuel Oil	0.16	0.00	-0.01	0.07	-0.01	0.13	-0.01	0.16	0.23	0.07	0.02
LPG	0.17	0.18	0.23	0.21	0.20	0.19	0.20	0.20	0.16	-0.04	-0.04
Naphtha	0.28	0.08	0.18	0.08	0.13	0.16	0.13	0.19	0.16	-0.02	0.01
Jet & Kerosene	0.23	0.12	0.19	0.14	0.09	0.11	0.09	0.14	0.11	-0.03	0.08
Other	0.50	0.50	0.35	0.56	0.36	0.46	0.36	0.54	0.50	-0.04	-0.08
Total	8.90	8.67	8.68	9.09	7.65	8.14	7.65	8.40	8.39	-0.02	0.32

Source: IEA MOS imports and exports data for extra-regional trade

Crude and product imports met nearly 60% of OECD Europe's demand in 1999 and 2000. With about one imported barrel in six in the form of petroleum products or feedstocks. Europe's key product import is gasoil/diesel. Europe seems perpetually short of this product, and was even more so than usual in March, when German consumers returned in droves to the heating oil market. March's slowdown in net exports of gasoline was equally dramatic, as European prices rose, constraining exports to North America.

OECD Pacific Crude & Product Trade

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Jan 01	Feb 01	Mar 01	Latest month vs.	
										Feb 01	Mar 00
Net Imports of:											
Crude Oil	6.48	6.19	7.25	6.85	7.49	7.50	7.49	7.68	7.35	-0.32	0.56
Products & Feedstocks	1.02	0.80	0.99	0.81	0.92	0.99	0.92	0.88	1.17	0.29	0.16
Gasoil/Diesel	-0.25	-0.23	-0.25	-0.21	-0.22	-0.22	-0.22	-0.21	-0.22	-0.01	-0.08
Gasoline	0.03	0.01	-0.02	-0.01	0.00	0.00	0.00	-0.03	0.02	0.05	0.03
Heavy Fuel Oil	-0.09	-0.10	-0.21	-0.22	-0.21	-0.18	-0.21	-0.18	-0.16	0.01	-0.06
LPG	0.56	0.58	0.60	0.46	0.50	0.51	0.50	0.39	0.62	0.24	0.06
Naphtha	0.69	0.57	0.72	0.62	0.65	0.66	0.65	0.61	0.70	0.09	0.20
Jet & Kerosene	-0.10	-0.12	0.04	0.03	0.05	0.09	0.05	0.16	0.07	-0.09	0.05
Other	0.17	0.10	0.12	0.13	0.16	0.15	0.16	0.15	0.14	0.00	-0.05
Total	7.49	6.99	8.24	7.66	8.42	8.50	8.42	8.56	8.52	-0.04	0.73

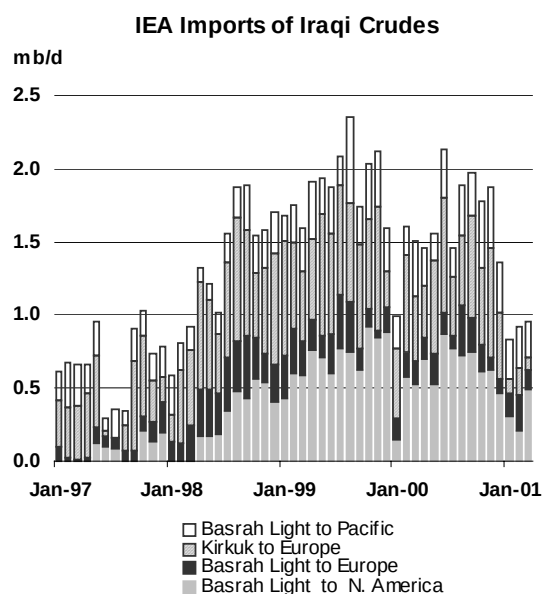
Source: IEA MOS imports and exports data for extra-regional trade

The Pacific is the OECD region most dependent on oil imports, which totalled over 80% of demand in 1999 and 2000. An eighth of the imports are of petroleum products and feedstocks, with the balance being crude. LPG and naphtha are the key petroleum products imported, chiefly for petrochemicals. Imports represent nearly half the region's naphtha demand, and for LPG/ethane, more than half, most from the Middle East. Last month's preliminary figures for February naphtha imports suggested a possible slowdown in petrochemicals demand, but revised figures for February and the latest figures for March instead show those imports as stable.

Iraqi Crude Trade

UN-authorized exports of Iraqi crude under the oil-for-food programme were suspended on 4 June 2001 after completion of the loading at Mina al-Bakr of a cargo destined for India. These official exports have most recently averaged about 2.1 mb/d, but reached 2.2 and 2.5 mb/d for the weeks ending 25 May and 1 June. The Iraqis currently say that exports will be suspended for one month. Their move follows the UN's extension of the oil-for-food programme for a one- rather than six-month term, with the issue of "smart sanctions" still on the table.

In the short term, the price of Russian Urals crude, Iraqi crude's nearest competitor, will be supported. But the impact on the global oil market will be small so long as the loss is relatively brief and replacement crude of about the same quality is available. Currently, major producers have spare capacity estimated to be about double the Iraqi export loss. The remaining capacity surplus will be severely taxed when buying of crude oil ramps up to meet the projected 1.9 mb/d increase in demand between the second and third quarters, and wholly inadequate to meet the additional 1.5 mb/d increase anticipated in the fourth quarter.



To help consider at least in part where Iraqi crude must be replaced, the table below shows recent receipts of Iraqi crude by OECD countries.

OECD Imports of Iraqi Crude

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Jan 01	Feb 01	Mar 01	Latest month vs.	
										Feb 01	Mar 00
United States	751	650	667	821	615	417	334	242	657	415	148
Italy	129	167	172	166	141	191	167	260	154	-106	0
France	147	147	143	154	156	67	5	140	64	-76	-129
Spain	122	121	173	111	83	23	0	0	66	66	-19
Turkey	96	107	118	102	67	6	0	0	19	19	-86
Japan	98	72	22	57	167	0	0	0	0	0	-118
Netherlands	169	66	118	56	72	31	5	11	76	65	61
Korea	20	49	49	57	67	12	0	39	0	-39	0
Canada	27	47	23	68	42	84	118	73	60	-12	0
Greece	29	37	45	28	34	41	88	0	32	32	0
Belgium	27	37	21	59	65	14	42	0	0	0	0
Other Europe	82	58	37	60	72	31	23	41	31	-10	-9
Australia	16	7	7	20	0	0	0	0	0	0	0
Total	1714	1563	1595	1758	1581	919	782	806	1159	354	-151

Source: IEA MOS imports and exports data for extra-regional trade

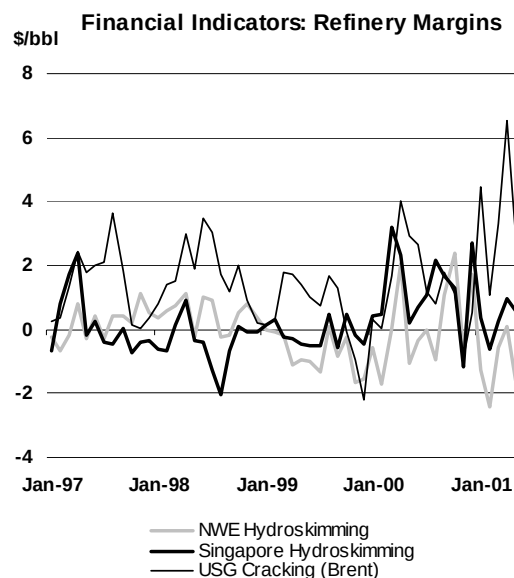
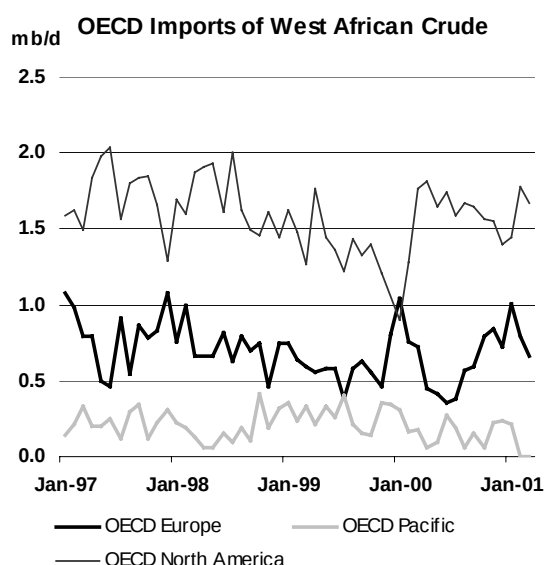
Since December, noticeably-higher exports of Syrian crude suggest that Syria has been receiving 150-200 kb/d of crude from Iraq. Following attempts by marketer SOMO to collect surcharges on Iraqi crude sales, buyers under the oil-for-food programme have most recently been trading company intermediaries rather than refiners. In addition, Iraq sends about 300 kb/d to neighbouring Jordan, Syria and Turkey; as well as smuggling an estimated 20-60 kb/d of Iraqi products through the Persian Gulf.

The inset graph shows receipts of Iraqi crude by grade for IEA countries, giving a sense of the regional distribution; most but not all OECD countries importing Iraqi crude are included in this sample. Basrah is a light, sour crude (32 °API and 2% sulphur) loaded at the Iraqi port of Mina al-Bakr, on the Persian Gulf. Basrah receipts are split between Europe, the Americas and the Far East, with China and Indian Oil each taking an average 50 kb/d. Iraqi Kirkuk, produced in northern Iraq, also has 2% sulphur, but is lighter, at 35°API. It travels from the field via the 1.6 mb/d Turkish Export Pipeline to the port of Ceyhan, about 60 miles from the Syrian border, where it is sold mainly in the Mediterranean in competition with Russian Urals crude.

West African Crude Trade

OECD imports of crude from Nigeria, Angola, the Congo, Gabon and Zaire fell from 2.56 mb/d in February to 2.33 mb/d in March. In North America, crude imports from West Africa lost about 100 kb/d (6%) despite a 540 kb/d increase in total imports; that gain, and West Africa's loss, was split between Iraqi and shorter-haul Venezuelan crude. West African crude is priced off dated Brent and the price premium of similar Louisiana Light Sweet crude to dated Brent shrank from nearly \$4 per barrel in December-January to about \$2 in February-March, \$1.40 in April and just over 50 cents in May. The dramatic compression in this differential suggests that, all other things being equal, West African deliveries to North America would have continued to decline through May despite record crude imports. However, freight rates were softening; the cost of chartering an Aframax tanker from West Africa to Philadelphia had fallen from about \$2.30 per barrel in mid-March to \$1.40 by mid-May. West African crude's high gasoline yields also would have increased the attraction, with regular gasoline in New York Harbour worth \$12 then \$10 per barrel more than WTI in April and May.

West Africa's European loss in March was a significant 125 kb/d (16%); when European crude imports dropped between February and March, the entire loss fell to West Africa, the swing supplier of premium light, sweet crude. European imports of West African crude may have increased somewhat in April, as signalled by Bonny Light and Forcados each gaining about 20 cents per barrel versus dated Brent, and they probably increased in May, when the relative price of Bonny gained another quarter, and Forcados, double that.



OECD Pacific refiners steered clear of West African crude in both February and March, while imports of West African crude by China plus India fell sharply in February and did not increase in March. This suggests that West African crude for February loading and March delivery to Asia/Pacific refiners remained uncompetitively priced; Dubai's discount in February to dated Brent averaged a wide \$2.65. That discount's subsequent narrowing to \$1 in March and \$1.50 in April, together with softening freight rates on Aframax spot charters, suggests that Asian deliveries of West African crude recovered in April and May.

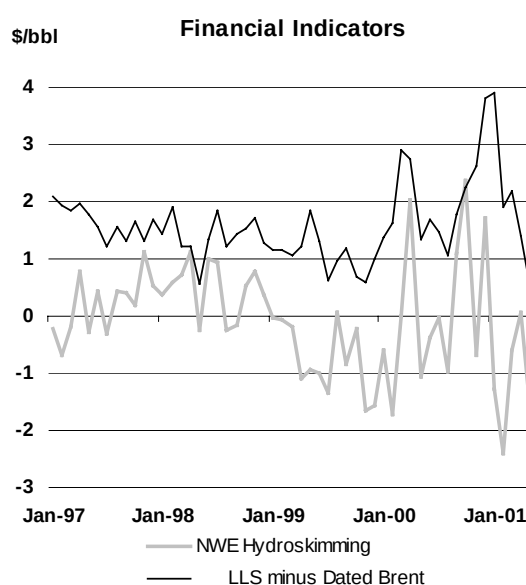
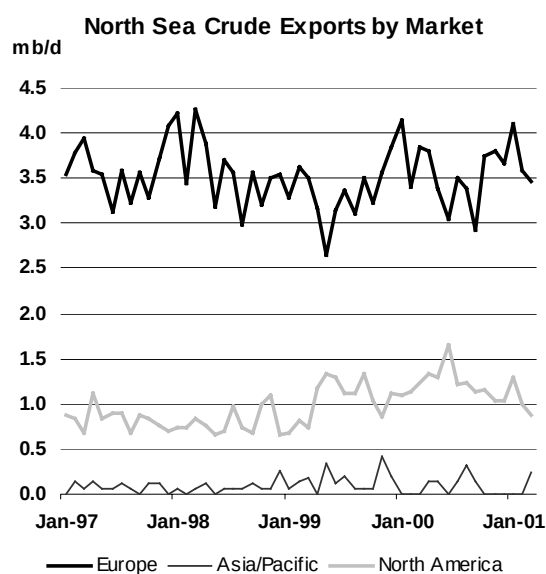
Altogether, the Pacific call on Atlantic Basin crudes including West African totals up to 1.5 mb/d. Indian Oil Corporation's imports of West African crude dropped to just 155 kb/d in March after touching 375 kb/d in November. In China, imports of West African crude rose strongly from 35 kb/d in 1998 to 335 kb/d in the third quarter of last year, but fell to a third of that level in the first quarter. Chinese Taipei's Chinese Petroleum Corporation also typically buys 100-200 kb/d of heavy, sweet high-distillate-yield West African crudes such as Djeno and Forcados.

Some light, sweet crude from the Atlantic Basin is currently baseload Asia/Pacific supply, dictated by product quality specification and occasionally refinery metallurgy. (Sulphur corrodes the mild steel used in older refineries designed to process sweet crude.) After the Asian crisis, many refiners in countries such as Korea, China, India and Chinese Taipei chose the higher operating cost of buying and running sweet crude to making the major capital expenditures required for desulphurisation.

North Sea Trade

North Sea crude production totalled 6.4 mb/d, with producing countries' requirements leaving a normal 4.7 mb/d to be exported in March. Three-quarters was headed for European destinations, nearly 900 kb/d for North America, and the balance to Asia/Pacific. But an accident in Denmark and field maintenance scheduled for April, May and June will mean successive production losses of 110, 195 and 380 kb/d. June's production will mark this year's low, at just 5.7 mb/d.

In January, Louisiana Light Sweet's premium to dated Brent was \$3.90, pulling loadings of North Sea crude for North American destinations to 1.3 mb/d in January. The decline in that premium to about \$2 in February-March resulted in loadings falling to 0.9-1 mb/d. The differential's continued compression to \$1.40 in April and fifty cents in May would have cut North Sea shipments to North America even more, though falling freight rates would have softened the declines. This June, with declining European refining margins increasing North Sea availability for export, North Sea loadings for North America should rise substantially. Exports of North Sea crude to Asia/Pacific are also likely to have shrunk in April and May, thanks to the widening of Brent's premium to Dubai from \$1 in March to \$3 by May.



Temporarily-declining production is one fundamental factor explaining Brent's unusually strong relative prices recently, reportedly aided by aggressive trading "squeezes". An extremely wide European price differential, or "crack", between gasoline and crude prices was the other key factor. The gas crack in Northwest Europe exploded from an already-healthy \$6-7 barrel in March to \$11-12 in April and May, encouraging European refiners to bid up Brent and other short-haul crudes as they chased the "crack". By mid-May, European runs were estimated to have been 1 million barrels per day higher than last year.

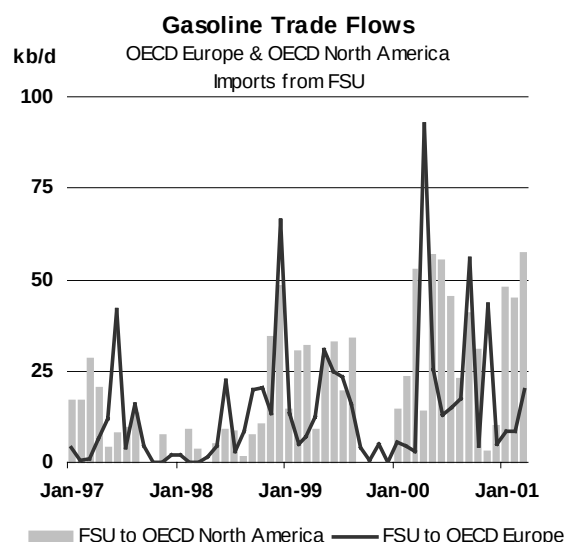
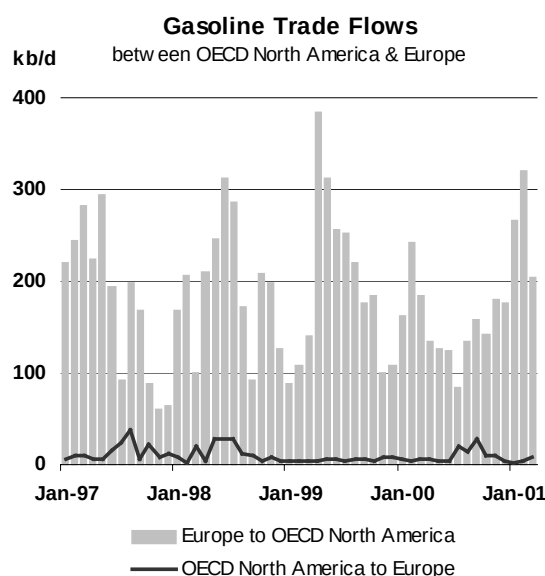
Even Latin American fundamentals have supported North Sea prices, with Colombia reportedly buying 32 degree Gullfaks to replace 29-30°API Cano Limon at domestic refineries. Guerilla activity has halted Cano Limon production, and 36°API Colombian Cusiana is more profitably exported.

With gasoline's price premium to crude extremely wide in both Europe and North America, refiners have been engaged in a bidding war – bidding not so much for the crude as for the prospective refining profits. European refiners have made the winning bids for North Sea crude, depressing the price differential between West Texas Intermediate and dated Brent, and even pushing Brent above WTI. Although this does not mean that no cargoes of Brent or Brent-related crudes such as West African move trans-Atlantic, they are less likely to do so, putting premia on Gulf Coast landed sweet crudes such as Louisiana Light Sweet, and also increasing the price for short-haul light, sweet crudes such as Colombia's Cusiana.

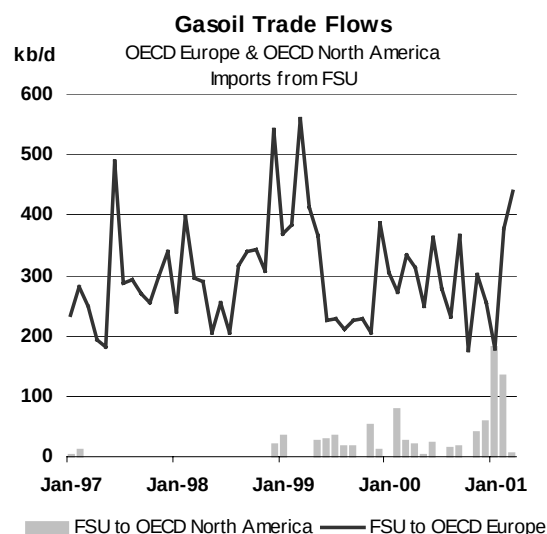
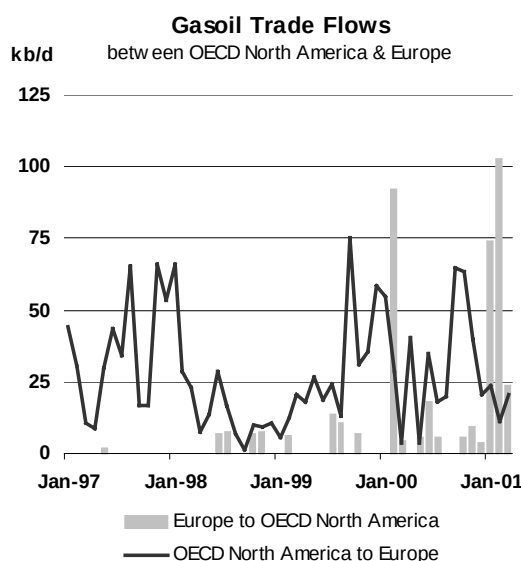
OECD Product Trade

Atlantic Basin gasoline continues to be the market focus, with Europe and North America in a bidding war during April and May. The opening salvos were apparent in North American imports of gasoline from OECD Europe, which contracted from 320 kb/d in February to 200 kb/d by March. February's flood of European imports was pulled by New York's premium to Rotterdam for regular, unleaded gasoline of \$5 in January. As that differential halved, to about \$2.50 for February through April, North American imports of European gasoline are unlikely to have increased in April and even less likely to have done so in May.

The tightness in Atlantic Basin gasoline has been easing and stocks building on both sides of the Atlantic as refiners respond to price signals and refineries return from maintenance. In the United States, gasoline blendstocks from sources ranging from the FSU to China and India have led the stockbuilds, with imports more than 100 kb/d higher than a year earlier in April and 40 kb/d higher in May. The average May price of regular unleaded gasoline in Rotterdam averaged 44 cents per barrel more than in New York, making trans-Atlantic shipments of conventional unleaded gasoline uneconomic. The economics are better for cargoes of higher-priced reformulated gasoline destined for the Central Atlantic states. Central Atlantic stocks of RFG, while still somewhat low, have been building, swelled in May by imports that preliminary weekly statistics estimate as 60 kb/d higher than a year earlier.



Atlantic Basin gasoil shows the same tug-of-war between North America and Europe in March, with relative prices bid up high enough to enable Europe to hang onto its normally-long supply. North American imports of European gasoil slipped from 100 kb/d in February to a quarter that level in March. The destinations of FSU gasoil cargoes also swung in response to higher European prices, with European imports gaining 60 kb/d and North America losing 130 kb/d imports between February and March.

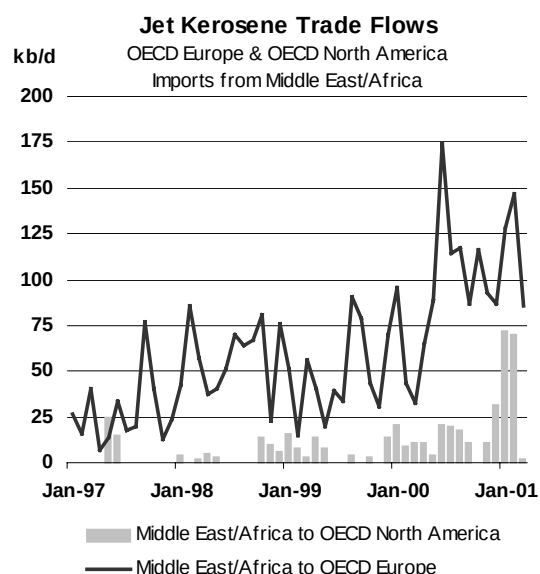


Europe's higher call on Atlantic Basin gasoil was primarily motivated by German consumers' restocking of heating oil as seen in the delivery figures. The tighter balance was reflected in the compression of New York's price premium to Rotterdam heating oil from \$1.70 per barrel in February to \$1.35 in March.

While that differential expanded back to \$1.80 in April, suggesting less European restocking, it fell to just 80 cents in May, suggesting a resumption in European buying and a cut-off of European gasoil exports to North America. That situation was reflected in preliminary statistics for US heating oil exports, which dipped to just 29 kb/d in the second week of May before rebounding to 177 kb/d in the fourth week.

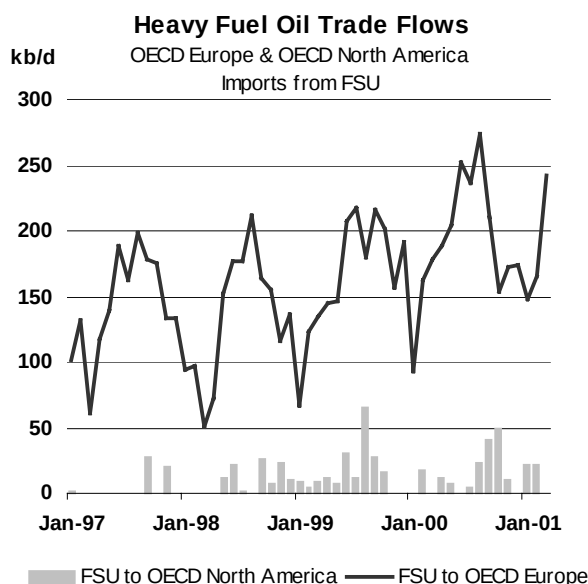
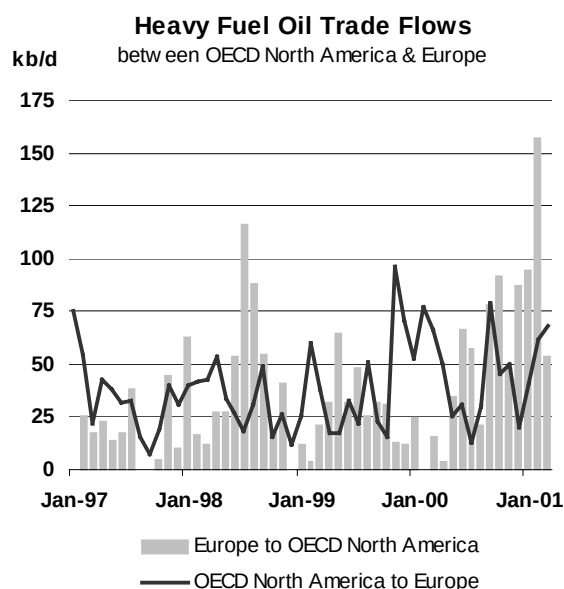
OECD Europe's imports of **jet kerosene** from the Middle East and Africa recently have been averaging around 100 kb/d. The switch to production of cleaner diesel, reducing jet and kerosene yields, is responsible for the jet demand "pull". As jet import requirements cycle above and below trend, the changes are signalled by shifts in the premium Northwest Europe is willing to pay for jet kerosene relative to gasoil. February's recent peak imports of nearly 150 kb/d coincided with a differential of \$2.37 per barrel.

Similarly, a softening in March to 85 kb/d was signalled by the differential's narrowing to \$2. In April, the differential slipped another quarter, signalling another month of below-trend European call on jet kerosene supply from the Middle East and North America. In May, the differential widened ninety cents in a bid to attract much higher volumes of imports.



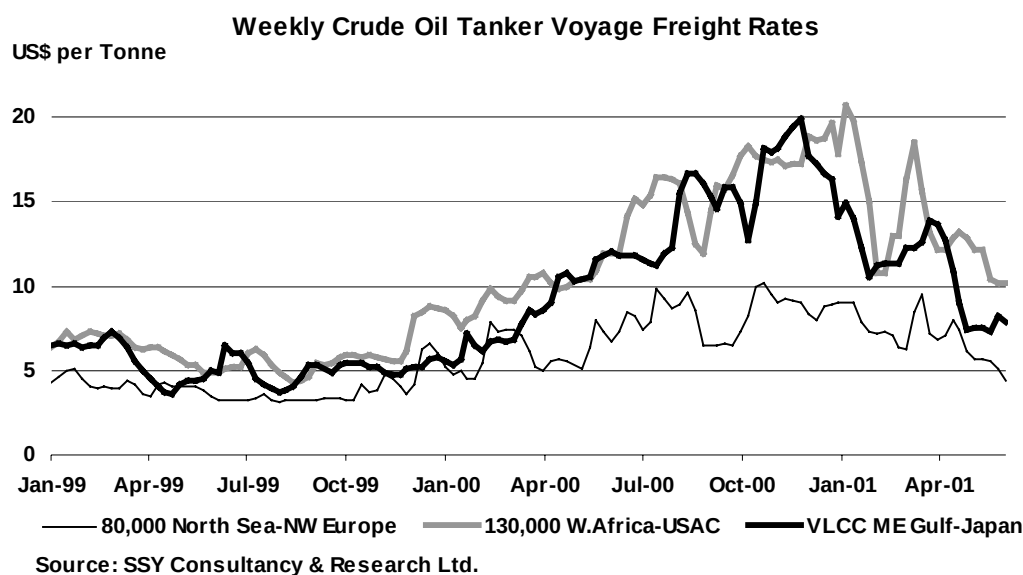
North American imports of **heavy fuel oil** from OECD Europe slowed from 155 kb/d in February to just 55 kb/d in March. This dramatic decline occurred despite a 75 kb/d increase between February and March in the volume of FSU fuel oil pushed into OECD Europe. But February's spike in imports had moderated New York's premium to Rotterdam LSFO from \$3.60 in January to \$1.70, and there it remained through April, widening slightly to \$2 in May.

The price spike, the import surge and the subsequent moderation in imports and differentials suggest that the US's frenzied buying of residual fuel oil slowed as East Coast natural gas prices moderated. Even so, the weekly statistics show US imports of residual fuel oil averaging nearly 400 kb/d in May, double those a year earlier. The North American call on fuel oil imports is likely to strengthen again for air conditioning this summer.



Freight

Net additions to global tanker capacity totalled only 1.3% in tonnage terms in the first four months of the year. Thus, changes in freight rates were due more to developments in demand than in supply. Spot freight rates for sub-VLCC crude oil tankers softened from mid-April, echoing the recent collapse in VLCC rates, with lower rates reflecting lower demand. This resulted from reduced cargo availability after OPEC production cuts, plus weaker demand for May/June deliveries of crude during refinery maintenance.



Spot freight for a half-million barrel cargo of North Sea crude delivered to Antwerp halved between mid-April and the first week of June, while the rate for chartering a million barrel tanker from Nigeria's Bonny terminal to the US East Coast refining center dropped 20%. With crude supply reduced by OPEC production restraint, the spot rates for chartering crude tankers have softened to just 40-50% of last winter's peaks, to rates last seen in the northern hemisphere winter of 1999/2000. Shipbrokers report that VLCC rates have stabilised, supported by stronger demand for Middle East loadings for Asia from mid-June on. Arrival of these cargoes will coincide with the end of the Asian turnaround season. Turning to the clean product trades, spot charter rates basically remained flat with April, supported by relatively tight product markets, partly owing to unplanned refinery outages.

Non-OECD Trade

The **Former Soviet Union's** net exports of crude and petroleum products totalled 4.67 mb/d in May, according to preliminary statistics that tend subsequently to be revised upwards. The latest figures show year-on-year increases in April and May of over 300 kb/d, primarily due to surging Black Sea exports. Seaborne exports via the Black and Baltic Seas hit a record 4.1 mb/d in the fourth week of May.

Rising production (with oil prices high) and nearly-flat demand are primarily responsible for the continuing increases in FSU net exports. There is already spare infrastructure capacity to enable further increases, and product export capacity will increase seasonally this summer as well. In St. Petersburg, for example, cold weather restricts its winter export capacity to 30-35 kb/d of fuel oil; that figure rises five-fold between May and October, when river barges are used to add floating storage capacity to the port.

FSU Net Exports of Crude & Petroleum Products

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Latest month vs.	
										Apr 01	May 00
Black Sea Exports	1.56	1.80	1.84	1.95	1.78	1.77	1.87	2.14	2.01	-0.13	0.22
Baltic Exports	1.09	1.37	1.51	1.42	1.19	1.38	1.43	1.40	1.61	0.21	-0.15
Total Seaborne	2.66	3.18	3.35	3.37	2.96	3.14	3.30	3.54	3.63	0.08	0.37
Druzhba Pipeline	1.02	1.03	1.01	1.01	1.07	1.10	1.07	1.04	1.01	-0.03	0.02
Other	0.08	0.12	0.10	0.19	0.13	0.03	0.01	0.05	0.05	0.00	-0.04
Total Exports	3.75	4.32	4.46	4.56	4.17	4.27	4.38	4.64	4.69	0.05	0.35
Imports	3.71	4.30	0.01	0.01	0.05	0.01	0.00	0.01	0.01	0.01	0.00
Total Net Exports	3.71	4.30	4.46	4.55	4.12	4.26	4.38	4.63	4.67	0.04	0.35
Crude	2.71	3.06	3.07	3.10	3.12	3.11	3.16	3.36	3.26	-0.10	0.28
Products	1.01	1.24	1.39	1.45	1.00	1.16	1.22	1.27	1.41	0.14	0.07

Sources: Petro-Logistics, IEA estimates

Delays related to customs documents, the proposed quality bank and other operational details stopped line fill of the At the Chevron-led Caspian Pipeline Consortium for a month. The first cargo of CPC blend, Kazakhi crude, will miss its end of June loading target and is likely to slip to early August. Germany's VEBA Supply & Trading reportedly was the first to sign for CPC blend, with a contract calling for liftings of 2 million barrels this year.

China's net imports of crude and petroleum products totalled an eye-catching 2.1 mb/d in April, double the rate two years earlier. Rapidly increasing dependence on imports has prompted government concerns about security of supply and underlain plans to establish strategic stocks, as well as encouraging diversification to a broader range of fuel alternatives.

China Crude & Product Trade

(thousand barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Latest month vs. Mar 01 Apr 00	
Net Imports of:											
Crude Oil	581	1179	928	1348	1275	852	1081	780	1625	845	461
Products & Feedstocks	436	287	211	356	299	343	297	408	479	71	314
Gasoil/Diesel	-6	-6	-11	-2	-5	2	-2	4	-4	-8	11
Gasoline	-96	-105	-134	-84	-113	-47	-24	-23	-11	13	109
Heavy Fuel Oil	244	192	204	208	137	308	295	354	418	64	233
LPG	174	152	137	159	152	96	91	74	77	2	-36
Naphtha	7	-14	-16	-12	-20	-41	-63	-51	-35	16	-22
Jet & Kerosene	19	9	13	16	17	38	18	55	33	-23	21
Other	95	59	19	72	131	-12	-18	-6	1	7	-1
Total	1017	1466	1139	1704	1573	1195	1378	1188	2104	916	775

Source: China Oil, Gas and Petrochemicals plus IEA estimates

Net imports of crude oil subsided to 780 kb/d in March before leaping to a record-high 1.6 mb/d in April (imports of 1.74 mb/d minus exports of 115 kb/d). The country's imports vary widely from month to month, depending heavily on arbitrage windows and occasionally on distressed cargoes. To take advantage of such opportunities, Sinopec's supply arm United Petroleum and Chemicals (Unipecc) was reportedly using part of Statoil's 8 million barrel Korean crude storage, and now itself has leased 2 million barrels of capacity at Ulsan, Korea for a year.

April arrivals from the Middle East totalled 1 mb/d, with over a third from Oman. Iran and Saudi Arabia tied for second place with 220 kb/d apiece. This represents a near-doubling in Saudi Arabia's crude placements in China; term sales to Unipecc doubled in 2001 to 160 kb/d. African crudes took a 300 kb/d market share in April, just over half to West Africa and a third to the Sudan. Asia/Pacific crudes managed an impressive 340 kb/d in April, two-thirds more than a year earlier, with Indonesia at 150 kb/d and Vietnam at 127 kb/d the largest, managing year-on-year gains of 43 kb/d and 69 kb/d respectively.

Net imports met a third of heavy fuel oil demand last year and fully half by the first quarter of 2001. Imports surged from the fourth quarter on - by April, exceeding 400 kb/d, double last year's average. Part of this strength relates to the use of import quotas which expired at end-April. However, the pattern also suggests an anticipated acceleration in demand, helping to explain CNPC's interest in lower-priced Venezuelan Orimulsion. South China's province of Guangdong is reportedly a prime user of fuel oil for power generation during the summer air-conditioning season.

Gasoline is the other product showing a recent significant in trade. Net exports fell 65 kb/d between the first and fourth quarters. Gasoline production has been virtually flat from the fourth quarter of 1999 on, so the dip in first quarter exports reflects the seasonal pattern of gasoline demand: rising in the first quarter.

Refinery runs as reported by *China Oil, Gas and Petrochemicals* moderated to 3.6 kb/d in March, 90 kb/d short of a year earlier. Preliminary indications show a roughly 200 kb/d increase in April, putting it ahead of last year. OGP's survey sample covers a goodly proportion of Chinese runs, but misses out runs at smaller, "tea-kettle" refineries. The larger refineries continue to upgrade and expand, with the latest proposal a tripling of crude capacity (to 240 kb/d) at the Fujian refinery, in south China.

In **Singapore**, net crude imports for the first four months of 2001 have averaged 980 kb/d, 235 kb/d more than a year earlier, with the gain, Saudi Arabia's. When compared to anecdotal evidence on refinery runs, these figures suggest crude stocks flat in March but building 3.5 million barrels during April. Refinery utilization rates in the 1.25 mb/d Singapore refining complex currently are only about 65%. Saudi Arabia supplied 420 kb/d of April's crude, Vietnam 120 kb/d and Australia 80 kb/d, the United Arab Emirates 85 kb/d, and other Middle East producers supplied a combined 200 kb/d.

The most significant product net import in Singapore is heavy residual fuel oil for industry, power generation, ship bunkers and (for straight-run residual fuel oil) as feedstock to refineries. Import requirements have been exaggerated by relatively low refinery runs and cutbacks in OPEC production of heavy crude. Singapore's largest supplier of heavy fuel oil in April was again Saudi Arabia, with a half-share. The next largest single supplier was Malaysia, with only 40 kb/d, and the five next most significant Middle East producers a combined 120 kb/d.

Singapore Crude & Product Trade

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Jan 01	Feb 01	Mar 01	Latest month vs. Feb 01 Mar 00	
Net Imports of:											
Crude Oil	885	840	936	729	981	996	1268	859	913	54	63
Products & Feedstocks	-185	-90	-38	-29	-188	-145	-100	-135	-57	78	-74
Gasoil/Diesel	-202	-157	-146	-149	-184	-152	-130	-129	-146	-17	-29
Gasoline	-83	-82	-81	-87	-61	-78	-57	-108	-111	-4	-65
Heavy Fuel Oil	306	341	378	373	293	323	386	278	374	96	46
LPG	-24	-22	-22	-24	-23	-25	-22	-22	-21	1	-3
Naphtha	-28	-33	-49	-19	-47	-46	-62	-26	-46	-20	-10
Jet & Kerosene	-106	-93	-69	-78	-121	-121	-175	-76	-65	12	-17
Other	-47	-45	-50	-46	-46	-45	-40	-52	-42	9	4
Total	700	750	898	700	792	851	1167	724	855	131	-11

Source: Singapore Monthly Oil Statistics, IEA estimates

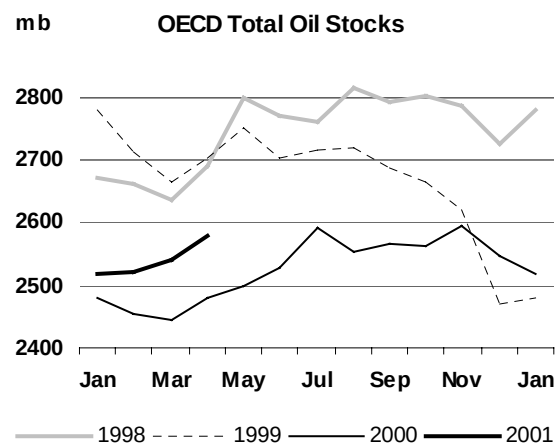
Singapore's product trade is primarily with other Asia/Pacific countries. In April, Singapore received a net 45 kb/d of gasoline and blendstocks from Thailand, China and Chinese Taipei and exported a net 155 kb/d. Malaysia took 55 kb/d, the OECD Pacific excluding Korea 30 kb/d, and other Asia/Pacific countries, 40 kb/d. Net exports to Iran totalled 19 kb/d, to Nigeria 8 kb/d and only 1 kb/d to the US. Nigeria is long in gasoil but has been unable to meet domestic gasoline demand, with below-market local prices encouraging smuggling to neighbouring countries.

OECD STOCKS

Industry Stock Changes in April 2001

Total oil industry stocks of OECD countries continued to rebound in April to reach 2579.5 million barrels, 40.4 million barrels over revised March 2001 levels. This growth of total industry oil stocks follows seasonal patterns, as stocks typically build in the second quarter of the year due to reduced global demand. The effect of April's 1.35 mb/d build is that stocks are now 99.2 million barrels above levels of this time last year. Despite this increase, total oil industry stocks are still 124.0 million barrels lower than at the same point in 1999, and 110.6 million barrels lower than comparable 1998 figures.

While total crude and product stocks built in April, the bulk of the increase, 1.13 mb/d, was in product stocks. This increase in product stocks reflects the effect of increased refinery throughputs and lower product demand. It masks divergent trends across OECD regions, with industry product stocks rising sharply in North America and the Pacific, but declining in Europe. The increase in North American product stocks is consistent with increased refinery runs, product imports, notably gasoline, and contango in the near-month, whereas OECD Pacific product stocks are building as a result of depressed demand. Despite increased refinery throughputs, industry crude stocks continued to build in North America, suggesting a more balanced market. This situation is different in other OECD regions, with crude stocks falling in both OECD Europe and OECD Pacific.



Preliminary Industry Stock Change in April and the First Quarter 2001

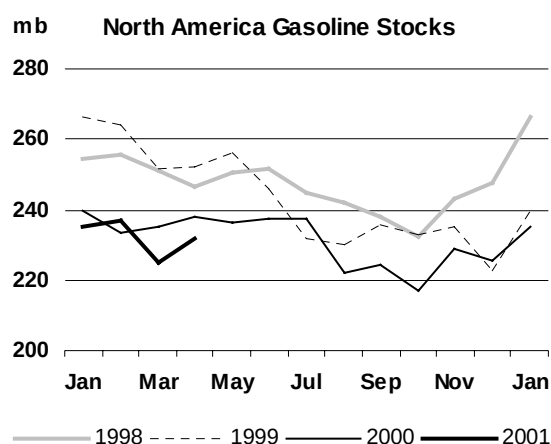
(million barrels per day)

	April (preliminary)				First Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.50	-0.25	-0.05	0.21	0.18	0.14	0.11	0.44
Gasoline	0.22	0.03	0.02	0.27	-0.02	0.03	0.02	0.03
Distillates	0.00	-0.22	0.32	0.09	-0.20	-0.16	-0.20	-0.56
Residual Fuel Oil	0.04	0.08	0.03	0.14	0.04	-0.04	0.02	0.02
Other Products	0.57	0.00	0.06	0.62	-0.04	-0.04	-0.06	-0.14
Total Products	0.82	-0.11	0.43	1.13	-0.22	-0.21	-0.22	-0.64
Other Oils ¹	-0.09	0.00	0.09	0.01	0.11	-0.02	0.02	0.11
Total Oil	1.23	-0.35	0.47	1.35	0.07	-0.08	-0.09	-0.09

other oils includes NGLs, feedstocks and other hydrocarbons

Gasoline stocks in the OECD were up across all OECD regions in April, gaining some 0.27 mb/d. The bulk of this increase occurred in the US due to increased refinery throughputs and record gasoline and blendstock imports driven by extremely strong crack spreads - the differentials of product values over crude. Gasoline stocks in Europe and the Pacific, on the other hand, remained virtually flat over the month.

Preliminary EIA May estimates suggest a further easing of the tight US gasoline situation and spot New York Harbour gasoline prices responded accordingly. Prices for reformulated gasoline in the US remain high, although fears of widespread shortages are abating.



Refiners on both sides of the Atlantic have responded to the strong refinery margins and wide crack spreads by ramping-up throughputs and, at the same time, by reconfiguring their operations to maximise gasoline yields. As in the past, they have demonstrated remarkable flexibility in fine-tuning their operations to meet product demand. Operating at maximum capacity, while efficient, increases the risk of supply and price volatility due to unforeseen circumstances and unscheduled maintenance. For now, product stocks remain low and the availability of supply is a concern. Despite a rebound in crude stocks, relatively low product stocks may aggravate demand-driven price volatility during peak consumption periods.

Revisions versus 11 May 2001 Oil Market Report

	(million barrels)							
	North America		Europe		Pacific		OECD	
	Feb 01	Mar 01	Feb 01	Mar 01	Feb 01	Mar 01	Feb 01	Mar 01
Crude Oil	0.0	-3.4	1.2	7.0	0.0	3.1	1.2	6.7
Gasoline	0.0	-1.7	-0.4	0.9	-0.1	-0.1	-0.5	-0.9
Distillates	0.0	-2.5	-0.2	-9.1	0.3	-0.2	0.1	-11.8
Residual Fuel Oil	0.0	-0.7	-1.4	-0.9	2.0	1.2	0.7	-0.4
Other Products	-0.1	6.5	0.3	-0.8	0.0	-3.8	0.2	1.9
Total Products	-0.1	1.6	-1.6	-9.9	2.2	-2.9	0.4	-11.2
Other Oils ¹	0.0	-2.6	0.4	-1.7	0.0	0.3	0.4	-4.0
Total Oil	-0.1	-4.4	0.0	-4.6	2.2	0.5	2.0	-8.5

1 other oils includes NGLs, feedstocks and other hydrocarbons

March 2001 preliminary estimates of total oil stocks have been revised downwards by 8.5 million barrels or 275 kb/d. The bulk of the reductions were evenly distributed between OECD North America and OECD Europe. Crude stocks were revised upwards by 6.7 million barrels, but this was offset by a 11.2 million reduction in product stocks and a 4.0 million barrels reduction in other oils. These revisions contributed to a modest March OECD industry stock draw of 0.56 mb/d and a minor Q1 draw of 0.09 mb/d. Though the figures are consistent with seasonal patterns, the magnitude of the stockdraw is small by historical standards.

OECD Industry Stock Changes: Effect of Revisions for March and the First Quarter

	(million barrels per day)							
	March				First Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	-0.11	0.18	0.10	0.18	-0.04	0.08	0.03	0.07
Gasoline	-0.05	0.04	0.00	-0.01	-0.02	0.01	0.00	-0.01
Distillates	-0.08	-0.29	-0.02	-0.38	-0.03	-0.10	0.00	-0.13
Residual Fuel Oil	-0.02	0.01	-0.03	-0.03	-0.01	-0.01	0.02	0.00
Other Products	0.21	-0.04	-0.12	0.05	0.07	-0.01	-0.04	0.02
Total Products	0.05	-0.27	-0.16	-0.37	0.02	-0.11	-0.03	-0.12
Other Oils ¹	-0.08	-0.07	0.01	-0.14	-0.03	-0.02	0.00	-0.04
Total Oil	-0.14	-0.15	-0.05	-0.34	-0.05	-0.05	0.01	-0.10

1 includes feedstocks, NGLs and other hydrocarbons

Preliminary Stocks at the End of April

OECD industry stocks of total oil closed out the month of April at 2.58 billion barrels, up by 99.2 million barrels over a year earlier but still significantly lower than in 1998 and 1999. Total oil stocks in OECD North America closed at 1188.7 million barrels, whereas OECD Europe and OECD Pacific stood at 929.8 and 461.0 million barrels respectively.

Both crude and product stocks are above the previous year's levels across all OECD regions with crude stocks up 50.2 million barrels. OECD gasoline and distillate stocks are low coming out of the peak winter heating season, partly offset by higher than average fuel oil stocks. Gasoline stocks of 384 million barrels at the onset of the driving season are below last year's levels by 7.7 million barrels. On a days-of-forward-demand basis, industry crude oil stocks in April are 2 days above last year's levels, with the greatest operating margin in OECD Pacific. Nevertheless, crude oil stocks in OECD Europe and North America are significantly lower than 1998 and 1999 levels. Despite a more balanced crude market, product stocks, at less than 1 day above last year, remain tight. This situation could reverse as refiners ramp-up crude runs, drawing down crude stocks while building up product stocks.

Year-on-Year Industry Stock Comparisons for April 2001

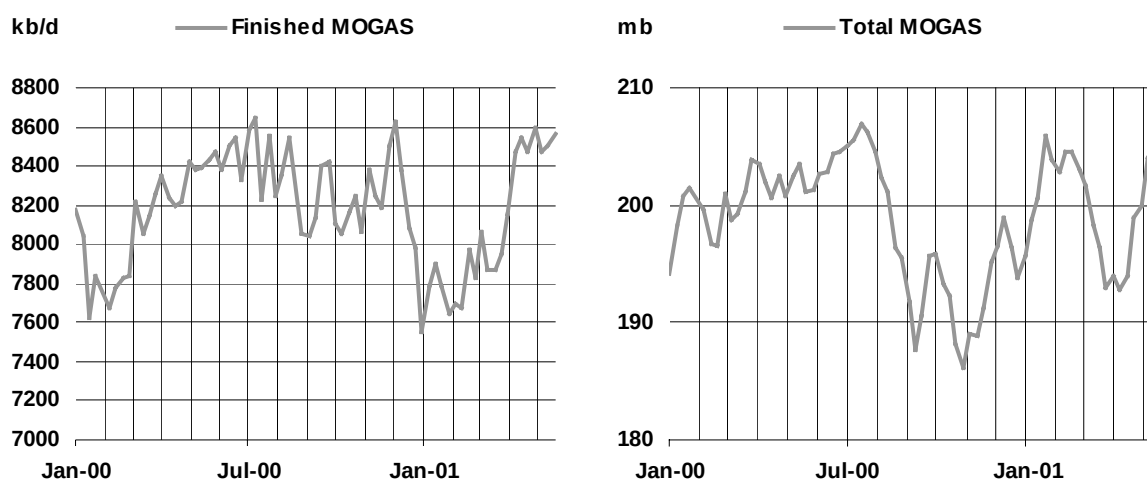
	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	23.3	16.5	10.4	50.2	Total Oil	1.6	1.1	5.0	2.0
Total Products	17.5	0.6	19.6	37.6	Versus 1999	-4.6	-6.0	2.6	-3.8
Other Oils ¹	5.2	0.8	5.4	11.4	Versus 1998	-5.8	-1.8	-0.6	-3.8
Total Oil	46.0	17.9	35.4	99.2	Total Products	0.6	0.0	2.7	0.7
Versus 1999	-75.7	-75.1	26.9	-124.0	Versus 1999	-3.2	-2.4	1.9	-2.1
Versus 1998	-73.4	-41.6	4.5	-110.6	Versus 1998	-3.3	-1.6	1.2	-2.1

1 other oils includes NGLs, feedstocks and other hydrocarbons

Regional Stock Developments

North America

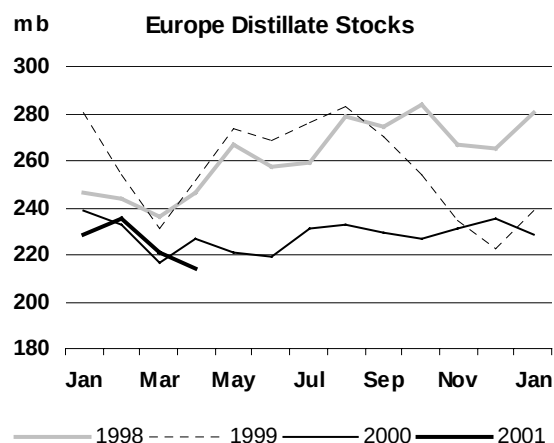
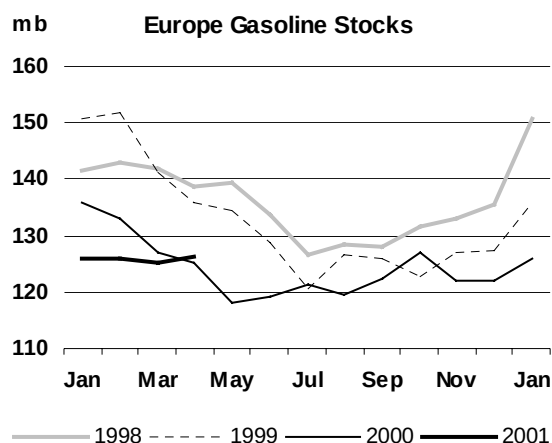
The tight crude and product situation in OECD North American has eased. The crude market is more balanced, with crude stocks gaining 15.1 million barrels over the month of April. Gasoline stocks also rebounded, with refineries ramping-up utilisation rates and shifting into maximum gasoline production and with record crack spreads encouraging a flood of imports. Consequently, gasoline stocks in April increased by 6.5 million barrels, while total product stocks gained 24.5 million barrels.



The graph above on the left details **United States** weekly gasoline production and shows a sharp rise in March and April gasoline production, levelling off in May. The graph above on the right details weekly US gasoline stock levels, revealing sharp increases in April and May. The concern about gasoline expressed earlier this year was sparked by the trough in Q4 2000 gasoline stocks and doubts about the ability of refiners to build stocks in advance of peak seasonal demand. While conditions for regular gasoline have improved, reformulated Phase 11 gasoline stocks remain tight in key regional markets, and prices have responded accordingly.

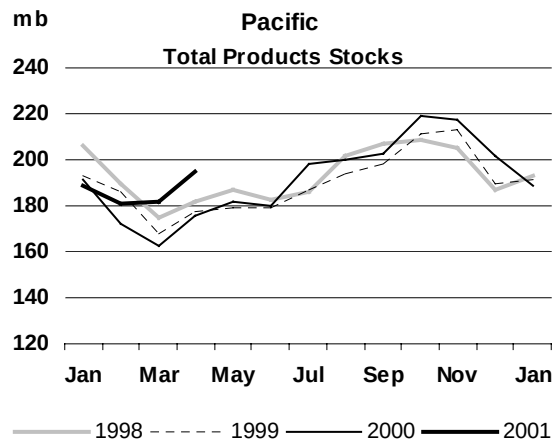
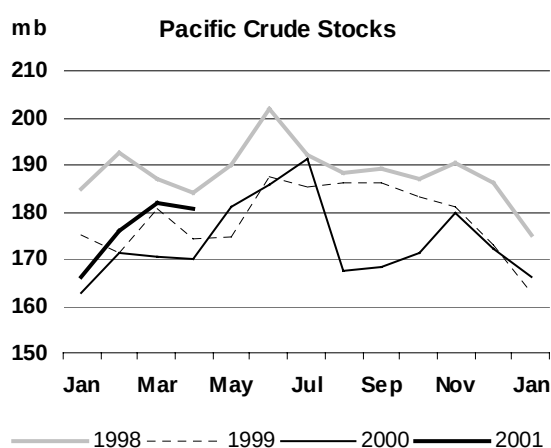
Europe

OECD European industry crude and product stocks trended downwards, contrary to developments in OECD North America. In April, crude stocks fell by 7.5 million barrels as refineries ramped-up production, while product stocks declined by 3.3 million barrels. Despite increased gasoline production, extremely wide cracking margins in North America pulled blendstocks to the US, offsetting a potential gasoline stock build in Europe. In maximising gasoline production, European refiners are producing fewer middle distillates. If this situation were to continue, low distillate stocks could once again cause problems later on in the winter heating season.

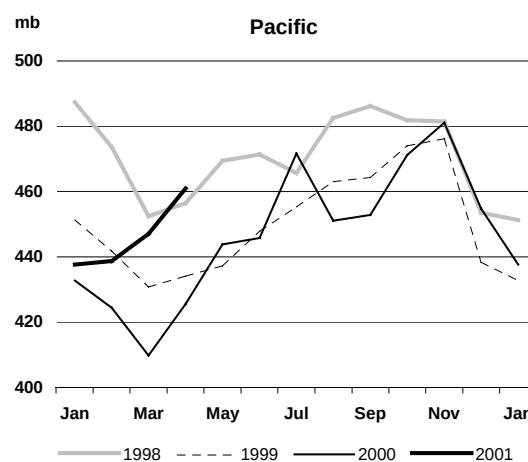
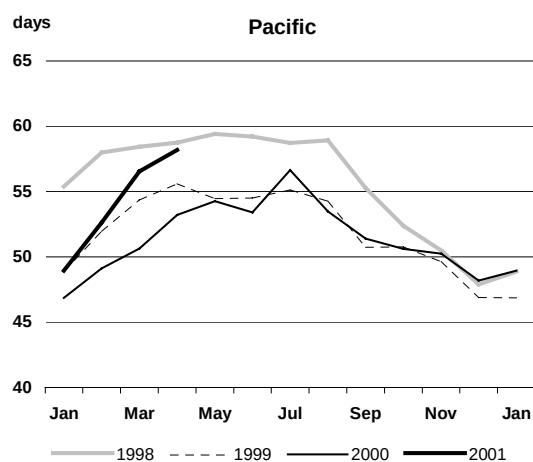
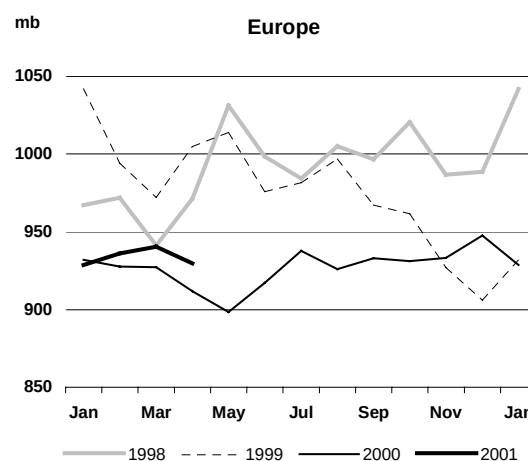
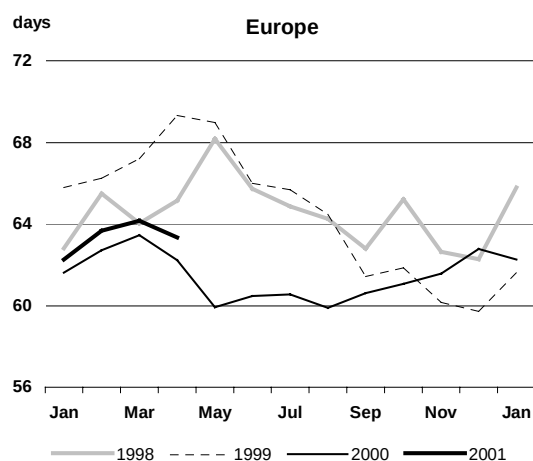
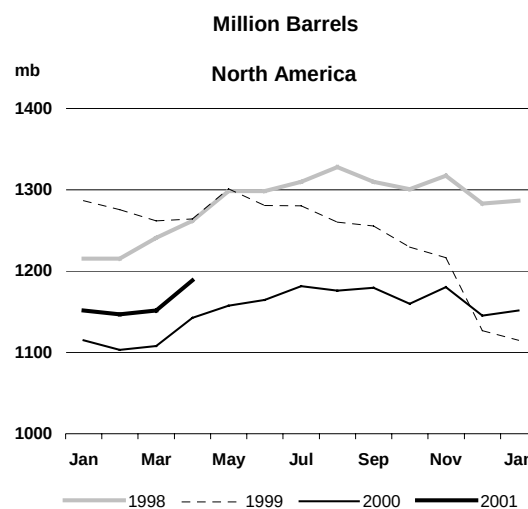
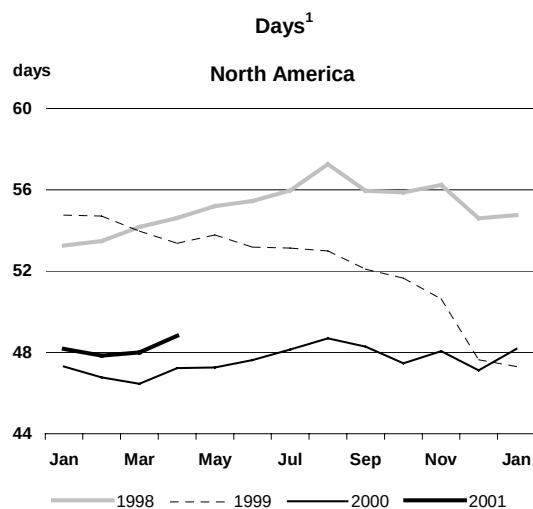


Pacific

Crude stocks fell slightly in OECD Pacific in line with European trends, albeit at a slower pace. The bulk of the decline occurred in **Korea**, which posted a reduction in crude stocks of 1.2 million barrels. Despite low throughputs ahead of the refinery maintenance season, total product stocks surged, indicating overall weak regional product demand. Residual fuel oil stocks have surged since the start of the year and are now at three-year highs. As in Europe, gasoline builds are expected to remain weak due to exports to the US West Coast to meet peak summer demand.



Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

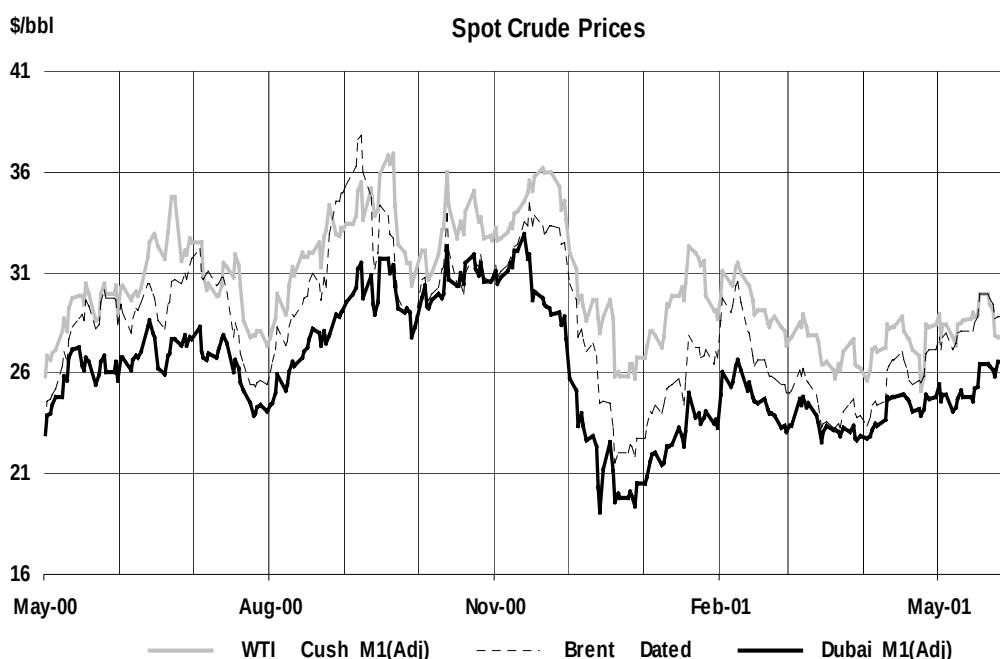


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- **Gasoline** prices have fallen sharply since the early part of May, losing \$6-8/bbl. The steepest declines occurred in the US, driven by builds in gasoline stocks. Most of April's extraordinary gains have been wiped out, and the overall product markets have a different complexion than a month ago. **Middle distillates** prices remained steady or were up modestly. Prices eased for **low-sulphur fuel oil**. Strong Asian demand for **high-sulphur fuel oil** supported prices globally.
- **Crude prices** rose strongly for much of May. However, in the latter part of the month and in early June, the upward momentum was lost and there were signs of weakness. During the second half of May, **dated Brent** prices were higher than spot **WTI**, an unusual situation, especially in the summer months. Brent was relatively strong, due to heavy buying and reported trading plays, while WTI was relatively weak, as a result of building US crude stocks.
- The crude markets shrugged off the 4 June suspension of 2.1mb/d of **Iraqi oil-for-food exports**. The lack of a sustained or strong reaction to the Iraqi situation, along with the more comfortable levels of crude and product stocks in the Atlantic Basin, indicate that, for the moment, the prompt physical crude markets are adequately supplied.
- The collapse in gasoline prices, and the signs of weakness in crude prices, make the current oil market situation less straightforward than a month ago. However, **the outlook** continues to call for re-emerging tightness in the crude markets, as refiners run hard to meet seasonally increasing product demand. The Iraqi situation reinforces this view. At the same time, the uncertain economic situation poses downside risk to underlying oil demand growth.
- With crude prices strong and gasoline leading overall product prices downward, **refining margins** fell sharply during May in all of the main refining centres. The US Gulf Coast is the only region where refining remains profitable. Reportedly, European refiners have already responded by cutting runs. Asian refiners are in the midst of maintenance season, so have more time to wait before making a decision on discretionary run cuts. If margins remain low, and refinery runs are restrained, crude markets will be slower to tighten.



Note: As of the 11 May 2001 Report, the IEA has changed the source of its Platt's price data. As a result, historical price data may differ slightly from that shown in previous Reports.

Crude Oil Prices

Spot Crude Prices and Differentials

Prices for all three main marker crudes rose strongly during May, the second straight month of gains. Although crude prices have shown signs of weakness in recent days, looking ahead, the crude market is expected to tighten, with crude taking market leadership back from gasoline as crude stocks level off and then start to draw down. This is the same outlook that was described here last month. However, a number of recent developments have added uncertainty to the situation, as discussed below.

Spot Crude Oil Prices and Differentials*

(monthly and weekly averages, \$/bbl)

	Mar	Apr	May	Change	Week Beginning:					
					23 Apr	30 Apr	07 May	14 May	21 May	28 May
Crudes										
Brent Dated	24.42	25.66	28.51	2.85	26.22	27.59	27.77	28.69	29.30	29.11
Brent 1 month (adjusted)	25.50	26.54	28.71	2.17	26.59	28.03	28.09	28.83	29.27	29.21
Brent 2 month (adjusted)	26.63	25.47	28.09	2.62	27.05	28.11	28.16	28.78	29.24	28.98
WTI Cushing 1 month (adjusted)	27.18	27.40	28.61	1.22	25.94	28.39	28.13	29.09	28.84	27.91
WTI Cushing 2 month (adjusted)	27.47	27.72	29.11	1.39	27.69	28.78	28.79	29.46	29.27	28.46
Urals (Mediterranean)	21.69	23.91	26.63	2.72	24.73	25.96	25.99	26.90	27.18	26.98
Es Sider	23.80	24.86	27.91	3.05	25.42	26.95	27.17	28.09	28.70	28.46
Iran Light	23.65	23.10	26.10	3.00	23.57	24.86	25.38	26.32	26.94	26.77
Iran Heavy	23.24	22.75	25.32	2.57	22.87	24.16	24.60	25.52	26.14	25.97
Dubai 1 month (adjusted)	23.45	24.18	25.60	1.42	na	24.97	24.64	24.71	na	26.85
Oman 1mth (adjusted)	23.72	23.59	25.36	1.78	na	25.39	25.27	25.54	na	26.66
Minas	25.62	27.91	28.23	0.33	28.32	28.76	28.68	27.71	28.08	28.28
Tapis	26.86	27.94	28.98	1.04	28.13	28.57	28.71	28.65	29.63	29.15
Forcados	23.63	25.04	28.40	3.35	25.70	27.35	27.69	28.62	29.19	28.96
Bonny Light	24.24	25.71	28.83	3.11	26.38	27.91	28.15	29.04	29.58	29.29
Differential to Dated Brent										
Brent 1mth (adjusted)	1.08	0.88	0.20	-0.68	0.37	0.43	0.32	0.14	-0.02	0.10
WTI Cushing 1month (adjusted)	2.76	1.74	0.10	-1.63	-0.28	0.79	0.36	0.40	-0.46	-1.21
Urals (Mediterranean)	-2.74	-1.75	-1.88	-0.13	-1.49	-1.63	-1.79	-1.79	-2.12	-2.13
Es Sider	-0.62	-0.80	-0.60	0.20	-0.80	-0.64	-0.60	-0.60	-0.60	-0.65
Iran Light	-0.77	-2.56	-2.41	0.15	-2.65	-2.73	-2.39	-2.37	-2.36	-2.34
Iran Heavy	-1.18	-2.91	-3.19	-0.28	-3.35	-3.43	-3.17	-3.17	-3.16	-3.14
Dubai	-0.97	-1.48	-2.91	-1.43	na	-2.63	-3.14	-3.98	na	-2.26
Oman	-0.70	-2.07	-3.15	-1.07	na	-2.21	-2.50	-3.15	na	-2.46
Minas	1.19	2.25	-0.28	-2.52	2.10	1.17	0.91	-0.98	-1.22	-0.83
Tapis	2.44	2.28	0.47	-1.82	1.91	0.97	0.94	-0.04	0.33	0.03
Forcados	-0.79	-0.62	-0.12	0.50	-0.52	-0.25	-0.08	-0.06	-0.11	-0.15
Bonny Light	-0.18	0.05	0.31	0.26	0.16	0.32	0.38	0.35	0.28	0.17
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	-1.14	1.07	0.62	-0.45	-0.46	-0.09	-0.07	0.04	0.04	0.23
WTI Cushing 1mth-2mth (adjusted)	-0.29	-0.32	-0.50	-0.17	-1.75	-0.40	-0.66	-0.37	-0.43	-0.55

* Weekly data for Brent, WTI, Dubai and Oman 1st month and 2nd month are unadjusted

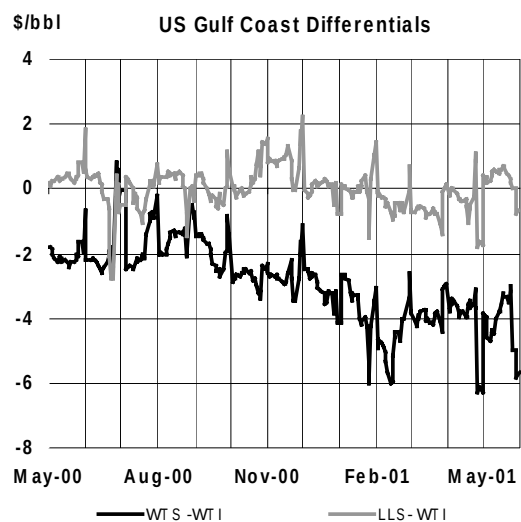
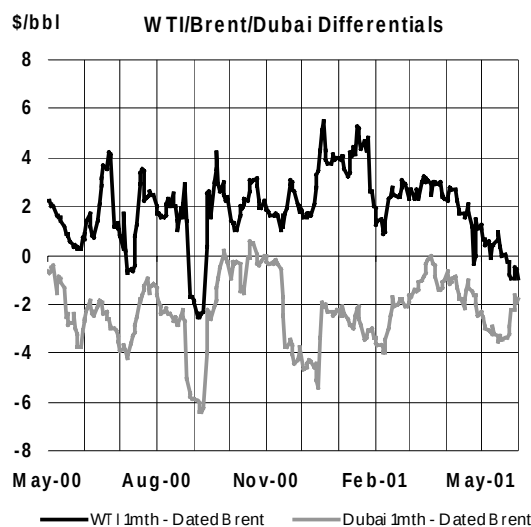
As anticipated, healthy refinery margins and record gasoline crack spreads in April and part of May gave Atlantic Basin refiners the needed incentive to run all out to meet summer gasoline demand. As a result, although reformulated gasoline stocks are still tight, preliminary weekly figures show that overall gasoline stocks in the US have risen and now exceed year-earlier levels. This happened as expected. It was also anticipated that, at the same time as gasoline stocks were building, crude stocks would start to draw down, or at least level off. This has not happened yet. On the contrary: crude stocks have built strongly, and this is the first element of uncertainty.

The second element of uncertainty has been the mild crude market response to the cutoff of 2.1 mb/d of Iraqi crude exports under the UN oil-for-food programme. Most analysts expected some sort of

disruption to exports, especially in light of the fact that even when there have been "smooth" rollovers from one phase to the next, shipments have been reduced significantly for a week or two, due to administrative and logistical delays. Even if this was the minimum expected disruption, it is safe to say that a total cutoff for a month was probably more than most expected. So what happened in the markets? Not much. The crude price response was modest, especially given the manner in which Iraq reversed its position.

On 31 May, when a UN Security Council agreement for a one month extension was informally reached and announced, Iraq said that in protest, it would not sign any new contracts. However, Iraq assured the markets that it would continue shipments under existing contracts. These contracts represent almost 300 million barrels of exports, around 150 days worth at 2 mb/d. Then, on 2 June, the day after the UNSC formally approved the extension, Iraq responded with a surprise turnabout, saying that it would suspend all oil-for-food exports on 4 June. After the assurances of continued exports, crude prices fell by less than a dollar on 31 May-1 June. After Iraq reversed itself and announced a cutoff, prices rose by less than a dollar on 4-5 June. On 6 June, prices fell back again, this time in response to weekly figures showing further increases in US stocks of both crude and gasoline.

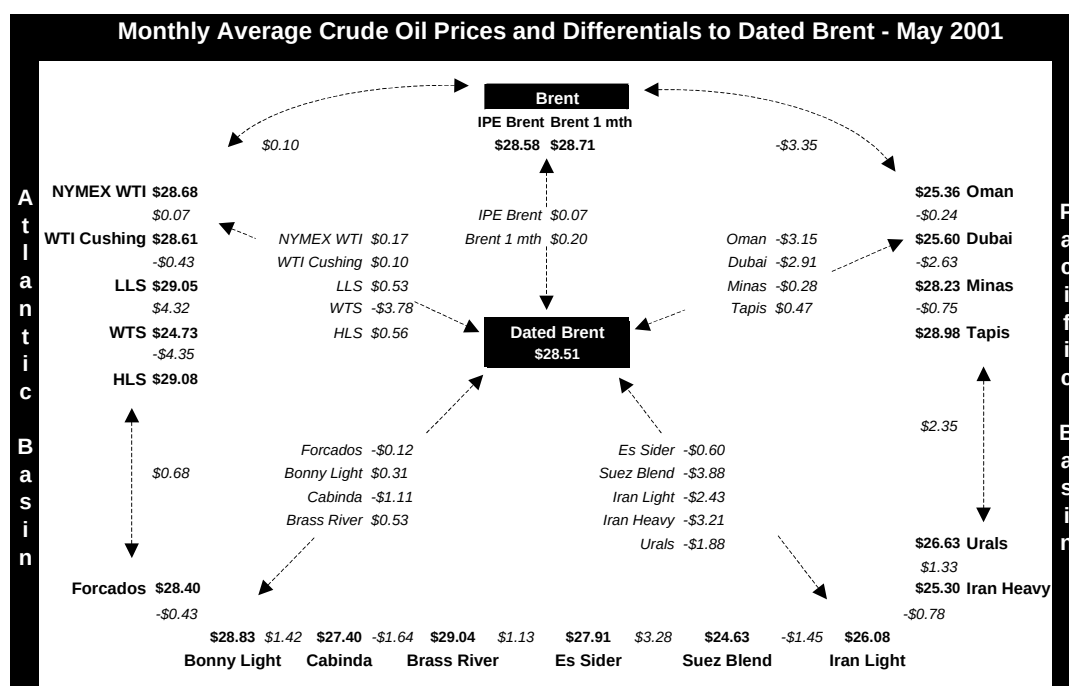
The two factors, continuing crude stockbuilds and the lack of a reaction to Iraq, are of course linked. The market perceives that, at present, crude stocks are comfortable, at least in absolute terms, which is why it was willing to shrug off Iraq. However, this could also be interpreted as pointing to an increasing risk that underlying crude and product demand is weakening faster than generally thought. Of course, the markets are notorious for both their short-term focus and their ability to change directions quickly. It is also dangerous to rely too much on the price developments of only a week. The uncertainties discussed here just reflect the fact that the current prompt physical markets are well supplied. The base case crude market outlook in this Report remains one of "expected tightening in the coming weeks". If anything, the Iraqi situation reinforces this view, which is based on the supply and demand forecast. But the demand risk should be noted.



During May, spot WTI prices rose \$1.22. The gain was more modest than for the other main Atlantic Basin markers, dated Brent and Urals, which rose by \$2.85 and \$2.72 respectively. Dubai was more in line with WTI, increasing by \$1.42 for the month. There were a number of reported squeezes and trading plays in May; for some markers, there was also the straightforward situation of strong demand for grades with low production volumes.

Spot **WTI** price gains were mainly restrained because crude inventories in the US midcontinent - where the price point of Cushing, Oklahoma is located - were building to more comfortable levels during the month. As a landlocked crude, WTI reacts quickly to local market conditions. In addition, a trading play by companies that control significant amounts of storage at Cushing reportedly took place.

Dated Brent prices were strong, particularly in the second half of May, when they actually rose above spot WTI, an unusual occurrence in the summer months. The persistently high prices for dated Brent were variously reported as being caused either by a squeeze play or by simple buying sprees by one or two large players. Due to Brent's strength, the **Brent-WTI spread** was narrow in the first part of the month, and negative in the second part. Despite this, it would be incorrect to say that the trans-Atlantic arbitrage window was "closed" during the month. When prices and refining margins are as high as they have been recently, the usual "rules of thumb" for arbitrage opportunities no longer apply. When the gasoline-crude spreads are in the \$10-15 range, refiners can afford to pay a high price for crude and still make a tidy profit. Even in more normal times, it is more accurate to speak of arbitrage being more attractive and less attractive, as the volumes simply rise and fall. Atlantic Basin crude strength was also underpinned by the fact that this year's second round of OPEC cuts, which began on 1 April, was mainly directed at the US, and this started to affect arrivals in May.

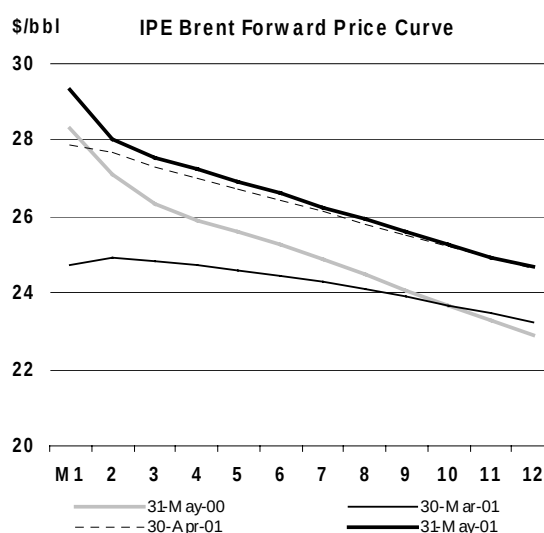
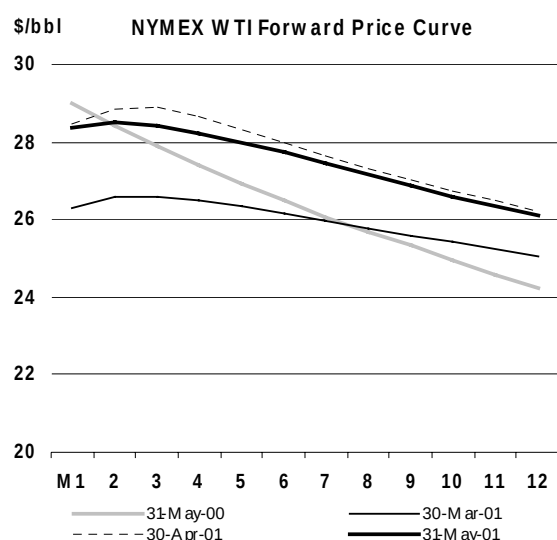


Urals prices increased almost as much as dated Brent. Urals strength can be expected to continue. Prices for the Russian grade will be the most direct beneficiary of the absence of Iraq's Kirkuk crude from the market, because Kirkuk competes head-to-head with Urals in the Mediterranean market.

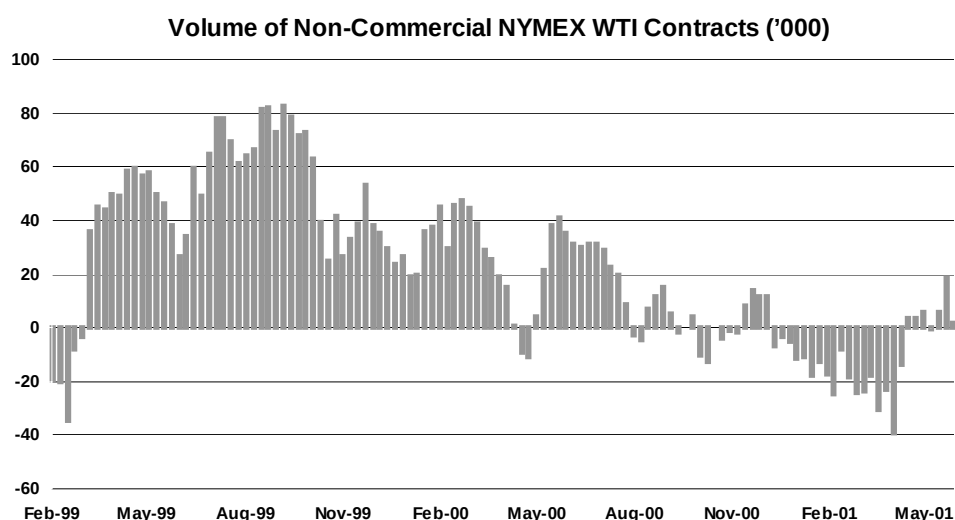
Dubai's gain was partly driven by the OPEC cuts and a tighter market for Middle Eastern sour crudes. However, it was also reported to be caused by both a trading play and, late in the month, heavy purchasing of Dubai cargoes by Egypt's new Midor refinery. While the monthly average **Brent-Dubai spread** widened in May, it narrowed sharply in the last two weeks of the month, as prices in Asia grew relatively stronger. This should pull more West African crude out of the Atlantic Basin and into Asia. Asian refiners are buying now for next month, when their refinery maintenance season will be over. The Iraqi disruption, which has the same effect as an OPEC 10 production cut, should also serve to support the prices of Dubai and other sour Middle Eastern grades.

Crude Futures

Viewed from a monthly perspective, the crude futures markets in May appeared steadier than the spot markets. The forward price curve for **NYMEX WTI** at the end of May was not much different from what it was at the end of April, with prices falling moderately. The front-month declined by 9 cents, and the rest of the futures strip was off by 20-50 cents. The WTI curve remained in contango (upward slope), but an already-shallow slope became even flatter, and WTI seemed poised to return to backwardation (downward slope). The front month-second month spread shrank from 40 cents to 15 cents. This supports the argument that an apparently well-supplied prompt physical market in the US is not considered likely to last.



The non-commercial, or speculative, NYMEX WTI futures contracts were long all month, but just barely. The price bulls could not gather any momentum, because of the uncertainties and mixed signals described above. As June progresses, however, the Iraqi outage could provide the impetus for the speculators to get more bullish.



The front-month **IPE Brent** futures contract gained over \$1.40 from end-April to end-May, reflecting both a tighter spot physical market in Europe, with more moderate gains in crude inventories, and the reported manipulation of dated Brent discussed above. The degree of backwardation in the front months increased, but beyond six months, there was little change in the forward strip.

Delivered Crude Prices

The IEA CIF crude import price averaged \$24.32 in March, a decrease of \$1.57 compared to the previous month. On a regional basis, IEA Europe prices fell by \$3.38 and IEA North America prices dropped by \$1.41. In contrast, IEA Pacific prices gained \$1.30. The declines in Europe and North America are in line with the lower spot prices during the same month. Meanwhile, the increase in the Pacific reflects the rise in Dubai and other Middle Eastern grades that took place the previous month. The delayed effect for the Pacific is due to the longer shipping times involved in transporting crude to the region.

Weighted-Average CIF Crude Import Cost by Area**

	\$/ bbl			
	Total IEA	IEA Europe	IEA North America	IEA Pacific
Oct 00	30.46	30.23	29.77	32.30
Nov 00	31.10	31.36	29.93	32.60
Dec 00	27.00	26.22	26.03	30.81
Jan 01	24.85	25.25	24.34	24.83
Feb 01	25.89	26.87	25.04	25.34
Mar 01*	24.32	23.49	23.63	26.64

* preliminary, based on partial submissions

** CIF = cost, insurance and freight

Product Prices

Spot Product Prices

In an important development, over the last three weeks of May, **gasoline** prices declined in all of the major markets and took a large part of the upward momentum away from crude prices. Gasoline prices had strengthened dramatically from late March into early May, propelled by tight markets in the US and Europe. The situation for US reformulated gasoline, which fulfils about a third of US demand during the summer, was particularly precarious. The reversal came about because Atlantic Basin refiners came back from maintenance, took advantage of strong refining margins, maximised crude runs and gasoline production, and increased inventories ahead of the peak driving season, which has only just begun.

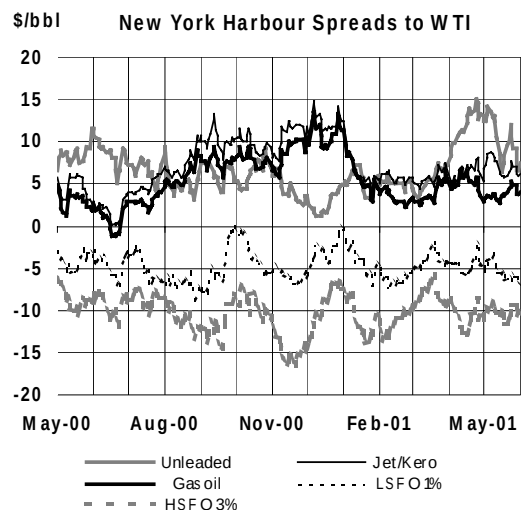
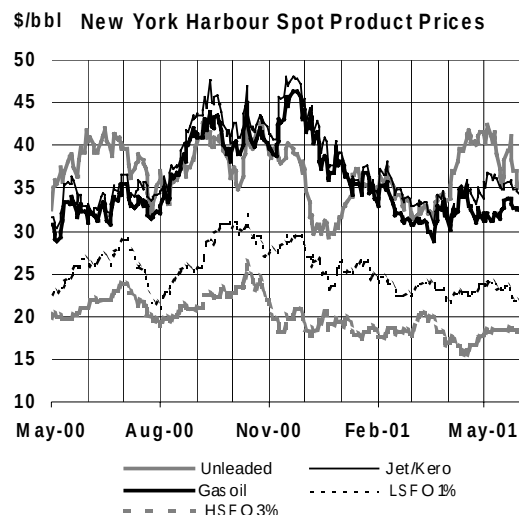
Spot Product Prices

(monthly and weekly averages, \$/bbl)

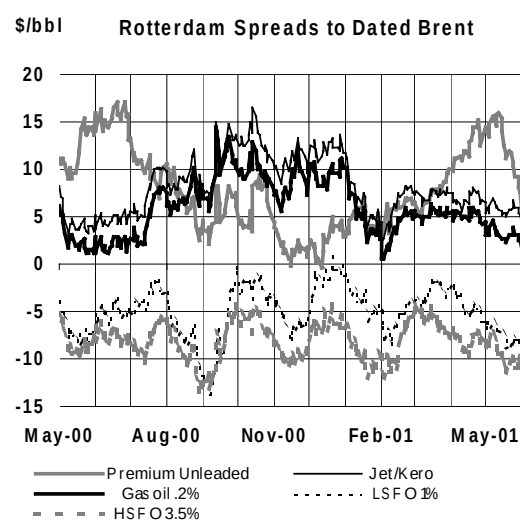
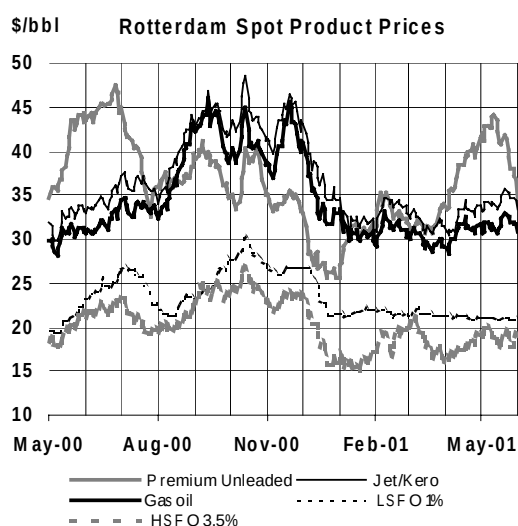
	Mar	Apr	May	May-Apr	% Chg	Week Beginning:					Mar	Apr	May
						30 Apr	07 May	14 May	21 May	28 May			
Rotterdam, Barges FOB											Differential to Brent		
Premium Unleaded (Cargo)	31.84	38.03	40.84	2.81	7.39	41.71	43.31	41.64	40.12	35.81	7.42	12.37	12.33
Regular Unleaded	30.39	36.59	39.25	2.66	7.28	40.36	41.70	40.00	38.38	34.24	5.97	10.93	10.74
Naphtha	25.97	27.15	29.80	2.65	9.78	29.80	29.87	29.54	30.34	29.19	1.55	1.49	1.29
Jet/Kerosene	31.75	32.49	34.22	1.72	5.31	33.51	34.02	33.99	35.28	33.98	7.33	6.83	5.70
Gasoil	29.74	30.75	31.56	0.81	2.63	31.15	31.32	31.31	32.51	31.35	5.31	5.09	3.05
Fuel Oil 1.0%S	21.55	21.17	21.08	-0.09	-0.45	21.14	21.18	21.01	21.12	20.77	-2.87	-4.49	-7.44
Fuel Oil 3.5%S	18.44	17.66	18.88	1.22	6.92	19.22	19.17	18.20	18.92	18.89	-5.98	-8.00	-9.63
Mediterranean – Basis Italy, Cargoes FOB											Differential to Urals		
Premium Leaded (0.15 g/l)	32.32	38.89	41.10	2.20	5.67	42.00	43.41	41.82	40.48	36.20	10.64	14.99	14.47
Premium Unleaded	31.60	38.18	40.38	2.20	5.77	41.28	42.69	41.10	39.76	35.48	9.92	14.27	13.75
Naphtha	24.08	25.46	28.14	2.69	10.55	28.11	28.17	27.81	28.70	27.73	2.39	1.55	1.52
Jet/Kerosene	28.53	28.81	30.56	1.74	6.05	29.88	30.21	30.41	31.63	30.25	6.84	4.90	3.93
Gasoil	26.83	27.96	28.54	0.58	2.08	28.78	27.89	28.04	29.50	28.52	5.14	4.05	1.91
Fuel Oil 1.0%S	19.71	20.27	19.92	-0.34	-1.68	20.43	20.34	19.80	19.68	19.24	-1.98	-3.64	-6.70
Fuel Oil 3.5%S	15.29	14.58	15.77	1.20	8.20	16.00	15.96	15.40	15.80	15.67	-6.40	-9.33	-10.86
NY Harbour, Barges											Differential to WTI		
Premium Unleaded 93	34.53	45.03	44.71	-0.32	-0.71	47.86	45.98	42.42	45.39	40.98	7.35	17.64	16.10
Regular Unleaded 87	32.74	39.37	38.81	-0.56	-1.41	41.50	40.59	36.66	39.07	35.21	5.55	11.97	10.20
Jet/Kerosene	32.94	33.81	35.58	1.77	5.22	35.61	36.26	35.13	35.56	34.40	5.75	6.42	6.96
No.2 Heating Oil	31.08	32.53	32.38	-0.15	-0.46	31.64	31.68	32.43	33.48	32.34	3.90	5.14	3.77
Fuel Oil 1.0%S (Cargo)	23.32	22.86	23.12	0.27	1.17	23.85	23.71	23.31	22.70	21.20	-3.86	-4.54	-5.49
Fuel Oil 3.0%S (Cargo)	19.03	16.75	18.36	1.61	9.59	18.10	18.35	18.45	18.52	18.13	-8.15	-10.65	-10.26
Singapore, Cargoes											Differential to Dubai		
Premium Unleaded 95	29.81	32.80	32.59	-0.21	-0.64	35.29	34.90	32.99	31.89	28.53	6.36	8.62	6.99
Naphtha	26.55	27.00	28.08	1.09	4.03	27.73	28.04	28.01	28.62	27.72	3.10	2.81	2.48
Jet/Kerosene	28.77	30.06	30.66	0.60	2.00	30.58	30.81	30.32	31.09	30.50	5.32	5.88	5.06
Gasoil	26.81	29.78	30.91	1.13	3.81	30.81	31.31	30.68	31.26	30.25	3.36	5.59	5.31
LSWR (0.3%S)	22.32	25.71	25.96	0.25	0.96	26.69	26.19	25.79	25.68	25.78	-1.13	1.53	0.36
HSFO (3.5%S 180cst)	21.35	21.89	23.30	1.41	6.46	23.28	23.38	23.49	23.53	22.64	-2.10	-2.29	-2.30
HSFO 4%S	21.00	21.62	23.03	1.41	6.53	23.01	23.11	23.22	23.27	22.35	-2.45	-2.57	-2.57

Gasoline prices in **New York Harbour** were the first to weaken, and the situation was volatile, as prices staged a strong but short-lived recovery. The declines in the US were the steepest, and in fact, the US was the only region where monthly average gasoline prices actually fell. Some caution is warranted. Despite the fact that US gasoline inventories now exceed year-earlier levels, and that even RFG stocks have built somewhat, the market is still vulnerable to contingencies and unplanned maintenance.

Imports from Europe, which have played a key role in easing the US situation so far, have become much less attractive in recent weeks, and European refiners have been cutting runs as well, in an attempt to support margins. In California, there is a real possibility that operations at California refineries this summer could be interrupted by electrical power outages. At least one plant, Valero's 165 kb/d Benicia facility, has no self power-generation capability at all, and others have only partial backup.

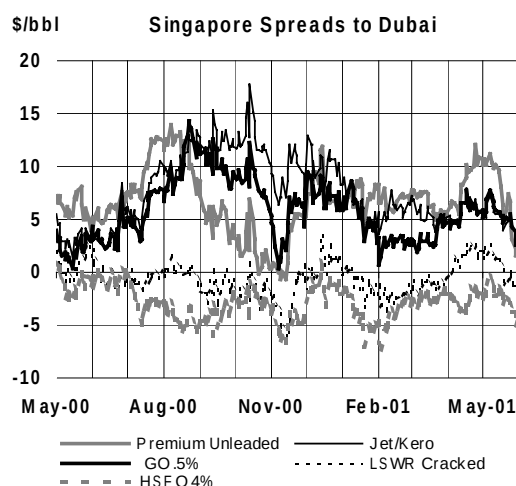
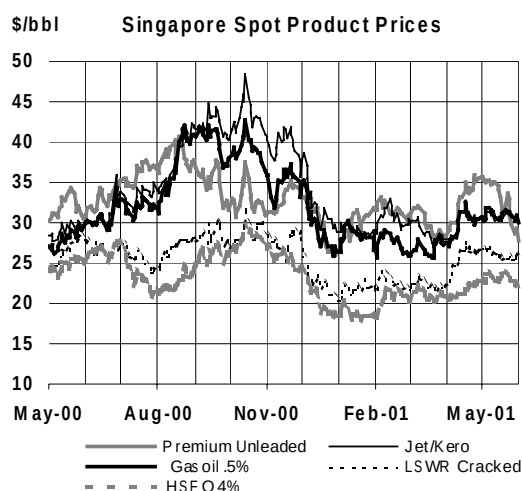


Prices for heating oil and low-sulphur fuel oil (LSFO) were almost flat. Natural gas prices are easing in the US, and price-supportive incremental demand for gasoil and LSFO, from utilities and industrial plants switching away from gas, may be waning. However, this could change if hot weather increases air conditioning demand. HSFO prices were supported by demand from Asia.



After US gasoline prices began to fall, prices in **Northwest Europe** and the **Mediterranean** were able to hang on for a few days, due to European refinery outages. However, as key exporters to the US, European refiners could not sustain these price levels without support from the US; the markets are too closely linked. Gasoil prices were steady in May. Supplies from Russia exerted downward pressure, but this was offset by sporadic strength in Northwest Europe and a pull on Mediterranean gasoil from West Africa and Latin America. LSFO prices were also flat. Cargoes went to US East Coast utilities in the first half of the month, but demand from this source dried up later in May. As was the case in the US, European HSFO prices rose on the back of demand from Asia.

In **Singapore**, gasoline prices, which had only strengthened in the second-half of April, also followed US prices downwards in May. Gasoil prices were higher, supported by Asian refinery maintenance and by electric utilities. Prices for low-sulphur waxy residual fuel oil gained modestly, but more significant gains were seen for HSFO. Regional HSFO demand was broad-based and healthy, and took place at the same time as supplies were limited by refinery maintenance. As noted above, Asian HSFO strength extended to the US and Europe during the month, pulling in exports from those regions.



End-User Product Prices

As was the case with spot product prices, end-user product prices, which are summarised here and also reported in Table 9 at the end of the Report, were generally higher in May. **Gasoline** prices rose in all countries except in Japan, where they were flat. The largest gain was seen in the US, where prices were over 14% higher. Increments in Europe ranged from 3-7%. Similar to gasoline, **automotive diesel** prices rose everywhere except in Japan, where a modest decline was seen. In Europe, where diesel is an important transportation fuel, increases ranged from 0.5% in the UK to 2.9% in Germany.

In other products, prices for **domestic heating oil** rose by 1%-3% in Europe, but fell elsewhere. Changes for industrial **heavy fuel oil** were mixed.

Mid-Month End-User Product Price Changes May 2001 versus April 2001

Local Currency Including Taxes (%)

	Gasoline ¹	Automotive Diesel ²	Domestic Heating Oil	HFO for Industry ⁵
US	14.3	2.4	-2.0	na
Canada	1.3	0.0	na	na
France	3.9	0.7	1.1	3.2
Germany	6.6	2.9	3.9	-4.9
Italy	4.6	1.9	1.3	2.9
Spain	4.1	1.1	3.2	-0.5
UK	3.2	0.5	2.8	2.6
Japan	0.0	-1.1	-0.4	0.0

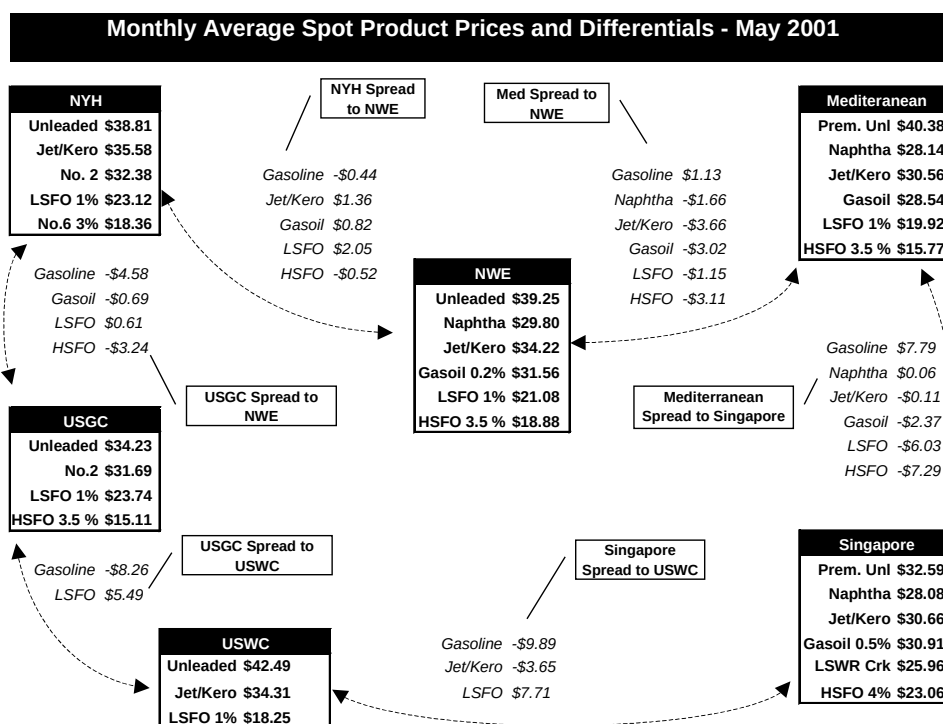
1 premium leaded gasoline for France, Italy, Spain, the UK; regular unleaded gasoline for Canada, Germany, Japan and the US

2 previous month's data

3 VAT excluded where it is refundable: Heavy Fuel Oil for Industry, Automotive Diesel for Industry

4 kerosene

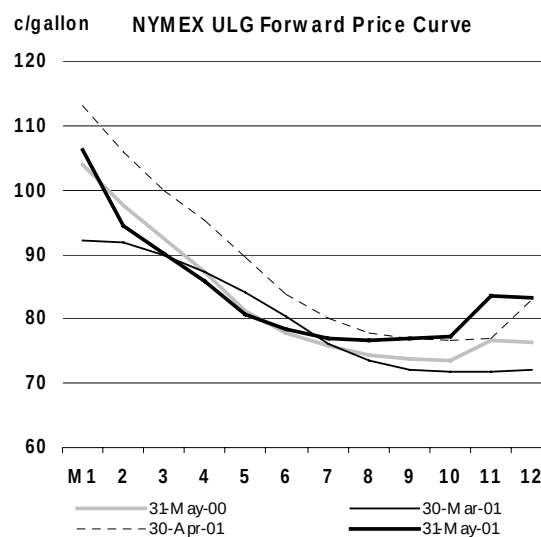
5 high sulphur fuel oil price for France, Spain, the UK and Japan; low sulphur fuel oil price for Germany and Italy - details are shown in Table 9 at the back of the Report



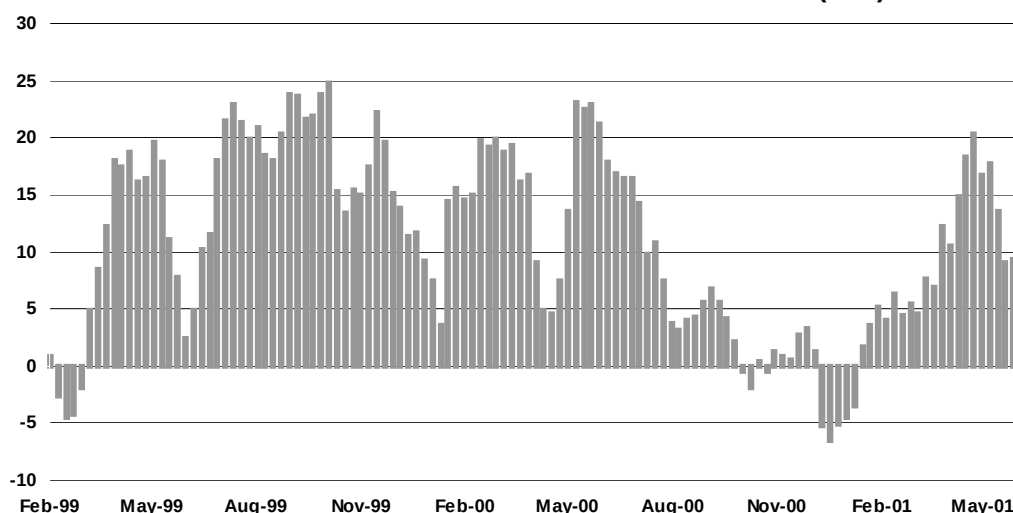
Product Futures

Futures gasoline prices fell in synch with spot prices. As a result, the **NYMEX gasoline** forward curve shifted downwards between the end of April and the end of May. The front-month contract decreased from \$1.13/gallon to \$1.06/gallon over the time frame. In the first week of June, the decline gathered momentum, and at the market's close on 6 June, the front-month had fallen to \$0.88/gallon. Interestingly, the shape of the curve in its outer months shows expectations of another early price rise in gasoline in the summer of 2002.

The graph of the positions held by the non-commercial participants on the NYMEX clearly shows that the speculators have started to unwind their bullish positions for gasoline. However, they have not yet retreated altogether, perhaps indicating that some are willing to bet on another round of tightness before the summer is over, for some of the reasons listed above.



Volume of Non-Commercial NYMEX ULG Contracts ('000)



Refining Margins

Despite strong gasoline-to-crude crack spreads, especially in the Atlantic Basin, refining margins dropped significantly in May. Product prices (summarised in the table below by "Gross Product Worth") rose in Europe and Asia; however, they did not rise as fast as crude prices did. Thus, refining margins were squeezed. On the **US Gulf Coast**, the declines were more dramatic. There, product prices actually fell, while crude prices gained. As a result, refining margins were hit particularly hard. May margins for US Gulf Coast refiners running Brent in a cracking plant were \$2 lower than in April. For processing WTI or similarly-priced crude in a cracking plant, the decline was \$3.40.

US Gulf Coast refining margins were by far the highest of the main refining centres in April. Therefore, despite suffering the steepest declines in May, margins there averaged \$5.50 and \$2.90 for Brent and WTI, respectively - still quite healthy. The same cannot be said for the other regions.

Although product prices rose by \$1-\$1.40 in **Northwest Europe** and the **Mediterranean**, the gains for Brent and Urals crudes were steeper, and margins fell by \$1.25-\$1.75 in May. Cracking margins averaged \$1.25 and \$1.85, respectively, but hydroskimming was unprofitable, losing \$1.60 and \$1.20. In **Singapore**, margins fell by a smaller amount than in any of the other regions, losing \$0.40-\$0.60.

Refining Margins in Major Refining Centres

(\$/bbl)

	Monthly Averages				End of Week:					
	Mar	Apr	May	Change	20 Apr	27 Apr	04 May	11 May	18 May	25 May
Refining Margins										
NW Europe										
Brent (Hydroskimming)	-0.58	0.01	-1.59	-1.60	1.02	-0.51	-0.23	-0.85	-2.78	-2.15
Brent (Cracking)	1.11	2.52	1.26	-1.27	3.79	2.26	2.80	2.32	0.12	0.42
Mediterranean										
Urals (Hydroskimming)	1.58	0.53	-1.19	-1.73	1.13	-0.11	-0.32	-0.67	-2.36	-1.50
Urals (Cracking)	3.46	3.33	1.86	-1.47	4.15	2.92	2.93	2.69	0.74	1.29
US Gulf Coast										
Brent (Cracking)	3.50	7.53	5.52	-2.01	7.95	7.58	7.15	5.56	5.16	5.21
WTI (Cracking)	3.29	6.33	2.91	-3.42	6.60	5.66	4.54	3.39	2.48	1.80
Singapore										
Dubai (Hydroskimming)	0.24	0.97	0.56	-0.41	1.91	1.50	2.13	1.38	-0.17	-0.86
Dubai (Cracking)	2.09	3.49	2.86	-0.63	4.43	4.22	4.76	4.14	1.88	1.05
Gross Product Worth										
NW Europe										
Brent (Hydroskimming)	25.33	27.20	28.26	1.06	28.00	28.22	29.08	28.58	28.52	27.81
Brent (Cracking)	27.12	29.81	31.21	1.39	30.86	31.10	32.21	31.85	31.52	30.47
Mediterranean										
Urals (Hydroskimming)	23.48	24.64	25.62	0.98	25.28	25.72	26.03	25.87	25.91	25.26
Urals (Cracking)	25.46	27.54	28.78	1.24	28.41	28.84	29.38	29.33	29.12	28.15
US Gulf Coast										
Brent (Cracking)	31.79	36.03	35.23	-0.79	36.23	36.95	36.61	35.24	36.17	34.14
WTI (Cracking)	31.49	35.54	34.78	-0.76	35.73	36.41	36.12	34.78	35.69	33.72
Singapore										
Dubai (Hydroskimming)	24.15	25.63	26.65	1.02	26.43	26.69	27.57	26.71	26.82	26.16
Dubai (Cracking)	26.11	28.25	29.05	0.80	29.05	29.51	30.30	29.57	28.97	28.18

For the purposes of this Report, refining margins are calculated on the basis of an 'average' refinery that is running a 'typical' crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

The recent profitability of the refining sector is worse than the monthly averages indicate. As the weekly figures and the graphs show, the declines over the course of May were quite steep. The difference between the late April/early May peaks and the low-points at the end of May range from \$4-8, which explains the mood swing - from euphoria to depression - seen among refiners outside the US. In Europe, significant discretionary run cuts were being reported by the end of the month, consistent with losses for hydroskimming, which is the marginal barrel of crude that is processed (see OECD Refinery Throughput section below).

The last time that European refiners cut runs to support margins was in late January. The results were almost immediate, with margins improving throughout February. If the same thing does not happen this time - that is, if margins in Europe remain soft and run cuts persist - the resulting lower levels of gasoline production might contribute to a re-tightening of the Atlantic Basin gasoline markets. A factor in favour of a quick return to health for **Northwest Europe** margins is that the relatively high Brent prices, at least partly caused by a reported squeeze on the crude, are expected to ease in the coming weeks. In the other direction, **Mediterranean** margins will probably worsen further, as the absence of Iraqi Kirkuk crude from the market will put upward pressure on the price of Urals crude.

OECD Refinery Throughput

Preliminary data indicate that total OECD refinery throughput in April averaged 39.29 mb/d, an increase of 1.21 mb/d over the upwardly revised March figure. The gain was driven by **North America**. With the end of most planned refinery maintenance, US throughput rose by 890 kb/d during the month. Refinery maintenance continued for a second month in **OECD Europe**. Throughput grew by 480 kb/d, but was significantly restricted nonetheless. **OECD Pacific** throughput in April decreased by 200 kb/d. The decline was caused by seasonally lower refinery runs in Japan and the beginning of the refinery maintenance season in Korea.

Refinery Crude Throughput and Utilisation in OECD Countries

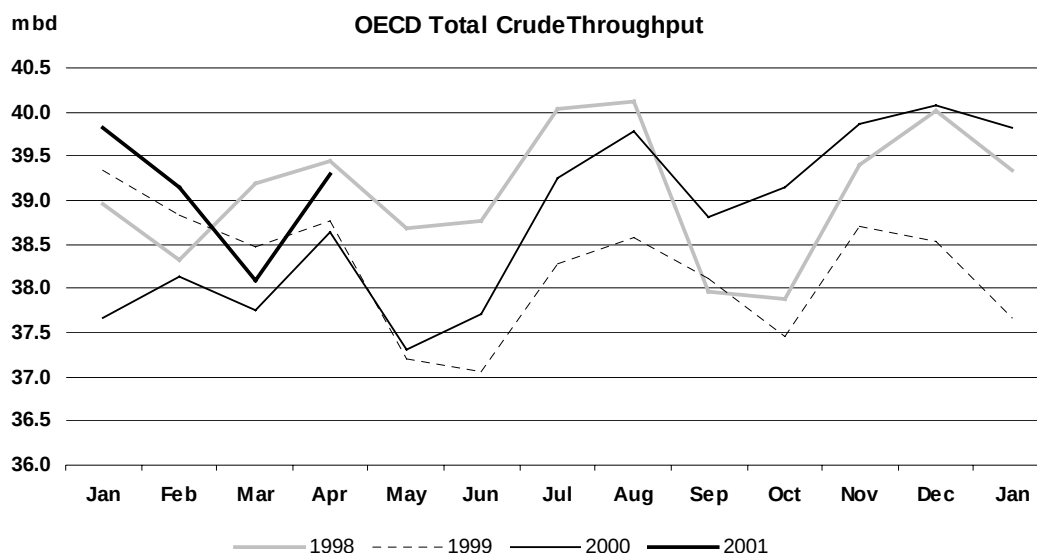
	million barrels per day					Change from Apr 00			Utilisation rate ²	
	Nov 00	Dec 00	Jan 01	Feb 01	Mar 01	Apr 01 ¹	mb/d	%	Apr 01	Apr 00
OECD North America										
US ³	15.03	15.24	14.80	14.81	14.64	15.53	0.474	3.2	93.6	91.3
Canada	1.79	1.71	1.92	1.71	1.65	1.72	0.125	7.9	93.1	86.3
Mexico	1.12	1.16	1.12	1.16	1.18	1.16	-0.026	-2.2	74.7	73.6
Total	17.93	18.12	17.84	17.69	17.47	18.41	0.573	3.2	92.1	89.6
OECD Europe										
France	1.85	1.78	1.90	1.81	1.57	1.71	-0.026	-1.5	98.3	99.8
Germany	2.18	2.21	2.28	2.19	2.06	2.19	0.059	2.7	97.0	94.4
Italy	1.95	1.83	1.85	1.68	1.76	1.94	0.128	7.1	95.6	89.3
Netherlands	1.18	1.14	1.19	1.14	1.10	1.17	0.069	6.3	96.3	90.6
Spain	1.22	1.26	1.16	1.10	1.06	1.14	-0.062	-5.2	89.4	94.3
UK	1.66	1.73	1.68	1.55	1.54	1.41	-0.336	-19.2	81.0	100.3
Other OECD Europe	4.07	4.05	3.84	3.90	3.70	3.70	0.126	3.5	85.0	82.1
Total	14.11	14.00	13.91	13.37	12.78	13.26	-0.042	-0.3	90.8	91.0
OECD Pacific										
Japan	4.42	4.50	4.56	4.69	4.46	4.26	0.016	0.4	83.5	80.4
Korea	2.61	2.60	2.64	2.58	2.54	2.53	0.073	3.0	102.6	99.6
Other OECD Pacific	0.81	0.86	0.86	0.81	0.82	0.83	0.034	4.3	100.3	96.2
Total	7.84	7.96	8.06	8.09	7.82	7.62	0.124	1.7	90.7	87.4
OECD Total	39.87	40.08	39.82	39.14	38.08	39.29	0.655	1.7	91.4	89.7

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$50

Throughputs in North America and OECD Europe were expected to be higher in May, as refiners ran hard in order to meet summer gasoline demand. However, in Europe, where most planned maintenance was completed, discretionary run cuts to support falling refining margins reportedly took place during the second half of May. The extent of the run cuts was unclear, but one trade publication estimated it as high as 800 kb/d. The Asian refinery maintenance season was scheduled to peak in May, continue into June, and essentially be over by July.



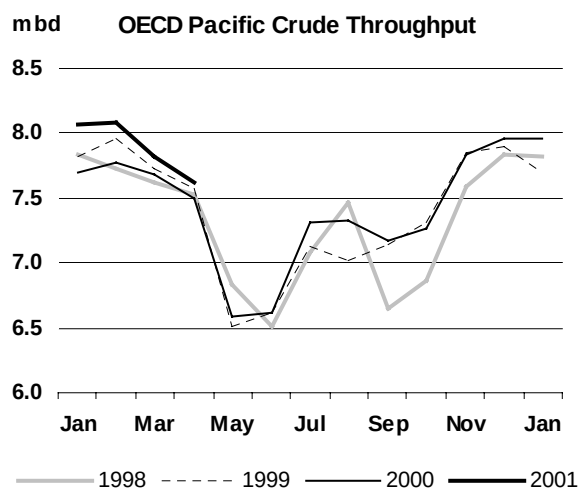
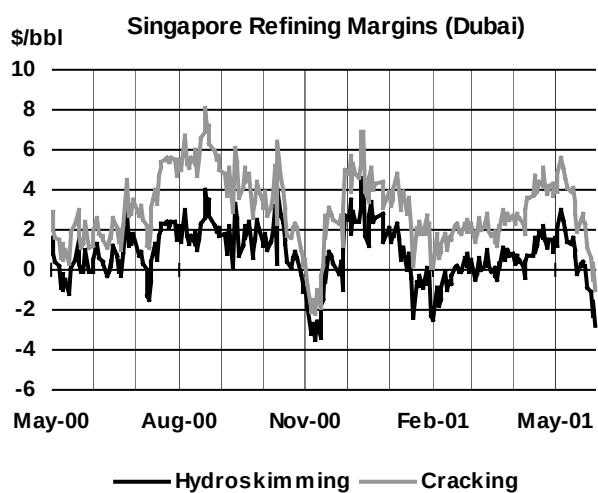
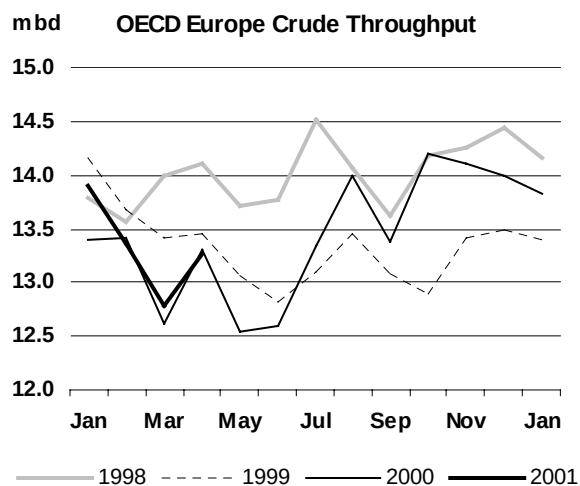
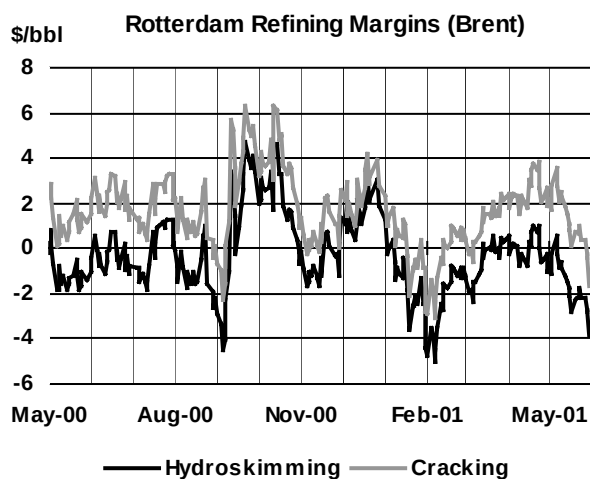
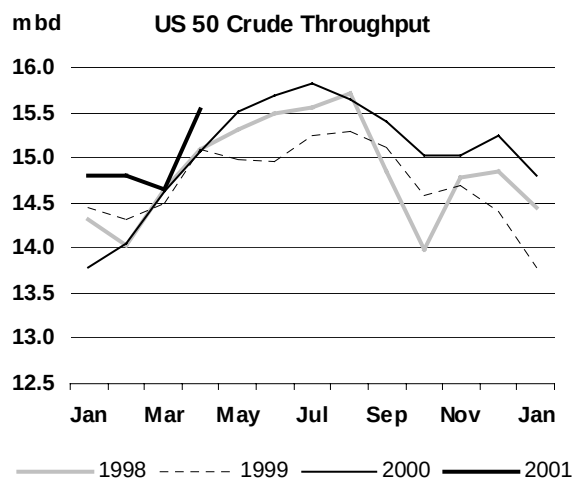
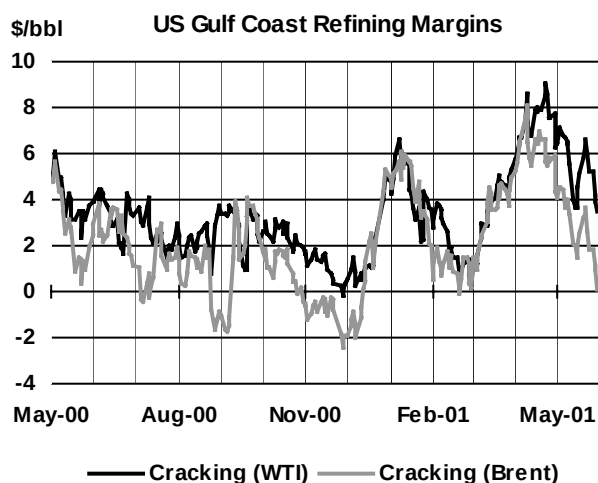


Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	22.7	23.1	23.5	23.4	24.1	24.1	23.8	23.7	23.8	24.5	24.4	24.1	24.3	24.0	24.6	24.7	24.4
Europe	15.0	15.3	15.9	14.5	14.8	15.7	15.2	15.2	14.6	15.2	15.4	15.1	15.1	14.7	15.2	15.7	15.2
Pacific	9.0	8.4	9.5	7.9	8.2	9.2	8.7	9.4	8.1	8.3	8.8	8.7	9.4	7.9	8.3	9.0	8.7
Total OECD	46.7	46.8	48.8	45.8	47.1	49.0	47.7	48.2	46.6	48.0	48.6	47.8	48.8	46.6	48.1	49.3	48.2
NON-OECD DEMAND																	
FSU	3.8	3.7	3.6	3.3	3.4	3.7	3.5	3.5	3.4	3.5	3.7	3.5	3.6	3.5	3.4	3.6	3.5
Europe	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	4.2	4.2	4.4	4.6	4.3	4.6	4.5	4.7	4.5	5.1	4.8	4.8	4.7	5.0	5.0	5.3	5.0
Other Asia	6.7	6.7	7.0	7.1	7.1	7.1	7.1	7.1	7.3	7.2	7.1	7.2	7.2	7.3	7.3	7.3	7.3
Latin America	4.7	4.8	4.6	4.8	4.9	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.7	4.9	5.0	4.9	4.9
Middle East	4.0	4.2	4.3	4.4	4.4	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5
Africa	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4
Total Non-OECD	26.5	26.7	27.0	27.2	27.1	27.5	27.2	27.5	27.5	28.1	27.8	27.7	27.9	28.3	28.5	28.7	28.3
Total Demand¹	73.1	73.5	75.9	73.0	74.1	76.5	74.9	75.6	74.1	76.1	76.5	75.6	76.7	74.8	76.6	78.1	76.5
OECD SUPPLY																	
North America	14.6	14.5	14.1	13.9	13.9	14.1	14.0	14.3	14.4	14.3	14.1	14.3	14.2	14.3	14.4	14.6	14.4
Europe	6.7	6.7	6.8	6.5	6.7	7.1	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.4	6.4	6.7	6.6
Pacific	0.7	0.7	0.6	0.6	0.7	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Total OECD	22.1	21.9	21.5	20.9	21.3	22.0	21.4	22.3	21.8	21.7	21.8	21.9	21.8	21.4	21.5	22.1	21.7
NON-OECD SUPPLY																	
FSU	7.2	7.3	7.4	7.4	7.5	7.6	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.4	8.5	8.5	8.4
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.3	3.3
Other Asia	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Latin America	3.4	3.6	3.8	3.8	3.8	3.8	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.8	3.8	3.8	3.8
Middle East	1.9	1.9	1.9	1.9	1.9	2.0	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.7	2.8	2.7	2.7	2.8	2.9	2.8	2.9	2.9	2.8	2.9	2.9	2.9	2.9	2.9	3.0	2.9
Total Non-OECD	20.9	21.2	21.5	21.5	21.6	21.8	21.6	21.9	22.0	22.4	22.8	22.2	22.8	22.9	23.1	23.2	23.0
Processing Gains ²	1.6	1.6	1.7	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8
Total Non-OPEC	44.5	44.7	44.6	44.0	44.6	45.5	44.7	45.9	45.5	45.8	46.3	45.9	46.3	46.1	46.4	47.1	46.5
OPEC																	
Crude	27.2	28.0	27.8	26.3	26.2	26.1	26.6	26.5	27.8	28.4	29.0	27.9	28.4				
NGLs	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.1	3.0
Total OPEC	29.9	30.8	30.6	29.1	29.1	29.0	29.4	29.3	30.7	31.3	31.9	30.8	31.3				
Total Supply³	74.4	75.5	75.3	73.1	73.6	74.5	74.1	75.2	76.2	77.1	78.2	76.7	77.6				
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.3	0.2	-0.7	0.4	-0.2	-2.4	-0.7	-0.3	0.9	0.4	-0.2	0.2	-0.1				
Government	0.0	0.1	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0				
Total	0.3	0.3	-0.7	0.4	-0.3	-2.5	-0.8	-0.3	0.9	0.5	-0.5	0.1	-0.1				
Floating Storage/Oil in Transit	0.1	0.1	0.0	0.1	-0.1	-0.1	-0.1	0.0	0.1	0.0	0.4	0.1	0.0				
Miscellaneous to balance ⁴	1.0	1.7	0.1	-0.3	-0.2	0.4	0.0	-0.1	1.2	0.5	2.2	1.0	1.0				
Total Stock Ch. & Misc	1.3	2.0	-0.6	0.2	-0.5	-2.0	-0.7	-0.4	2.1	1.0	1.7	1.1	0.9				
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	25.9	26.0	28.4	26.1	26.7	28.2	27.4	26.9	25.6	27.4	27.3	26.8	27.5	25.8	27.2	27.9	27.1
Total Demand ex. FSU	69.3	69.8	72.2	69.7	70.7	72.9	71.4	72.1	70.7	72.7	72.8	72.1	73.1	71.4	73.2	74.5	73.0
Total demand exc. FSU (% ch) ⁶	3.1	0.6	3.9	2.0	1.7	1.7	2.3	-0.2	1.4	2.8	-0.1	1.0	1.3	1.0	0.7	2.3	1.3

¹ measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel and includes crude for direct burning,

oil from non-conventional sources and other sources of supply

² net of volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ includes changes in non-reported stocks in OECD and non-OECD areas

⁵ equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1997	1998	1Q99	2Q99	3Q99	4Q99	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001
OECD DEMAND																	
North America	-	-	-0.1	-0.1	-	-0.1	-0.1	-	-0.1	-	-0.1	-0.1	0.1	-0.1	-0.1	-	-
Europe	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	0.2	0.1	0.1	0.1
Pacific	-	-	0.1	-	-	0.1	0.1	0.1	0.1	-	-	0.1	0.1	-0.1	-	0.1	-
Total OECD	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	-	0.1	-	-	-	-
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-0.1	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1	-	-	-	-0.1
Total Demand	-	-	0.1	0.1	0.1	0.1	0.1	-	0.1	-	0.1	0.1	-	-0.1	0.1	0.1	-
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-0.2	-0.1	-	-0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-0.3	-0.2	-0.2	-0.2
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	0.1	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	0.2	0.3	0.2
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-0.1	-	0.1	-
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supply	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-0.1	-	-	-	-	-	-	-0.1	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-	-	-	0.2	-	-	-	-
Miscellaneous to balance	0.1	0.1	-0.1	-	-0.2	-0.2	-0.1	-0.1	-	-	0.3	0.1	-0.2	-	-	-	-
Total Stock Ch. & Misc	-	-	-0.1	-	-0.1	-	-	-	-0.1	-	-0.1	-0.1	-0.1	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	0.1	-	-	0.1	0.1	0.1	-	-	0.1	0.1	0.1	0.1	-	-0.1	-
Total Demand ex. FSU	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	0.1	0.1	-0.1	-	-	-0.1

When submitting their monthly oil statistics, IEA Member countries periodically update data for earlier years. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	November			December			Fourth Quarter			January			February		
	1999	2000	%	1999	2000	%	1999	2000	%	1900	2001	%	1900	2001	%
North America															
LPG	2.86	2.94	2.6	3.37	3.38	0.1	3.10	3.12	0.7	3.54	2.99	-15.6	3.42	2.95	-13.7
Naphtha	0.32	0.47	48.5	0.38	0.38	-0.4	0.37	0.43	17.6	0.37	0.43	14.0	0.37	0.37	-1.1
Motor Gasoline	9.49	9.66	1.8	10.16	9.97	-1.9	9.81	9.77	-0.4	8.82	9.29	5.4	9.53	9.47	-0.6
Jet/Kerosene	1.94	2.00	2.9	2.07	2.16	4.1	2.00	2.07	3.3	1.95	2.07	5.9	1.98	2.05	3.4
Gasoil	4.53	4.76	5.1	4.77	5.15	7.8	4.64	4.84	4.3	4.68	5.22	11.4	4.73	5.16	9.0
Residual Fuel Oil	1.49	1.68	12.7	1.66	1.94	16.8	1.53	1.86	22.0	1.55	1.97	26.8	1.59	1.78	11.5
Other Products	2.77	2.33	-16.0	2.37	2.22	-6.5	2.66	2.34	-12.1	2.28	2.33	2.0	2.48	2.41	-2.9
Total	23.41	23.84	1.8	24.79	25.18	1.6	24.11	24.43	1.4	23.20	24.29	4.7	24.11	24.18	0.3
Europe															
LPG	1.03	0.97	-5.6	1.15	0.98	-15.0	1.03	0.95	-8.1	1.09	1.01	-7.5	1.08	1.06	-2.5
Naphtha	1.22	1.29	5.7	1.27	1.25	-1.0	1.21	1.24	2.0	1.20	1.27	5.6	1.30	1.20	-7.0
Motor Gasoline	3.13	2.98	-4.6	3.13	3.00	-4.1	3.11	2.99	-4.1	2.69	2.71	0.4	2.99	2.81	-5.8
Jet/Kerosene	1.06	1.06	0.7	1.08	1.04	-4.1	1.08	1.09	0.5	1.02	1.06	4.3	1.06	1.10	4.3
Gasoil	6.15	5.87	-4.5	6.11	5.71	-6.6	5.97	5.84	-2.1	5.41	5.97	10.4	5.89	5.86	-0.4
Residual Fuel Oil	2.10	1.97	-6.3	2.15	1.92	-10.5	2.06	1.93	-6.7	2.10	2.00	-5.0	2.13	2.06	-3.3
Other Products	1.31	1.33	1.9	1.21	1.31	8.0	1.28	1.37	7.5	1.06	1.05	-0.5	1.13	1.11	-1.8
Total	15.98	15.48	-3.2	16.10	15.21	-5.6	15.74	15.39	-2.2	14.57	15.06	3.4	15.57	15.21	-2.3
Pacific															
LPG	0.94	0.98	4.1	1.08	1.05	-2.4	0.94	0.96	1.9	0.93	1.03	11.6	1.04	1.09	4.5
Naphtha	1.49	1.47	-1.4	1.51	1.50	-1.0	1.47	1.44	-1.8	1.41	1.53	8.6	1.45	1.56	7.3
Motor Gasoline	1.52	1.54	1.0	1.62	1.58	-2.2	1.54	1.52	-1.1	1.35	1.45	7.5	1.51	1.47	-2.8
Jet/Kerosene	1.19	1.18	-1.0	1.82	1.64	-9.7	1.30	1.22	-5.8	1.52	1.80	18.9	1.76	1.69	-3.9
Gasoil	1.98	1.92	-2.8	2.16	2.05	-5.1	2.00	1.92	-4.1	1.77	1.84	3.7	2.11	2.06	-2.6
Residual Fuel Oil	1.24	1.21	-2.5	1.38	1.17	-15.4	1.26	1.17	-7.4	1.19	1.25	4.5	1.28	1.29	1.0
Other Products	0.65	0.58	-10.5	0.71	0.58	-17.6	0.65	0.58	-10.2	0.55	0.57	2.8	0.65	0.55	-15.6
Total	9.01	8.88	-1.5	10.27	9.57	-6.8	9.15	8.81	-3.7	8.72	9.47	8.6	9.81	9.71	-1.0
OECD															
LPG	4.83	4.89	1.2	5.60	5.41	-3.5	5.07	5.02	-0.9	5.56	5.03	-9.5	5.55	5.10	-8.1
Naphtha	3.03	3.23	6.7	3.16	3.13	-0.9	3.05	3.11	2.1	2.98	3.22	8.1	3.13	3.14	0.3
Motor Gasoline	14.15	14.18	0.3	14.91	14.55	-2.4	14.46	14.28	-1.3	12.86	13.45	4.6	14.02	13.75	-2.0
Jet/Kerosene	4.19	4.24	1.2	4.97	4.83	-2.7	4.38	4.38	-0.1	4.48	4.93	10.0	4.80	4.84	0.9
Gasoil	12.65	12.56	-0.8	13.05	12.91	-1.1	12.62	12.60	-0.1	11.86	13.03	9.8	12.73	13.08	2.7
Residual Fuel Oil	4.83	4.86	0.6	5.19	5.03	-3.1	4.85	4.95	2.2	4.85	5.21	7.5	5.00	5.12	2.5
Other Products	4.72	4.24	-10.3	4.29	4.11	-4.2	4.58	4.29	-6.4	3.89	3.94	1.4	4.26	4.06	-4.6
Total	48.41	48.20	-0.4	51.16	49.95	-2.4	49.01	48.64	-0.7	46.49	48.82	5.0	49.49	49.10	-0.8

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	Fourth Quarter			January			February			March			First Quarter		
	1999	2000	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
LPG	2.39	2.33	-2.4	2.75	2.19	-20.4	2.56	2.06	-19.7	2.23	2.15	-3.6	2.51	2.13	-15.1
Naphtha	0.28	0.33	19.5	0.27	0.34	27.7	0.29	0.29	0.7	0.42	0.26	-37.3	0.32	0.30	-8.3
Motor Gasoline	8.55	8.49	-0.7	7.65	8.06	5.4	8.29	8.20	-1.0	8.31	8.48	2.1	8.08	8.25	2.1
Jet/Kerosene	1.79	1.86	3.5	1.75	1.86	6.3	1.77	1.83	3.2	1.74	1.83	5.2	1.75	1.84	4.9
Gasoil	3.75	3.93	4.7	3.82	4.28	12.1	3.79	4.21	11.2	3.69	4.12	11.6	3.77	4.20	11.7
Residual Fuel Oil	0.78	1.05	35.2	0.83	1.15	38.8	0.85	0.95	11.2	0.69	0.93	36.2	0.79	1.01	28.6
Other Products	2.29	1.99	-12.8	1.92	2.02	5.0	2.09	2.06	-1.1	2.14	2.11	-1.3	2.05	2.06	0.8
Total	19.83	19.98	0.8	18.99	19.90	4.8	19.63	19.60	-0.2	19.21	19.89	3.5	19.27	19.80	2.8
Japan³															
LPG	0.61	0.61	-0.5	0.58	0.68	17.2	0.69	0.74	7.4	0.75	0.66	-12.5	0.67	0.69	2.6
Naphtha	0.84	0.83	-1.9	0.77	0.85	10.3	0.80	0.88	9.7	0.85	0.83	-3.0	0.81	0.85	5.3
Motor Gasoline	1.00	1.00	0.2	0.85	0.89	4.1	0.97	0.98	1.2	0.97	0.99	1.4	0.93	0.95	2.1
Jet/Kerosene	0.86	0.83	-2.8	0.96	1.21	26.8	1.21	1.23	1.2	0.97	0.93	-4.6	1.04	1.12	7.3
Diesel	0.73	0.71	-3.5	0.59	0.59	-0.1	0.72	0.70	-2.5	0.75	0.71	-5.5	0.68	0.66	-3.0
Other Gasoil	0.59	0.57	-3.2	0.57	0.64	12.4	0.73	0.72	-0.1	0.69	0.65	-5.5	0.66	0.67	1.5
Residual Fuel Oil	0.73	0.63	-13.3	0.64	0.70	9.8	0.71	0.70	-1.2	0.67	0.62	-7.8	0.67	0.67	0.1
Direct use of Crude Oil	0.16	0.10	-39.5	0.15	0.13	-16.7	0.19	0.10	-46.6	0.19	0.08	-57.5	0.18	0.10	-42.1
Other Products	0.37	0.36	-3.2	0.33	0.38	14.3	0.37	0.35	-4.4	0.39	0.42	7.8	0.36	0.39	5.9
Total	5.89	5.63	-4.4	5.43	6.06	11.5	6.38	6.40	0.3	6.24	5.88	-5.8	6.01	6.10	1.5
Germany															
LPG	0.08	0.07	-17.4	0.09	0.09	-1.7	0.09	0.09	-4.6	0.10	0.09	-6.6	0.09	0.09	-4.4
Naphtha	0.41	0.40	-3.5	0.41	0.41	0.6	0.42	0.40	-3.6	0.42	0.34	-19.9	0.41	0.38	-7.9
Motor Gasoline	0.71	0.66	-7.0	0.55	0.52	-4.8	0.65	0.59	-8.7	0.68	0.63	-6.0	0.62	0.58	-6.5
Jet/Kerosene	0.14	0.15	6.4	0.13	0.13	3.7	0.14	0.14	2.6	0.15	0.14	-2.8	0.14	0.14	1.0
Diesel	0.51	0.55	7.3	0.37	0.41	12.9	0.48	0.47	-1.5	0.54	0.52	-2.2	0.46	0.47	2.2
Other Gasoil	0.81	0.68	-15.7	0.61	0.83	36.9	0.66	0.65	-1.5	0.59	0.77	30.2	0.62	0.75	21.9
Residual Fuel Oil	0.15	0.17	13.7	0.18	0.19	8.0	0.18	0.19	9.1	0.17	0.19	11.8	0.17	0.19	9.6
Other Products	0.14	0.15	2.5	0.08	0.09	7.6	0.11	0.09	-21.9	0.12	0.09	-24.2	0.10	0.09	-14.7
Total	2.96	2.82	-4.5	2.41	2.68	11.3	2.72	2.63	-3.6	2.75	2.78	0.9	2.63	2.70	2.7
Italy															
LPG	0.14	0.15	6.1	0.18	0.16	-12.8	0.18	0.18	-3.0	0.15	0.14	-6.3	0.17	0.16	-7.6
Naphtha	0.11	0.10	-6.5	0.09	0.08	-8.1	0.13	0.14	5.3	0.13	0.13	-2.4	0.12	0.11	-1.4
Motor Gasoline	0.40	0.39	-4.7	0.37	0.38	4.0	0.40	0.38	-3.3	0.38	0.36	-4.2	0.38	0.37	-1.2
Jet/Kerosene	0.07	0.07	-2.9	0.07	0.08	6.2	0.07	0.08	12.7	0.07	0.07	3.7	0.07	0.08	7.4
Diesel	0.39	0.40	3.0	0.31	0.35	10.5	0.39	0.40	2.6	0.39	0.40	2.5	0.37	0.38	4.8
Other Gasoil	0.25	0.24	-5.0	0.24	0.23	-5.9	0.24	0.23	-2.0	0.19	0.18	-1.5	0.22	0.21	-3.4
Residual Fuel Oil	0.45	0.39	-14.0	0.46	0.38	-18.6	0.47	0.40	-14.7	0.47	0.37	-22.0	0.47	0.38	-18.6
Other Products	0.15	0.17	17.4	0.09	0.11	17.1	0.12	0.12	6.2	0.11	0.11	-8.4	0.11	0.11	3.8
Total	1.97	1.91	-2.9	1.83	1.76	-3.5	1.99	1.93	-3.0	1.90	1.76	-7.0	1.90	1.81	-4.6
France															
LPG	0.14	0.13	-9.0	0.17	0.15	-7.2	0.16	0.15	-5.1	0.14	0.13	-4.9	0.16	0.15	-5.9
Naphtha	0.19	0.19	-1.3	0.20	0.20	0.4	0.18	0.19	3.9	0.21	0.21	0.4	0.20	0.20	1.5
Motor Gasoline	0.32	0.30	-6.8	0.29	0.28	-3.4	0.31	0.29	-4.6	0.33	0.30	-8.3	0.31	0.29	-5.6
Jet/Kerosene	0.13	0.13	4.0	0.13	0.14	6.6	0.13	0.13	-0.6	0.15	0.13	-12.5	0.14	0.13	-2.6
Diesel	0.57	0.55	-3.2	0.51	0.54	7.4	0.56	0.57	1.8	0.58	0.58	-0.6	0.55	0.57	2.7
Other Gasoil	0.45	0.48	7.0	0.53	0.58	10.0	0.47	0.48	2.2	0.39	0.37	-6.5	0.46	0.48	2.7
Residual Fuel Oil	0.16	0.13	-19.9	0.18	0.13	-27.1	0.17	0.13	-21.9	0.14	0.12	-18.3	0.16	0.13	-22.8
Other Products	0.18	0.17	-2.1	0.16	0.14	-13.0	0.15	0.15	-0.8	0.17	0.17	0.2	0.16	0.15	-4.5
Total	2.14	2.08	-2.5	2.16	2.17	0.4	2.14	2.10	-1.6	2.12	2.01	-5.0	2.14	2.09	-2.1
United Kingdom															
LPG	0.16	0.12	-25.6	0.14	0.11	-22.6	0.14	0.13	-9.9	0.15	0.14	-10.6	0.15	0.13	-14.4
Naphtha	0.07	0.09	26.9	0.08	0.08	-4.8	0.09	0.05	-47.6	0.07	0.05	-33.5	0.08	0.06	-28.5
Motor Gasoline	0.50	0.51	0.7	0.47	0.50	5.9	0.48	0.49	0.7	0.53	0.47	-11.1	0.49	0.48	-1.9
Jet/Kerosene	0.30	0.31	3.1	0.31	0.32	5.4	0.31	0.33	6.0	0.32	0.37	13.0	0.32	0.34	8.2
Diesel	0.32	0.31	-4.0	0.28	0.31	10.0	0.32	0.32	-1.0	0.35	0.34	-3.1	0.32	0.32	1.5
Other Gasoil	0.17	0.17	-0.3	0.19	0.18	-4.7	0.20	0.17	-14.6	0.20	0.17	-16.5	0.20	0.17	-12.0
Residual Fuel Oil	0.10	0.09	-11.7	0.10	0.09	-5.0	0.08	0.10	18.0	0.09	0.09	7.3	0.09	0.10	5.9
Other Products	0.15	0.15	1.4	0.13	0.13	3.2	0.15	0.14	-9.5	0.17	0.15	-11.3	0.15	0.14	-6.4
Total	1.78	1.75	-1.9	1.70	1.73	1.6	1.79	1.72	-3.8	1.89	1.77	-6.1	1.79	1.74	-2.9
Canada															
LPG	0.27	0.35	28.8	0.31	0.35	13.4	0.43	0.47	10.7	0.39	0.43	8.8	0.37	0.41	10.6
Naphtha	0.07	0.08	12.8	0.08	0.08	10.9	0.07	0.08	6.1	0.08	0.07	-14.8	0.08	0.08	0.0
Motor Gasoline	0.66	0.66	0.0	0.59	0.62	4.6	0.64	0.65	1.3	0.62	0.63	1.9	0.61	0.63	2.5
Jet/Kerosene	0.12	0.11	-0.9	0.11	0.10	-5.2	0.12	0.12	1.6	0.10	0.10	3.1	0.11	0.11	-0.4
Diesel	0.19	0.19	0.0	0.16	0.18	9.4	0.16	0.16	-1.5	0.16	0.17	3.2	0.16	0.17	3.9
Other Gasoil	0.32	0.34	6.6	0.36	0.39	9.0	0.41	0.42	1.5	0.34	0.36	8.4	0.37	0.39	6.0
Residual Fuel Oil	0.13	0.18	38.2	0.11	0.17	58.4	0.14	0.17	24.5	0.11	0.16	38.5	0.12	0.16	39.5
Other Products	0.26	0.27	4.3	0.24	0.26	11.6	0.25	0.27	8.9	0.23	0.22	-3.9	0.24	0.25	5.5
Total	2.02	2.19	8.4	1.94	2.15	10.7	2.21	2.33	5.4	2.03	2.14	5.2	2.06	2.20	7.0

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	1999	2000	2001	4Q00	1Q01	2Q01	3Q01	4Q01	Mar 01	Apr 01	May 01
OPEC											
Crude Oil											
Saudi Arabia	7.52	8.00		8.45	8.03				7.89	7.62	7.58
Iran	3.50	3.69		3.83	3.92				3.82	3.75	3.71
Iraq	2.52	2.57		2.40	2.18				2.67	2.93	2.78
UAE	2.07	2.24		2.35	2.41				2.34	2.25	2.26
Kuwait	1.65	1.77		1.88	1.82				1.79	1.69	1.68
Neutral Zone	0.59	0.63		0.67	0.68				0.67	0.64	0.64
Qatar	0.63	0.69		0.73	0.71				0.70	0.68	0.67
Nigeria	1.95	2.04		2.15	2.15				2.13	2.06	2.00
Libya	1.38	1.41		1.45	1.41				1.39	1.38	1.36
Algeria	0.76	0.81		0.85	0.82				0.81	0.80	0.81
Venezuela	2.79	2.89		2.99	3.00				2.98	2.88	2.83
Indonesia	1.27	1.20		1.25	1.25				1.24	1.22	1.22
Total Crude Oil	26.61	27.92		28.98	28.38				28.41	27.90	27.54
Total NGLs ¹	2.82	2.88	3.00	2.91	2.93	2.95	3.03	3.08	2.89	2.92	2.94
Total OPEC	29.43	30.80		31.89	31.31				31.30	30.82	30.47
NON-OPEC²											
OECD											
North America											
United States	8.10	8.11	8.03	7.99	7.86	8.09	8.03	8.12	8.10	8.12	8.09
Mexico	3.35	3.45	3.61	3.38	3.56	3.49	3.64	3.74	3.58	3.45	3.49
Canada	2.56	2.74	2.74	2.76	2.79	2.69	2.72	2.75	2.81	2.65	2.70
Europe											
UK	2.93	2.70	2.58	2.66	2.58	2.49	2.55	2.71	2.59	2.59	2.59
Norway	3.14	3.32	3.30	3.45	3.44	3.23	3.19	3.36	3.44	3.34	3.19
Others	0.69	0.75	0.68	0.78	0.76	0.68	0.62	0.64	0.77	0.73	0.69
Pacific											
Australia	0.61	0.78	0.73	0.74	0.74	0.70	0.75	0.74	0.74	0.69	0.67
Others	0.07	0.06	0.06	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.43	21.92	21.72	21.82	21.80	21.43	21.55	22.12	22.09	21.62	21.48
NON-OECD											
Former USSR											
Russia	6.16	6.50	6.86	6.70	6.74	6.82	6.90	6.96	6.79	6.82	6.80
Others	1.34	1.44	1.56	1.52	1.54	1.56	1.57	1.58	1.55	1.56	1.56
Asia											
China	5.42	5.51	5.63	5.56	5.62	5.65	5.64	5.62	5.69	5.63	5.66
Malaysia	3.19	3.23	3.31	3.22	3.30	3.32	3.31	3.31	3.38	3.29	3.33
India	0.70	0.71	0.71	0.72	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Others	0.75	0.73	0.74	0.75	0.74	0.75	0.74	0.73	0.73	0.75	0.75
Europe											
Others	0.79	0.84	0.88	0.87	0.88	0.87	0.88	0.88	0.88	0.87	0.87
Latin America											
Brazil	0.19	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Argentina	3.78	3.77	3.81	3.89	3.80	3.77	3.84	3.84	3.71	3.73	3.75
Colombia	1.36	1.50	1.59	1.63	1.57	1.58	1.60	1.63	1.53	1.56	1.58
Ecuador	0.85	0.81	0.80	0.80	0.81	0.81	0.80	0.80	0.81	0.81	0.81
Others	0.83	0.70	0.62	0.67	0.63	0.59	0.64	0.62	0.57	0.57	0.56
Middle East³											
Oman	0.38	0.39	0.43	0.42	0.43	0.43	0.43	0.43	0.43	0.43	0.43
Syria	0.36	0.36	0.36	0.37	0.36	0.36	0.36	0.36	0.36	0.36	0.37
Yemen	1.93	2.00	2.02	2.04	2.01	2.03	2.02	2.00	2.02	2.04	2.04
Others	0.91	0.96	0.99	1.01	0.97	1.01	1.00	0.98	0.98	1.01	1.01
Africa											
Egypt	0.57	0.55	0.52	0.54	0.53	0.52	0.52	0.51	0.53	0.53	0.52
Angola	0.41	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Gabon	2.79	2.86	2.91	2.87	2.86	2.87	2.92	2.98	2.86	2.87	2.87
Others	0.85	0.81	0.81	0.80	0.78	0.77	0.81	0.86	0.77	0.78	0.77
Total Non-OECD											
Processing Gains ⁴	21.60	22.25	22.96	22.76	22.76	22.88	23.06	23.15	22.80	22.82	22.85
TOTAL NON-OPEC	44.69	45.88	46.45	46.32	46.34	46.06	46.35	47.05	46.67	46.19	46.07
TOTAL SUPPLY	74.12	76.68		78.20	77.65				77.97	77.01	76.54

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	1999	2000	2001	4Q00	1Q01	2Q01	3Q01	4Q01	Mar-01	Apr-01	May-01
United States											
Alaska	1050	970	958	987	1005	969	915	945	1023	1001	965
California	857	836	800	839	805	804	800	792	809	802	804
Texas	1231	1234	1215	1244	1230	1220	1211	1202	1225	1223	1220
Federal Gulf of Mexico ²	1349	1396	1515	1395	1465	1495	1523	1576	1482	1489	1497
Other US Lower 48	1390	1375	1317	1353	1342	1325	1309	1293	1332	1333	1324
NGLs ³	1834	1908	1838	1792	1643	1890	1887	1929	1830	1887	1892
Other Hydrocarbons	386	389	382	380	370	386	386	386	394	383	386
Total	8096	8109	8026	7992	7860	8089	8030	8124	8096	8118	8088
Canada											
Alberta Light/Medium/Heavy	784	764	719	753	743	715	712	707	743	709	717
Alberta Bitumen	244	271	306	302	312	302	305	307	319	298	302
Saskatchewan	374	416	407	429	422	400	403	404	416	393	403
Other Crude	187	227	227	226	221	226	226	233	224	226	226
NGLs	649	738	722	735	740	707	715	728	742	720	700
Synthetic Crudes	323	322	354	315	352	339	359	368	368	306	355
Total	2560	2739	2736	2759	2790	2689	2719	2746	2812	2651	2703
Mexico											
Crude	2906	3012	3170	2956	3124	3053	3199	3300	3151	3008	3050
NGLs	439	438	439	425	437	439	440	440	431	438	440
Total	3345	3450	3609	3381	3562	3492	3639	3740	3582	3446	3490
UK Offshore⁴											
Brent Fields	414	339	280	285	304	270	268	277	302	290	292
Forties Fields	904	775	780	738	742	719	789	868	746	777	773
Ninian Fields	154	140	134	145	137	138	133	127	141	138	137
Flotta Fields	201	177	151	178	162	150	150	143	162	162	152
Other Fields	928	984	960	985	899	957	984	1001	897	943	975
NGLs	238	224	221	261	276	200	170	240	282	220	200
Total	2839	2638	2526	2592	2521	2433	2492	2656	2530	2530	2529
Norway⁴											
Ekofisk-Ula Area	452	461	449	471	489	468	389	452	480	475	464
Oseberg-Troll Area	672	731	733	753	748	717	727	740	729	731	736
Statfjord-Gullfaks Area	1017	926	863	931	935	823	827	867	911	908	737
Haltenbanken Area	695	766	732	820	760	711	710	748	805	714	736
Sleipner-Frigg Area	179	316	315	327	301	303	320	335	287	300	303
NGLs	121	121	213	150	211	213	213	214	228	210	211
Total	3136	3320	3304	3453	3443	3234	3187	3356	3440	3338	3187
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	346	403	330	418	403	337	284	297	402	391	350
UK Onshore	88	66	57	62	61	58	55	53	61	58	58
Italy	82	74	75	82	71	74	74	80	85	71	74
Turkey	59	53	49	53	51	50	48	47	49	50	50
Other	150	163	165	167	170	167	164	161	169	167	166
NGLs (excl. North Sea)	24	29	32	33	38	28	28	35	35	28	28
Non-Conventional Oils	31	32	24	24	25	24	24	23	25	24	24
Total	780	820	732	839	819	737	678	695	827	790	751
Australia											
Gippsland Basin	210	178	158	158	160	159	158	156	164	158	160
Cooper-Eromanga Basin	25	25	24	25	25	24	24	23	24	25	25
Carnarvon Basin	248	320	344	322	342	332	344	357	337	337	331
Other Crude	51	183	132	165	147	105	143	135	147	95	76
NGLs	72	73	73	66	67	75	77	72	69	72	77
Total	606	780	731	736	741	696	745	742	742	687	668
Other OECD Pacific											
New Zealand	42	36	31	38	33	32	31	30	31	32	32
Japan	8	7	6	7	6	6	6	6	6	6	6
NGLs	14	16	19	17	20	19	19	18	19	19	19
Synthetic Fuels	4	3	2	3	2	2	2	2	3	2	2
Total	67	62	58	65	61	59	58	56	59	60	60
OECD											
Crude Oil	17286	17617	17395	17607	17607	17099	17222	17653	17653	17300	17133
NGLs	3400	3555	3565	3488	3440	3579	3556	3683	3644	3602	3574
Non-Conventional Oils	743	746	763	722	749	751	772	780	790	716	768
Total	21430	21918	21723	21817	21796	21429	21549	22116	22088	21618	21475

¹ subcategories refer to crude oil only unless otherwise noted

² only production from Federal waters is included

³ to the extent possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Dec2000	Jan2001	Feb2001	Mar2001	Apr2001*	Apr1998	Apr1999	Apr2000	2Q2000	3Q2000	4Q2000	1Q2001
North America												
Crude	394	401	387	409	424	447	433	401	-0.03	0.00	0.04	0.18
Motor Gasoline	226	235	237	225	232	246	252	238	0.03	-0.14	0.02	-0.02
Middle Distillate	195	196	194	177	177	205	208	173	0.14	0.08	0.08	-0.20
Residual Fuel Oil	45	46	47	49	50	47	48	44	0.01	0.00	-0.01	0.04
Total Products ³	615	615	619	596	621	665	679	603	0.54	0.09	-0.25	-0.22
Total ⁴	1145	1152	1147	1152	1189	1262	1264	1143	0.63	0.16	-0.37	0.07
Europe												
Crude	330	322	321	343	335	350	387	319	-0.05	-0.05	-0.07	0.14
Motor Gasoline	122	126	126	125	126	139	136	125	-0.09	0.03	0.00	0.03
Middle Distillate	235	229	235	221	214	247	252	227	0.02	0.11	0.07	-0.16
Residual Fuel Oil	86	84	82	83	85	85	83	80	-0.03	0.02	0.09	-0.04
Total Products ³	551	542	547	532	529	561	557	528	-0.07	0.21	0.22	-0.21
Total ⁴	948	929	936	940	930	971	1005	912	-0.11	0.17	0.16	-0.08
Pacific												
Crude	172	166	176	182	181	184	174	170	0.17	-0.19	0.04	0.11
Motor Gasoline	24	25	25	25	26	28	29	28	-0.01	0.00	-0.02	0.02
Middle Distillate	84	73	68	66	75	70	64	66	0.14	0.13	0.01	-0.20
Residual Fuel Oil	23	24	26	25	26	26	23	23	0.00	0.02	-0.01	0.02
Total Products ³	202	189	181	182	195	182	177	175	0.20	0.25	-0.01	-0.22
Total ⁴	455	438	439	447	461	457	434	426	0.39	0.08	0.02	-0.09
Total												
Crude	896	888	884	934	940	981	994	890	0.08	-0.24	0.01	0.44
Motor Gasoline	372	386	388	375	384	413	417	391	-0.07	-0.11	-0.01	0.03
Middle Distillate	514	498	498	463	466	521	523	466	0.30	0.32	0.16	-0.56
Residual Fuel Oil	154	153	155	156	160	158	154	147	-0.02	0.05	0.07	0.02
Total Products ³	1367	1346	1347	1310	1344	1407	1413	1306	0.67	0.55	-0.04	-0.64
Total ⁴	2548	2518	2522	2539	2580	2690	2704	2480	0.91	0.42	-0.19	-0.09

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Dec2000	Jan2001	Feb2001	Mar2001	Apr2001*	Apr1998	Apr1999	Apr2000	2Q2000	3Q2000	4Q2000	1Q2001
North America												
Crude	541	542	542	542	542	563	572	569	-0.01	0.02	-0.32	0.02
Products ⁷	2	2	2	2	2	0	0	0	0.00	0.02	0.01	0.00
Europe												
Crude	138	138	139	137	137	120	148	141	-0.05	-0.03	-0.01	-0.01
Products	215	215	215	213	213	207	212	202	0.05	0.07	0.03	-0.03
Pacific												
Crude	313	314	314	314	314	315	315	315	-0.01	-0.02	0.01	0.01
Total												
Crude	992	995	995	994	994	998	1036	1026	-0.06	-0.04	-0.32	0.02
Products	217	217	217	215	215	207	212	202	0.05	0.09	0.03	-0.03
Total ⁴	1210	1213	1213	1210	1210	1206	1248	1229	-0.02	0.05	-0.29	0.00

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 The US government controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	November			December			January			February			March		
	1999	2000	%	1999	2000	%	2000	2001	%	2000	2001	%	2000	2001	%
United States															
Crude	298.3	290.6	-2.6	284.5	289.8	1.9	285.0	294.2	3.2	287.6	280.4	-2.5	296.2	304.5	2.8
Motor Gasoline	205.5	198.3	-3.5	193.3	195.9	1.3	208.0	205.6	-1.2	201.3	205.8	2.2	203.8	193.6	-5.0
Middle Distillate	189.0	167.6	-11.3	170.8	166.5	-2.5	153.9	166.5	8.2	150.5	164.3	9.2	139.7	147.7	5.7
Residual Fuel Oil	40.4	39.0	-3.5	35.8	36.2	1.1	36.1	37.1	2.8	34.4	38.4	11.6	36.4	39.1	7.4
Other Products	132.2	137.0	3.6	117.7	122.7	4.2	106.5	112.0	5.2	101.9	114.8	12.7	105.7	119.2	12.8
Total Products	567.1	541.9	-4.4	517.6	521.3	0.7	504.5	521.2	3.3	488.1	523.3	7.2	485.6	499.6	2.9
Other ²	136.0	130.7	-3.9	123.6	121.1	-2.0	121.8	120.5	-1.1	123.7	125.4	1.4	125.2	131.0	4.6
Total	1001.4	963.2	-3.8	925.7	932.2	0.7	911.3	935.9	2.7	899.4	929.1	3.3	907.0	935.1	3.1
Japan															
Crude	132.0	123.8	-6.2	125.1	125.1	0.0	117.9	120.2	2.0	123.7	125.3	1.3	126.0	135.4	7.5
Motor Gasoline	14.4	14.1	-2.1	13.2	12.6	-4.5	14.4	14.5	0.7	14.0	14.6	4.3	14.7	14.6	-0.7
Middle Distillate	62.1	55.9	-10.0	50.7	49.7	-2.0	51.1	45.6	-10.8	37.6	40.9	8.8	33.2	40.2	21.1
Residual Fuel Oil	9.5	10.1	6.3	9.8	10.5	7.1	9.7	10.4	7.2	9.3	10.7	15.1	9.9	10.7	8.1
Other Products	53.4	55.3	3.6	49.1	52.4	6.7	44.9	50.6	12.7	43.3	43.7	0.9	41.1	48.2	17.3
Total Products	139.4	135.4	-2.9	122.8	125.2	2.0	120.1	121.1	0.8	104.2	109.9	5.5	98.9	113.7	15.0
Other ²	72.7	73.6	1.2	65.8	70.5	7.1	68.9	72.3	4.9	70.2	70.6	0.6	66.0	71.5	8.3
Total	344.1	332.8	-3.3	313.7	320.8	2.3	306.9	313.6	2.2	298.1	305.8	2.6	290.9	320.6	10.2
Germany															
Crude	19.6	20.0	2.0	19.7	16.8	-14.7	20.8	17.4	-16.3	20.5	21.4	4.4	20.2	22.4	10.9
Motor Gasoline	12.2	12.2	0.0	11.0	11.1	0.9	14.0	13.1	-6.4	13.1	12.0	-8.4	11.6	13.2	13.8
Middle Distillate	18.3	16.8	-8.2	19.2	17.1	-10.9	23.8	17.8	-25.2	21.4	18.5	-13.6	18.3	13.8	-24.6
Residual Fuel Oil	8.5	9.0	5.9	9.0	9.4	4.4	10.1	8.6	-14.9	9.4	8.7	-7.4	8.3	9.6	15.7
Other Products	13.2	12.4	-6.1	12.1	13.4	10.7	12.4	12.7	2.4	11.9	13.2	10.9	12.0	12.5	4.2
Total Products	52.2	50.4	-3.4	51.3	51.0	-0.6	60.3	52.2	-13.4	55.8	52.4	-6.1	50.2	49.1	-2.2
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	71.8	70.4	-1.9	71.0	67.8	-4.5	81.1	69.6	-14.2	76.3	73.8	-3.3	70.4	71.5	1.6
Italy															
Crude	36.8	37.5	1.9	34.5	36.9	7.0	38.1	36.9	-3.1	34.6	36.9	6.6	39.3	36.9	-6.1
Motor Gasoline	31.6	25.1	-20.6	30.4	22.9	-24.7	30.8	22.9	-25.6	31.0	22.9	-26.1	30.5	22.9	-24.9
Middle Distillate	28.7	37.0	28.9	28.2	35.8	27.0	28.3	35.8	26.5	27.6	35.8	29.7	25.9	35.8	38.2
Residual Fuel Oil	18.3	19.4	6.0	17.4	18.5	6.3	18.1	18.5	2.2	18.5	18.5	0.0	19.5	18.5	-5.1
Other Products	9.2	14.2	54.3	9.3	14.8	59.1	10.3	14.8	43.7	10.8	14.8	37.0	10.8	14.8	37.0
Total Products	87.8	95.7	9.0	85.3	92.0	7.9	87.5	92.0	5.1	87.9	92.0	4.7	86.7	92.0	6.1
Other ²	8.4	11.5	36.9	10.6	11.2	5.7	10.3	11.2	8.7	9.3	11.2	20.4	10.3	11.2	8.7
Total	133.0	144.7	8.8	130.4	140.1	7.4	135.9	140.1	3.1	131.8	140.1	6.3	136.3	140.1	2.8
France															
Crude	38.3	36.7	-4.2	37.6	38.3	1.9	35.1	36.9	5.1	34.8	39.4	13.2	39.7	42.3	6.5
Motor Gasoline	13.7	14.2	3.6	15.4	13.5	-12.3	15.6	14.2	-9.0	15.4	13.8	-10.4	14.4	13.2	-8.3
Middle Distillate	36.4	33.4	-8.2	32.8	33.2	1.2	36.9	27.6	-25.2	35.2	30.1	-14.5	34.1	27.1	-20.5
Residual Fuel Oil	7.0	7.5	7.1	6.1	7.8	27.9	8.0	7.8	-2.5	8.4	7.2	-14.3	7.5	7.5	0.0
Other Products	8.8	9.8	11.4	8.8	10.2	15.9	8.8	9.7	10.2	8.7	8.6	-1.1	9.0	8.6	-4.4
Total Products	65.9	64.9	-1.5	63.1	64.7	2.5	69.3	59.3	-14.4	67.7	59.7	-11.8	65.0	56.4	-13.2
Other ²	13.1	12.3	-6.1	11.7	12.5	6.8	11.0	12.9	17.3	12.0	13.3	10.8	11.9	12.2	2.5
Total	117.3	113.9	-2.9	112.4	115.5	2.8	115.4	109.1	-5.5	114.5	112.4	-1.8	116.6	110.9	-4.9
United Kingdom															
Crude	40.3	33.9	-15.9	39.3	34.7	-11.7	37.5	32.1	-14.4	40.1	31.7	-20.9	39.1	39.1	0.0
Motor Gasoline	11.5	8.3	-27.8	10.4	8.2	-21.2	11.4	9.1	-20.2	10.6	8.7	-17.9	10.3	8.4	-18.4
Middle Distillate	17.8	21.0	18.0	20.0	21.2	6.0	20.9	20.3	-2.9	21.0	22.6	7.6	20.5	18.8	-8.3
Residual Fuel Oil	5.8	4.9	-15.5	6.0	5.0	-16.7	5.5	6.2	12.7	5.3	5.3	0.0	5.4	4.9	-9.3
Other Products	13.1	15.7	19.8	12.6	17.6	39.7	12.8	17.5	36.7	13.3	17.3	30.1	13.5	16.6	23.0
Total Products	48.2	49.9	3.5	49.0	52.0	6.1	50.6	53.1	4.9	50.2	53.9	7.4	49.7	48.7	-2.0
Other ²	11.6	14.0	20.7	12.8	13.3	3.9	13.0	11.4	-12.3	12.8	12.3	-3.9	14.2	12.2	-14.1
Total	100.1	97.8	-2.3	101.1	100.0	-1.1	101.1	96.6	-4.5	103.1	97.9	-5.0	103.0	100.0	-2.9
Canada³															
Crude	71.3	70.6	-1.0	68.9	71.1	3.2	69.3	74.4	7.4	69.3	74.4	7.4	69.3	74.4	7.4
Motor Gasoline	16.7	16.8	0.6	16.5	15.8	-4.2	18.1	16.8	-7.2	18.5	16.8	-9.2	19.1	16.8	-12.0
Middle Distillate	19.9	19.6	-1.5	19.9	18.6	-6.5	19.6	19.7	0.5	19.4	19.7	1.5	19.4	19.7	1.5
Residual Fuel Oil	3.8	3.8	0.0	2.7	3.8	40.7	3.0	3.7	23.3	3.8	3.7	-2.6	3.9	3.7	-5.1
Other Products	19.4	19.3	-0.5	18.3	18.7	2.2	19.5	18.6	-4.6	19.2	18.6	-3.1	20.1	18.6	-7.5
Total Products	59.8	59.5	-0.5	57.4	56.9	-0.9	60.2	58.8	-2.3	60.9	58.8	-3.4	62.5	58.8	-5.9
Other ²	17.9	17.8	-0.6	15.3	15.5	1.3	9.7	15.5	59.8	9.3	15.5	66.7	9.4	15.5	64.9
Total	149.0	147.9	-0.7	141.6	143.5	1.3	139.2	148.7	6.8	139.5	148.7	6.6	141.2	148.7	5.3

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following counties are estimated: Canada for February and March 2001; Italy for January to March 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End March 2000		End June 2000		End September 2000		End December 2000		End March 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	141.3	68	143.1	67	148.4	68	143.4	65	148.8	-
Mexico	37.3	19	38.3	19	47.2	24	47.6	24	45.7	-
United States	1476.4	76	1530.1	76	1533.8	77	1474.9	74	1479.4	-
Total ⁴	1677.1	70	1733.6	71	1751.6	72	1688.1	69	1696.0	71
Pacific										
Australia	37.6	42	41.2	49	43.9	51	40.9	47	41.0	-
Japan	606.0	121	631.6	117	626.8	111	634.0	104	635.0	-
Korea ⁵	71.6	35	77.4	40	83.0	38	82.5	36	74.8	-
New Zealand	9.7	74	10.2	76	11.6	84	10.6	76	10.6	-
Total	724.9	90	760.4	91	765.4	87	768.0	81	761.4	96
Europe⁶										
Austria	19.2	82	17.5	66	17.9	77	18.7	77	18.7	-
Belgium	27.7	51	27.4	51	27.7	42	26.4	45	29.6	-
Czech Republic	14.6	82	14.6	90	14.9	87	15.2	102	17.0	-
Denmark	18.0	84	17.7	85	17.2	83	17.6	83	17.6	-
Finland	22.0	112	20.4	102	23.4	115	27.0	124	26.4	-
France	165.8	86	169.7	89	168.4	81	169.7	81	166.9	-
Germany	286.9	107	281.1	96	277.7	98	273.6	101	272.8	-
Greece	22.7	61	24.6	66	26.7	65	26.7	61	26.7	-
Hungary	23.5	163	21.1	139	21.5	150	21.6	158	20.8	-
Ireland	9.4	56	8.5	53	8.2	48	9.2	49	9.5	-
Italy	136.3	75	134.6	73	138.6	73	139.9	77	139.9	-
Luxembourg	0.9	19	0.9	18	0.7	15	1.1	20	0.8	-
Netherlands	94.2	109	106.4	123	110.0	127	112.3	128	120.9	-
Norway	57.1	289	45.5	219	49.0	261	52.4	265	41.6	-
Poland	24.9	59	22.7	49	24.5	53	27.8	68	24.6	-
Portugal	21.7	68	21.1	62	23.3	70	23.4	74	21.6	-
Spain	107.6	76	110.1	78	112.7	78	114.1	77	113.9	-
Sweden	32.5	99	33.8	103	37.8	135	34.4	103	32.6	-
Switzerland	39.1	155	39.1	138	39.2	135	37.3	128	37.3	-
Turkey	49.6	79	52.7	74	50.5	71	53.7	87	52.2	-
United Kingdom	103.0	62	96.4	56	95.7	55	100.0	57	99.9	-
Total	1276.8	87	1265.9	83	1285.6	84	1302.0	86	1291.9	88
Total OECD	3678.8	79	3759.9	78	3802.6	78	3758.1	77	3749.3	81
DAYS OF IEA Net Imports⁷	-	109	-	112	-	113	-	113	-	114

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net

imports used for the calculation of IEA Emergency Reserves

3 end March 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
1Q1998	3840	1205	2635	85	27	58
2Q1998	3997	1228	2769	86	26	59
3Q1998	4031	1238	2793	84	26	58
4Q1998	3974	1249	2725	81	26	56
1Q1999	3913	1248	2665	85	27	58
2Q1999	3954	1250	2704	84	27	57
3Q1999	3927	1240	2687	80	25	55
4Q1999	3700	1228	2471	77	26	51
1Q2000	3679	1234	2445	79	27	53
2Q2000	3760	1232	2528	78	26	53
3Q2000	3803	1237	2566	78	25	53
4Q2000	3758	1210	2548	77	25	52
1Q2001	3749	1210	2539	81	26	55

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 1Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	2Q00	3Q00	4Q00	1Q01	Dec 00	Jan 01	Feb 01	Mar 01	Apr 01	May 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>	12.52	17.26	28.00	26.40	29.20	29.46	25.03	27.00	24.85	25.89	24.32		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	26.89	30.43	29.67	25.79	25.12	25.66	27.45	24.42	25.66	28.51
Brent (1st month)	13.40	18.09	28.47	26.93	30.31	30.09	26.26	26.06	25.85	27.54	25.50	26.54	28.71
Brent (2st month)	13.86	17.51	28.01	25.86	29.86	30.12	26.56	28.46	24.65	28.12	26.63	25.47	28.09
WTI (1st month)	14.39	19.31	30.37	28.97	31.66	31.96	28.72	28.35	29.56	29.56	27.18	27.40	28.61
WTI (2st month)	14.68	19.14	29.64	27.99	31.13	31.45	28.40	28.26	28.20	29.62	27.47	27.72	29.11
Urals (del. Med.)	11.79	17.30	26.63	25.18	27.28	27.89	23.68	23.62	24.58	24.87	21.69	23.91	26.63
Es Sider	12.48	17.81	28.29	26.76	29.86	29.35	25.44	24.91	25.33	27.35	23.80	24.86	27.91
Iranian Light	12.02	17.23	26.66	25.68	28.14	27.48	23.60	23.42	22.16	24.97	23.65	23.10	26.10
Iranian Heavy	11.52	16.92	26.05	25.35	27.43	26.70	23.11	22.69	21.60	24.47	23.24	22.75	25.32
Dubai (1st month)	12.16	17.30	26.24	25.17	27.66	27.68	23.67	21.65	22.85	24.80	23.45	24.18	25.60
Oman	12.06	17.00	26.56	25.17	28.11	27.59	23.77	23.55	21.98	25.43	23.72	23.59	25.36
Minas (1st month)	12.29	17.94	28.88	28.13	31.31	29.75	25.07	25.01	24.10	25.48	25.62	27.91	28.23
Tapis (1st month)	13.77	18.99	29.85	28.33	32.41	31.22	26.92	27.91	26.03	27.86	26.86	27.94	28.98
Forcados	12.62	18.00	28.42	27.00	29.83	29.62	25.36	25.06	25.57	27.04	23.63	25.04	28.40
Bonny Light	12.78	18.13	28.51	27.10	30.02	29.62	25.72	25.09	25.62	27.46	24.24	25.71	28.83
OPEC Basket	12.28	17.47	28.87	28.07	29.18	29.18	24.49	25.00	24.30	25.51	23.65	24.50	26.21
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	39.96	37.84	33.31	31.77	27.77	30.39	33.20	31.84	38.03	40.84
Unleaded	16.53	20.86	34.41	37.25	36.21	32.22	30.66	27.39	29.70	31.99	30.39	36.59	39.25
Naphtha	14.33	18.34	29.09	27.24	30.05	30.35	27.54	26.36	27.99	28.78	25.97	27.15	29.80
Jet/Kerosene	17.09	22.04	36.98	33.22	39.67	41.83	32.46	37.57	32.10	33.64	31.75	32.49	34.22
Gasoil .2 %	16.17	20.12	34.38	30.41	37.76	39.06	30.54	34.83	30.69	31.27	29.74	30.75	31.56
LSFO 1%	11.96	15.05	23.74	22.05	24.19	26.40	21.63	24.03	21.72	21.60	21.55	21.17	21.08
HSFO 3.5%	10.12	14.37	21.42	20.27	21.71	22.45	17.73	19.12	16.07	18.78	18.44	17.66	18.88
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	40.72	39.50	34.55	32.34	28.22	31.39	33.42	32.32	38.89	41.10
Premium Unleaded	17.34	22.23	36.43	40.01	38.78	33.83	31.63	27.50	30.67	32.70	31.60	38.18	40.38
Naphtha	13.56	17.76	28.16	26.46	29.11	28.96	25.40	24.14	25.74	26.48	24.08	25.46	28.14
Jet/Kerosene	14.93	20.55	34.82	31.03	37.64	38.70	28.32	32.53	27.57	28.92	28.53	28.81	30.56
Gasoil .2 %	14.82	19.12	33.87	29.20	37.56	38.89	28.29	33.36	27.29	30.99	26.83	27.96	28.54
LSFO 1%	11.16	14.41	23.77	22.45	23.89	26.16	20.21	23.67	21.16	19.72	19.71	20.27	19.92
HSFO 3.5%	8.85	12.78	18.92	17.46	18.39	20.12	14.66	17.01	13.16	15.61	15.29	14.58	15.77
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	39.84	41.14	37.37	36.52	32.00	37.89	37.31	34.53	45.03	44.71
Unleaded	17.80	22.76	36.10	36.35	37.60	36.52	34.04	30.91	34.84	34.66	32.74	39.37	38.81
Jet/Kerosene	18.00	21.78	38.05	33.22	39.20	42.91	34.66	40.90	35.96	35.21	32.94	33.81	35.58
No. 2 (Heating Oil)	16.41	20.50	36.37	31.89	37.28	41.15	33.11	39.45	35.37	32.98	31.08	32.53	32.38
LSFO 1%	12.33	15.51	25.05	24.39	26.06	27.90	24.01	25.61	25.35	23.32	23.32	22.86	23.12
HSFO 6.3%	10.24	13.99	20.68	20.65	21.18	20.89	18.55	18.99	18.39	18.16	19.03	16.75	18.36
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	31.13	36.50	31.97	30.43	29.78	30.01	31.51	29.81	32.80	32.59
Naphtha	14.77	19.54	28.38	26.88	30.85	28.54	26.19	24.56	24.87	27.15	26.55	27.00	28.08
Jet/Kerosene	16.31	21.59	34.39	29.51	37.82	38.44	29.46	31.99	29.05	30.59	28.77	30.06	30.66
Gasoil .5%	15.40	19.25	32.58	28.61	36.50	34.59	27.56	29.34	28.41	27.51	26.81	29.78	30.91
LSWR Cracked	10.95	15.61	25.83	26.04	26.99	26.48	22.24	22.48	21.88	22.53	22.32	25.71	25.96
HSFO 180 CST	10.60	15.71	24.43	25.26	24.21	25.02	20.73	20.93	19.60	21.21	21.35	21.89	23.33
HSFO 4%	10.34	15.60	24.21	24.98	23.95	24.78	20.16	20.51	18.74	20.69	21.00	21.62	23.06

* IEA CIF Average Import price for March is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
May 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	7.384	4.974	3.9	10.6	3.1	13.6	0.989	0.323	2.1	8.7	-0.1	10.0
Germany	2.256	1.471	6.6	18.2	17.9	42.7	1.015	0.353	4.9	16.4	14.3	38.4
Italy	2164	1368	4.6	11.2	5.3	12.8	0.982	0.361	2.9	9.3	2.0	9.2
Spain	144.7	81.8	4.1	8.5	6.8	14.5	0.765	0.332	2.4	6.7	3.4	10.8
UK	0.784	0.575	3.2	10.6	0.9	10.6	1.120	0.299	2.7	10.1	-4.4	4.7
Japan	108.2	59.0	-	-	3.0	6.5	0.885	0.402	1.2	1.2	-8.8	-5.8
Canada	0.771	0.308	1.3	2.2	9.1	14.0	0.500	0.300	2.4	3.3	5.8	10.6
USA	0.472	0.101	14.3	18.9	19.2	26.2	0.472	0.371	14.3	18.9	19.2	26.2
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.489	2.469	0.7	1.5	1.3	8.6	0.602	0.271	-1.0	-0.2	-1.9	5.2
Germany	1.471	0.740	2.9	5.9	18.4	45.6	0.662	0.329	1.2	4.3	14.8	41.2
Italy	1408	739	1.9	4.0	2.1	4.6	0.639	0.303	0.2	2.3	-1.1	1.3
Spain	100.24	44.90	1.1	2.0	4.6	8.7	0.530	0.292	-0.5	0.4	1.3	5.3
UK	0.663	0.458	0.5	1.7	-5.3	3.4	0.947	0.293	0.1	1.3	-10.3	-2.0
Japan	87.2	36.3	-1.1	-1.9	2.5	4.1	0.713	0.416	0.1	-0.7	-9.3	-7.9
Canada	0.699	0.242	-	-	8.4	10.7	0.454	0.297	1.1	1.1	5.1	7.4
USA	0.380	0.118	2.4	3.6	1.9	2.7	0.380	0.262	2.4	3.6	1.9	2.7
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2750.0	730.0	1.1	1.3	-6.5	4.7	368.5	270.7	-0.6	-0.4	-9.4	1.4
Germany	794.7	229.6	3.9	4.7	5.7	7.0	357.5	254.2	2.2	3.1	2.4	3.7
Italy	1584000	961398	1.3	2.9	0.7	8.9	719.0	282.6	-0.4	1.2	-2.5	5.5
Spain	66256	22236	3.2	4.2	1.7	2.2	350.0	232.5	1.5	2.5	-1.5	-1.0
UK	204.51	40.04	2.8	3.3	8.3	10.0	292.2	235.0	2.3	2.8	2.6	4.2
Japan ⁴	50190	2390	-0.4	-0.4	8.9	8.9	410.4	390.8	0.8	0.8	-3.7	-3.7
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	361.1	-	-2.0	-	6.3	-	361.1	-	-2.0	-	6.3	-
HFO FOR INDUSTRY^{3, 6} (Price per Metric Ton)												
France	1085.0	121.8	3.2	3.7	-7.0	-7.8	145.4	129.1	1.5	1.9	-9.9	-10.7
Germany	324.5	35.0	-4.9	-5.5	1.6	1.8	146.0	130.2	-6.4	-7.0	-1.5	-1.4
Italy	418182	60777	2.9	3.4	3.1	3.7	189.8	162.2	1.2	1.7	-0.1	0.4
Spain	30058	2235	-0.5	-0.6	2.5	2.7	158.8	147.0	-2.2	-2.2	-0.8	-0.6
UK	121.52	26.77	2.6	3.4	3.9	5.1	173.6	135.4	2.2	3.0	-1.6	-0.5
Japan	26526	1263	0.0	0.0	11.6	11.6	216.9	206.6	1.2	1.2	-1.2	-1.2
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Jan 01	Feb 01	Mar 01	Year Earlier	
											Mar 00	change
OECD North America												
Venezuela	1.57	1.63		1.58	1.56	1.64	1.74	1.80	1.59	1.96	1.67	0.29
Other Central & South America	0.78	0.60		0.68	0.59	0.60	0.53	0.63	0.49	0.41	0.67	-0.25
North Sea	0.99	1.11		1.00	1.20	1.30	0.94	1.12	1.13	0.97	1.01	-0.04
Other OECD Europe	-	0.01		0.02	-	0.01	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.01	0.01	0.00	0.00	-	-	-	0.02	-
Saudi Arabia	1.51	1.62		1.50	1.59	1.66	1.74	1.73	1.83	1.76	1.53	0.23
Kuwait	0.25	0.27		0.22	0.21	0.33	0.30	0.21	0.26	0.31	0.17	0.14
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.55	0.69	0.89	0.66	0.45	0.31	0.72	0.57	0.15
Oman	-	0.00		-	0.01	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	-	0.00	-	0.07	-	-	-	-
Other Middle East	0.00	0.03		-	0.05	0.03	0.02	-	0.08	0.07	-	-
West Africa	1.08	1.29		1.07	1.44	1.40	1.23	1.26	1.50	1.40	1.47	-0.08
Other Africa	0.42	0.34		0.33	0.36	0.28	0.38	0.29	0.34	0.38	0.39	-0.01
Asia	0.20	0.17		0.16	0.18	0.17	0.17	0.14	0.10	0.18	0.19	-0.01
Other	0.03	0.05		0.01	0.07	0.04	0.06	0.11	0.01	0.02	0.02	0.00
Total	7.62	7.77		7.14	7.97	8.36	7.79	7.81	7.63	8.17	7.69	0.47
of which Non-OECD	6.63	6.66		6.09	6.71	7.01	6.82	6.63	6.48	7.18	6.64	0.54
OECD Europe												
Canada	-	0.00		0.01	-	-	-	-	-	-	0.02	-
Mexico + USA	0.19	0.20		0.18	0.20	0.21	0.20	0.18	0.17	0.24	0.13	0.11
Venezuela	0.17	0.14		0.11	0.18	0.16	0.12	0.15	0.10	0.08	0.10	-0.02
Other Central & South America	0.00	0.01		0.00	0.01	0.00	0.02	0.05	0.04	0.06	-	-
Non-OECD Europe	0.01	0.01		0.00	0.01	0.01	0.00	0.01	0.00	0.01	0.00	0.00
Former Soviet Union	2.18	2.40		2.36	2.35	2.47	2.42	2.36	2.49	2.46	2.46	-0.01
Saudi Arabia	1.31	1.39		1.16	1.35	1.45	1.61	1.38	1.41	1.15	1.09	0.06
Kuwait	0.17	0.20		0.14	0.20	0.26	0.21	0.25	0.15	0.25	0.13	0.12
Iran	0.94	0.79		0.72	0.72	0.93	0.81	0.80	0.58	0.89	0.85	0.04
Iraq	0.80	0.74		0.70	0.83	0.74	0.69	0.33	0.45	0.44	0.62	-0.18
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	-	0.00	0.01	0.03	-	0.00	-	-
Other Middle East	0.35	0.31		0.27	0.36	0.30	0.32	0.35	0.36	0.38	0.31	0.07
West Africa	0.48	0.55		0.75	0.33	0.43	0.71	0.80	0.63	0.58	0.67	-0.09
Other Africa	1.65	1.66		1.65	1.59	1.70	1.70	1.85	1.84	1.54	1.60	-0.06
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.01	0.00	0.10	0.04	0.05	0.06	0.08	0.01	0.07
Total	8.25	8.45		8.07	8.13	8.75	8.86	8.57	8.26	8.15	7.99	0.16
of which Non-OECD	8.06	8.26		7.88	7.93	8.54	8.66	8.40	8.10	7.91	7.85	0.07
OECD Pacific												
Canada	-	-		-	-	-	-	0.02	-	-	-	-
Mexico + USA	0.10	0.07		0.17	0.08	0.03	0.03	-	0.06	0.06	0.16	-0.10
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.07	0.04	0.05	0.05	0.02	0.09	0.09	0.08	0.01
North Sea	0.04	0.02		0.01	0.06	0.01	-	-	-	-	-	-
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		-	0.01	0.06	0.05	-	-	-	-	-
Saudi Arabia	1.65	1.83		1.87	1.77	1.76	1.92	2.08	2.12	2.02	1.96	0.07
Kuwait	0.56	0.60		0.56	0.58	0.55	0.71	0.72	0.87	0.70	0.56	0.14
Iran	0.73	0.72		0.83	0.66	0.70	0.72	0.93	0.79	0.76	0.80	-0.05
Iraq	0.13	0.13		0.06	0.08	0.13	0.23	-	0.04	-	0.12	-
Oman	0.45	0.36		0.34	0.40	0.38	0.31	0.33	0.46	0.47	0.28	0.18
United Arab Emirates	1.39	1.46		1.43	1.46	1.42	1.54	1.56	1.81	1.65	1.34	0.31
Other Middle East	0.57	0.59		0.59	0.56	0.58	0.64	0.69	0.77	0.69	0.52	0.16
West Africa	0.20	0.10		0.15	0.07	0.08	0.10	0.09	-	-	0.09	-
Other Africa	0.15	0.12		0.15	0.11	0.11	0.11	0.15	-	0.07	0.16	-0.09
Non-OECD Asia	1.03	0.87		0.91	0.90	0.85	0.81	1.12	0.87	1.06	0.89	0.17
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		7.14	6.78	6.71	7.22	7.72	7.89	7.55	6.97	0.58
of which Non-OECD	6.93	6.87		6.96	6.64	6.67	7.19	7.70	7.83	7.50	6.81	0.68
Total OECD Trade	22.93	23.19		22.35	22.88	23.82	23.87	24.10	23.78	23.87	22.66	1.21
of which Non-OECD	21.62	21.78		20.94	21.29	22.22	22.67	22.73	22.41	22.59	21.30	1.28

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Jan 01	Feb 01	Mar 01	Year Earlier Mar 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.40	0.51	0.33	0.57	0.52	0.56	0.65	0.53	0.13
Europe	1.01	1.01		0.92	0.98	1.04	1.12	1.10	0.88	0.44	0.85	-0.41
Pacific	0.53	0.64		0.66	0.61	0.60	0.70	0.85	0.82	0.98	0.80	0.18
Saudi Medium												
North America	0.65	0.68		0.59	0.65	0.65	0.83	0.64	0.91	0.68	0.70	-0.02
Europe	0.21	0.23		0.19	0.22	0.25	0.25	0.21	0.13	0.12	0.18	-0.05
Pacific	0.15	0.13		0.16	0.15	0.11	0.11	0.07	0.10	0.08	0.15	-0.07
Saudi Heavy												
North America	0.31	0.31		0.30	0.33	0.34	0.25	0.27	0.26	0.29	0.35	-0.06
Europe	0.09	0.14		0.07	0.10	0.14	0.23	0.14	0.23	0.12	0.08	0.05
Pacific	0.09	0.12		0.11	0.10	0.13	0.13	0.12	0.13	0.10	0.10	0.00
Iraqi Basrah Light²												
North America	0.71	0.61		0.41	0.70	0.75	0.57	0.30	0.21	0.49	0.53	-0.04
Europe	0.15	0.16		0.15	0.17	0.21	0.10	-	0.18	0.06	0.11	-0.05
Pacific	0.11	0.08		0.05	0.04	0.06	0.17	-	-	-	0.14	-
Iraqi Kirkuk												
North America	0.01	-		-	-	-	-	-	-	-	-	-
Europe	0.65	0.55		0.52	0.59	0.53	0.58	0.10	0.19	0.08	0.44	-0.35
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.30	0.26	0.29	0.17	0.22	0.09	0.04	0.31	-0.27
Pacific	0.12	0.13		0.17	0.10	0.12	0.11	0.18	0.17	0.10	0.12	-0.02
Iranian Heavy³												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.39	0.44	0.58	0.55	0.74	0.31	0.19	0.46	-0.27
Pacific	0.38	0.37		0.38	0.36	0.36	0.38	0.48	0.42	0.43	0.36	0.07
Venezuelan Light & Medium												
North America	0.76	0.72		0.76	0.71	0.68	0.73	0.78	0.55	0.73	0.86	-0.13
Europe	0.08	0.04		0.03	0.06	0.03	0.05	0.06	0.02	-	0.02	-
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.46	0.43	0.49	0.62	0.69	0.69	0.70	0.45	0.26
Europe	0.05	0.06		0.05	0.06	0.09	0.05	0.06	0.06	0.04	0.04	0.00
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.50	0.70	0.76	0.69	0.77	0.65	0.84	0.61	0.23
Europe	0.14	0.17		0.18	0.15	0.19	0.16	0.04	0.01	0.04	0.11	-0.07
Pacific	0.02	0.02		0.02	0.02	0.02	0.02	-	0.03	0.03	0.05	-0.02
Mexican Isthmus												
North America	0.11	0.07		0.09	0.09	0.05	0.04	0.11	0.05	0.07	0.11	-0.04
Europe	0.04	0.01		0.01	0.01	0.02	0.01	0.15	0.09	0.01	0.01	0.00
Pacific	0.01	0.02		0.04	0.02	0.01	0.01	-	0.03	0.03	0.03	0.00
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.84	0.77	0.77	0.61	0.63	0.76	0.54	0.75	-0.20
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light⁴												
North America	0.40	0.65		0.57	0.71	0.81	0.53	0.53	0.48	0.64	0.71	-0.06
Europe	0.32	0.38		0.43	0.25	0.33	0.49	0.40	0.33	0.16	0.45	-0.29
Pacific	0.03	0.01		0.02	-	0.00	0.03	-	-	-	-	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.01	0.01	0.05	0.03	0.02	-	-
Europe	0.08	0.06		0.09	0.01	0.01	0.15	0.02	0.13	0.07	0.07	0.00
Pacific	-	0.00		-	-	-	0.01	-	-	-	-	-

1. Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the report.

IEA North America includes United States and Canada.

IEA Europe includes OECD Europe but excludes Hungary and Poland.

IEA Pacific includes OECD Pacific but excludes Korea.

2. Iraq Basrah Light includes other Iraq.

3. Iranian Heavy includes other Iran.

4. 33 API and lighter (Bonny Light, Escravos, Qua Iboe, Oso Condensate)

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Jan 01	Feb 01	Mar 01	Year Earlier	
											Mar 00	change
OECD North America												
Venezuela	0.13	0.10		0.10	0.09	0.10	0.13	0.12	0.06	0.09	0.11	-0.02
Other Central & South America	0.05	0.06		0.03	0.06	0.08	0.06	0.06	0.09	0.08	0.02	0.06
ARA (Belgium Germany Netherlands)	0.06	0.04		0.05	0.02	0.03	0.06	0.07	0.09	0.05	0.06	-0.01
Other Europe	0.15	0.12		0.15	0.11	0.10	0.12	0.22	0.25	0.17	0.14	0.04
FSU	0.02	0.03		0.03	0.04	0.04	0.01	0.05	0.04	0.06	0.05	0.00
Saudi Arabia	0.11	0.06		0.06	0.07	0.07	0.06	0.06	0.05	0.05	0.07	-0.02
Algeria	0.00	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.03		0.01	0.04	0.03	0.04	0.01	0.02	0.02	0.02	0.00
Singapore	0.01	0.01		0.01	0.00	0.01	0.01	0.01	0.01	0.02	0.01	0.01
OECD Pacific	0.02	0.00		0.01	0.01	0.00	0.00	0.01	0.02	0.01	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.02	0.02	0.01	0.00	0.01	0.01	0.03	0.06	-0.03
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.47		0.47	0.45	0.45	0.49	0.63	0.64	0.59	0.55	0.04
of which Non-OECD	0.35	0.31		0.27	0.32	0.33	0.32	0.32	0.28	0.37	0.37	0.00
OECD Europe												
OECD North America	0.00	0.00		-	0.00	0.01	0.00	-	0.00	0.00	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Non-OECD Europe	0.02	0.02		0.01	0.03	0.02	0.02	0.02	0.02	0.03	0.02	0.01
FSU	0.01	0.02		0.00	0.04	0.03	0.02	0.01	0.01	0.02	0.00	0.02
Saudi Arabia	0.00	0.00		0.00	0.00	0.01	0.00	0.00	0.00	0.00	-	-
Algeria	0.01	0.01		0.00	0.01	0.00	0.01	0.00	0.00	0.00	-	-
Other Middle East & Africa	0.00	0.01		0.01	0.00	0.01	0.00	0.00	0.02	0.00	0.01	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	-	-	-	-	-	-
Other	0.07	0.08		0.13	0.05	0.07	0.05	0.08	0.14	0.06	0.14	-0.08
Total²	0.11	0.14		0.16	0.15	0.16	0.11	0.11	0.19	0.13	0.17	-0.04
of which Non-OECD	0.11	0.14		0.16	0.15	0.15	0.11	0.11	0.19	0.12	0.17	-0.04
OECD Pacific												
OECD North America	0.00	0.00		0.00	0.00	-	-	0.01	-	0.01	0.00	0.01
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	-	-	-	-	0.00	-	-
Saudi Arabia	0.00	0.01		0.01	0.00	0.01	0.01	-	-	0.01	0.01	0.00
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		-	-	0.01	-	-	-	-	-	-
Singapore	0.02	0.02		0.01	0.04	0.02	0.01	0.02	0.02	0.02	0.01	0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.01	0.01	0.00	0.02	0.00	0.01	0.01	0.00
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.02	0.06	0.04	0.02	0.05	0.02	0.05	0.02	0.03
of which Non-OECD	0.03	0.04		0.02	0.06	0.04	0.02	0.03	0.02	0.04	0.03	0.01
Total OECD Trade²	0.70	0.65		0.65	0.66	0.65	0.62	0.79	0.86	0.77	0.74	0.03
of which Non-OECD	0.49	0.49		0.45	0.53	0.53	0.45	0.47	0.50	0.53	0.57	-0.03

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Jan 01	Feb 01	Mar 01	Year Earlier Mar 00	change
OECD North America												
Venezuela	0.06	0.06		0.07	0.05	0.05	0.07	0.09	0.07	0.08	0.09	-0.01
Other Central & South America	0.01	0.01		0.00	0.01	0.00	0.02	0.06	0.09	0.06	-	-
ARA (Belgium Germany Netherlands)	0.00	0.01		0.02	-	0.00	0.00	0.02	0.04	-	0.00	-
Other Europe	0.00	0.01		0.01	0.01	-	0.00	0.06	0.06	0.02	0.00	0.02
FSU	0.02	0.02		0.03	0.02	0.01	0.03	0.18	0.13	0.01	0.03	-0.02
Saudi Arabia	0.01	0.00		0.00	-	-	-	0.02	-	-	-	-
Algeria	0.00	0.00		0.01	-	-	0.00	-	0.01	-	0.00	-
Other Middle East & Africa	-	0.00		0.00	-	-	0.00	0.01	0.04	-	-	-
Singapore	0.00	0.00		0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00
OECD Pacific	0.01	0.00		-	0.01	0.00	0.01	0.02	0.01	0.01	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	-	0.01	0.03	0.02	0.01	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.17	0.09	0.08	0.16	0.49	0.49	0.20	0.14	0.06
of which Non-OECD	0.10	0.11		0.14	0.07	0.07	0.15	0.43	0.40	0.17	0.13	0.03
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.02	0.02	0.00	-	0.02	0.00	0.02
Venezuela	0.00	0.00		0.00	-	-	-	-	0.00	-	-	-
Other Central & South America	0.00	0.00		0.01	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00
Non-OECD Europe	0.04	0.05		0.05	0.04	0.05	0.05	0.03	0.04	0.05	0.04	0.01
FSU	0.32	0.29		0.30	0.31	0.29	0.24	0.18	0.38	0.44	0.33	0.10
Saudi Arabia	0.01	0.00		0.01	0.01	0.00	0.00	0.00	0.00	0.01	-	-
Algeria	0.04	0.03		0.04	0.03	0.03	0.02	0.03	0.04	0.05	0.04	0.02
Other Middle East & Africa	0.03	0.02		0.03	0.02	0.03	0.02	0.02	0.02	0.01	0.01	0.00
Singapore	-	0.00		-	-	-	0.00	-	-	-	-	-
OECD Pacific	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	0.01	0.00	-	0.01	0.00	-	-
Other	0.07	0.08		0.11	0.06	0.09	0.08	0.17	0.12	0.07	0.11	-0.03
Total²	0.52	0.50		0.55	0.49	0.51	0.44	0.42	0.62	0.65	0.52	0.12
of which Non-OECD	0.51	0.48		0.54	0.47	0.49	0.42	0.42	0.62	0.63	0.52	0.10
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	-	0.00	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		-	-	0.00	-	-	0.00	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.00	0.01	0.00	0.00	0.01	0.00	0.01	0.00	0.01
Saudi Arabia	0.00	0.00		0.00	0.00	0.00	0.00	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		0.00	-	-	-	-	-	-	0.00	-
Singapore	0.02	0.01		0.01	0.02	0.02	0.01	0.01	0.01	0.01	0.01	-0.01
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	0.01	0.00	0.00	0.01	0.01	0.01	0.01	0.00
Other	0.00	0.00		0.00	-	-	0.00	-	-	-	-	-
Total²	0.03	0.02		0.02	0.04	0.02	0.02	0.02	0.03	0.02	0.02	0.00
of which Non-OECD	0.03	0.02		0.02	0.04	0.02	0.02	0.02	0.03	0.02	0.02	0.00
Total OECD Trade²	0.67	0.65		0.75	0.62	0.61	0.62	0.93	1.14	0.87	0.69	0.18
of which Non-OECD	0.64	0.61		0.70	0.58	0.59	0.59	0.87	1.05	0.82	0.68	0.14

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Jan 01	Feb 01	Mar 01	Year Earlier Mar 00	change
OECD North America												
Venezuela	0.03	0.03		0.04	0.03	0.01	0.04	0.02	0.02	0.05	0.04	0.02
Other Central & South America	0.02	0.01		0.01	0.00	0.02	0.02	0.05	0.03	0.03	0.01	0.02
ARA (Belgium Germany Netherlands)	0.00	0.00		0.00	-	-	-	-	0.00	-	-	-
Other Europe	-	0.00		-	-	-	0.00	0.01	-	0.00	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.00	0.01	0.01	0.00	0.02	0.03	-	-	-
Algeria	0.00	0.00		0.01	-	0.00	0.00	0.01	0.01	0.00	0.00	0.00
Other Middle East & Africa	0.00	0.01		0.01	0.00	-	0.01	0.07	0.03	-	0.01	-
Singapore	0.02	0.01		0.01	0.00	0.00	0.01	0.01	0.02	0.01	0.01	-0.01
OECD Pacific	0.03	0.05		0.01	0.06	0.08	0.05	0.02	0.04	0.01	0.00	0.01
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.00	0.00	0.01	0.03	0.01	0.01	0.01	0.00
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.09	0.12	0.14	0.14	0.22	0.20	0.12	0.08	0.04
of which Non-OECD	0.08	0.07		0.08	0.06	0.06	0.09	0.21	0.15	0.10	0.08	0.02
OECD Europe												
OECD North America	0.00	0.00		-	0.01	0.00	0.00	-	-	0.00	-	-
Venezuela	0.01	0.01		0.00	0.01	0.02	0.01	-	-	0.00	0.01	-0.01
Other Central & South America	-	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	0.00	-	-	0.00	-	-
FSU	0.03	0.02		0.01	0.02	0.03	0.02	0.02	0.02	0.03	0.01	0.02
Saudi Arabia	0.01	0.02		0.01	0.03	0.01	0.01	0.02	0.03	0.02	0.00	0.02
Algeria	0.01	0.01		0.01	0.01	0.02	0.01	0.00	0.01	0.02	0.02	0.00
Other Middle East & Africa	0.03	0.07		0.05	0.07	0.08	0.07	0.11	0.12	0.05	0.03	0.02
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.03	0.02	0.05	0.05	0.01	0.01	0.03	0.04	-0.01
Total²	0.12	0.17		0.12	0.17	0.22	0.18	0.16	0.19	0.15	0.10	0.05
of which Non-OECD	0.11	0.17		0.12	0.16	0.22	0.18	0.16	0.19	0.16	0.10	0.06
OECD Pacific												
OECD North America	-	0.00		0.01	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		0.01	-	-	0.00	-	0.01	0.00	0.01	0.00
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		0.02	-	0.00	0.01	0.04	0.02	0.01	0.00	0.01
Singapore	0.03	0.01		0.01	0.01	0.01	0.00	0.01	0.01	0.02	0.00	0.02
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.03	0.01	0.00	0.03	0.04	0.08	0.02	0.03	-0.01
Other	-	0.03		0.01	0.04	0.03	0.05	0.05	0.07	0.06	0.01	0.06
Total²	0.07	0.07		0.09	0.05	0.04	0.10	0.13	0.19	0.12	0.05	0.07
of which Non-OECD	0.07	0.07		0.09	0.05	0.04	0.10	0.13	0.19	0.12	0.05	0.07
Total OECD Trade²	0.30	0.37		0.30	0.33	0.41	0.42	0.52	0.58	0.39	0.24	0.15
of which Non-OECD	0.26	0.31		0.29	0.27	0.32	0.37	0.50	0.53	0.38	0.23	0.15

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	1Q00	2Q00	3Q00	4Q00	Jan 01	Feb 01	Mar 01	Year Earlier Mar 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.05	0.04	0.09	0.12	0.09	0.09	0.06	0.03
Other Central & South America	0.05	0.07		0.04	0.05	0.08	0.11	0.13	0.06	0.09	0.05	0.04
ARA (Belgium Germany Netherlands)	0.01	0.01		0.00	0.01	-	0.03	0.03	0.06	0.04	-	-
Other Europe	0.01	0.03		0.01	0.02	0.05	0.05	0.07	0.09	0.02	0.02	0.00
FSU	0.02	0.01		0.01	0.01	0.02	0.02	0.02	0.02	0.00	-	-
Saudi Arabia	0.00	0.00		-	-	0.00	-	-	-	0.03	-	-
Algeria	0.04	0.05		0.04	0.05	0.05	0.05	0.08	0.02	0.06	0.02	0.04
Other Middle East & Africa	0.01	0.02		0.01	0.01	0.01	0.03	0.03	0.03	0.02	-	-
Singapore	0.00	0.00		0.01	0.01	0.00	0.00	0.00	0.01	0.01	0.00	0.00
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.00	0.00	0.02	0.03	0.02	0.01	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.21	0.26		0.17	0.20	0.27	0.39	0.51	0.40	0.36	0.15	0.21
of which Non-OECD	0.19	0.22		0.16	0.17	0.22	0.32	0.43	0.27	0.33	0.13	0.19
OECD Europe												
OECD North America	0.02	0.01		0.03	0.01	0.01	0.01	0.03	0.01	0.04	0.03	0.01
Venezuela	0.01	0.01		0.01	0.01	0.00	0.02	0.03	0.02	0.02	0.02	0.00
Other Central & South America	0.01	0.02		0.04	0.02	0.01	0.01	0.05	0.06	0.05	0.06	-0.01
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.00
FSU	0.17	0.19		0.14	0.21	0.24	0.17	0.15	0.17	0.24	0.18	0.06
Saudi Arabia	0.00	0.00		-	-	-	0.00	0.00	-	0.02	-	-
Algeria	0.00	0.00		0.00	-	0.00	0.00	-	-	-	-	-
Other Middle East & Africa	0.08	0.07		0.06	0.07	0.07	0.08	0.08	0.05	0.05	0.04	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Other	0.02	0.08		0.08	0.07	0.09	0.07	0.12	0.09	0.04	0.12	-0.08
Total²	0.32	0.39		0.37	0.40	0.44	0.37	0.46	0.41	0.47	0.47	0.00
of which Non-OECD	0.31	0.38		0.35	0.39	0.43	0.35	0.44	0.40	0.43	0.44	-0.01
OECD Pacific												
OECD North America	0.00	0.00		0.00	-	0.00	0.00	0.00	-	0.00	0.01	0.00
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	0.01	-	-	-	-	-	-	-
Singapore	0.01	0.01		0.01	0.02	0.01	0.00	-	0.01	0.03	-	-
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.08	0.07	0.06	0.04	0.05	0.04	0.05	0.08	-0.03
Other	0.01	0.01		0.01	0.01	0.01	0.02	0.00	0.03	0.00	0.00	0.00
Total²	0.08	0.09		0.10	0.11	0.09	0.07	0.05	0.08	0.08	0.09	-0.01
of which Non-OECD	0.08	0.09		0.10	0.11	0.09	0.06	0.05	0.08	0.08	0.08	0.00
Total OECD Trade²	0.61	0.74		0.64	0.71	0.80	0.82	1.02	0.90	0.91	0.71	0.20
of which Non-OECD	0.57	0.69		0.61	0.67	0.74	0.74	0.92	0.75	0.84	0.65	0.18

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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13 July 2001

HIGHLIGHTS

- Persistently low industrial output and faltering consumer demand are expected to limit demand growth to under 0.5 mb/d for 2001, for total demand of 76 mb/d. A turnaround in the US economy, now anticipated towards the end of this year, should cause demand growth to rebound to 0.8 mb/d next year. Growth would be stronger if oil prices eased.
- Non-OPEC production is forecast to increase by 0.7 mb/d in 2002, following a gain of 0.6 mb/d this year. Healthy upstream spending is expected to sustain production from mature producing regions. Russian output will continue to rise strongly, North American supply will be higher and North Sea production will be flat.
- Based on the current outlook for world demand and non-OPEC supply, the "call on OPEC crude plus stock change" next year is estimated at 26.5 mb/d, little changed from this year's "call".
- OECD total industry stocks increased by 1.41 mb/d in May, leaving inventories at 2.6 billion barrels. The growth came mainly in products rather than crude. Gasoline stocks rose strongly in North America.
- Gasoline prices collapsed in June, leading a general decline in product prices. The exception was gasoil, which held steady and is now worth more than gasoline. Crude prices also dropped in June, but with product stocks comfortable and underlying demand sluggish, product prices fell faster. As a result, refining margins continued to deteriorate. Reports mounted of discretionary cuts in refinery runs.
- Iraqi exports of crude oil under the UN oil-for-food programme seem likely to resume soon.

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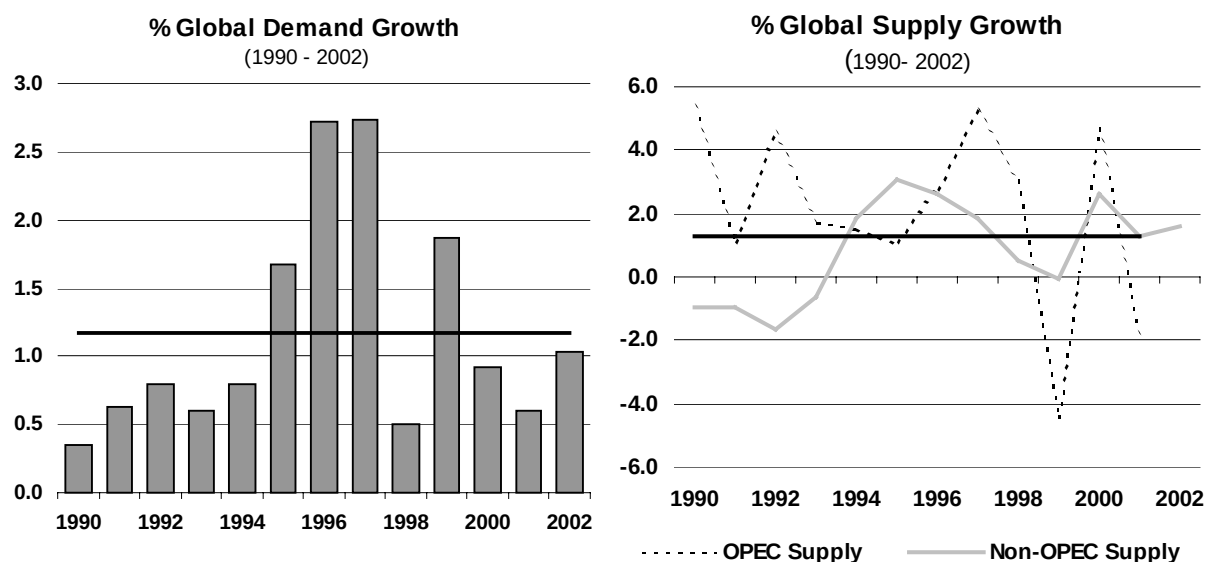
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BACK TO FUNDAMENTALS

Growth in the demand for oil is slowing. Signs of continuing weakness include reduced economic activity, high oil prices, currencies losing ground to the US dollar and fuel substitution away from oil. Consequently, demand growth for 2001 has been trimmed by another 0.51 mb/d to 0.46 mb/d in this Report. While still positive, this is the 7th downward revision to our initial demand growth projection of 1.9 mb/d last summer, when US and global economic growth were expected to be robust.

When and how quickly the global economy will recover is uncertain. For the purposes of our 2002 forecast, the Report assumes a fourth quarter 2001 recovery in North American economic activity, followed by more modest, and later, European and Asian recoveries. Given these assumptions, the Report projects 2002 oil demand growth of just over 1% or 0.78 mb/d. There is considerable risk to this forecast, both upside and downside. A quicker recovery in global economic activity would increase oil demand growth. Similarly, a reduction in crude oil prices would stimulate demand.

Relatively strong oil prices have been assumed for 2002, although lower than 2001. Oil demand is more price-elastic than supply, particularly during periods of economic weakness. A rapidly expanding economy can better absorb commodity price increases over time but an economy in contraction is more vulnerable to high prices. This is especially the case for developing economies that must buy oil in US dollars. On the supply side, sustained prices above \$20 WTI per barrel are a strong stimulus to production, rendering everything from deep water offshore to oilsands projects economic.



While growth in demand is slowing, non-OPEC production is on the increase. The current forecast sees non-OPEC supply in 2001 growing by 0.59 mb/d, with an additional gain of 0.73 mb/d in 2002. The key growth component is incremental supply from mature fields. Russian production is expected to grow at over 300 kb/d, in both 2001 and 2002. Russia is the best example of how robust upstream spending can ease production declines at existing fields, and actually yield incremental output. Production from mature areas is most responsive to price movements but new fields also play an important role in the non-OPEC supply outlook for next year. Upstream spending, which has grown strongly this year, is expected to increase further in 2002.

Oil demand has collapsed three times since the mid 1970's. Demand plunged in 1997-98 in response to the Asian financial crisis. A global recession caused demand to falter in the early 1990's. A more extensive meltdown occurred in the aftermath of the 1979-80 surge in oil prices, exacerbated by stagflation and the decontrol of US domestic crude prices. The global economy today is in a much stronger position to weather the storm, but high crude oil and product prices are dampening growth and contributing to inflation. Price effects over time will cause the market to re-equilibrate, albeit at lower levels. Market fundamentals will assert themselves.

DEMAND

Summary

- After modest growth in the first half of this year, world demand for petroleum products appears set to contract slightly in the third quarter, down 0.2% from the same period last year, as the global economic slowdown continues. Persistently low industrial output and faltering consumer demand across oil consuming economies are now expected to cap demand growth at just under 500 kb/d for 2001 as a whole, bringing it to 76 mb/d.
- A turnaround in the US economy, now expected toward the end of the fourth quarter, should set the stage for more robust oil demand growth in 2002. Just how vigorously demand will rebound next year depends partly on oil prices. Relatively stable prices, the scenario assumed here, would keep demand gains below 800 kb/d. Lower prices would both stimulate consumer demand and keep oil products competitive as fuel for power generators, translating into higher demand growth.

Global Oil Demand from 2000 to 2002

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q00	75.6	-0.3	-0.2	-
2Q00	74.1	1.5	1.1	-
3Q00	76.1	2.6	1.9	-
4Q00	76.5	-0.1	-0.1	-
1Q01	76.5	1.1	0.9	-0.2
2Q01	74.5	0.6	0.5	-0.3
3Q01	75.9	-0.2	-0.2	-0.7
4Q01	77.1	0.9	0.7	-1.0
1Q02	77.0	0.7	0.5	
2Q02	75.0	0.7	0.5	
3Q02	76.9	1.3	1.0	
4Q02	78.2	1.4	1.1	
2000	75.6	0.9	0.7	-
2001	76.0	0.6	0.5	-0.5
2002	76.8	1.0	0.8	

* year-on-year change

- The US will probably provide the single largest contribution to demand growth next year, followed by China and the Middle East. Aggregate demand in those three markets is likely to reach nearly 500 kb/d, assuming relatively strong prices. Demand in the rest of Asia is expected to grow only marginally, dragged down by Japan's economic travails and the protracted effect of the US slowdown. US demand alone accounted for more than 60% of global demand growth in the first quarter, but preliminary data show that greater-than-expected price resistance and a sluggish economy caused it to contract by nearly 140 kb/d in the second quarter. Second- and third-quarter declines are now expected to wipe out first-quarter gains in the OECD, leaving China and non-OECD oil producers as the main drivers of demand growth this year.
- A return to more normal patterns of heating oil and residual fuel demand would mitigate economic effects on North American and European oil demand in the second half and in 2002. In the US, lower natural gas prices, reflecting more ample supplies, are likely to curtail power generation demand for oil, offsetting the boost it gets from economic recovery. European economies are expected to take longer to recover, but oil demand there may benefit from the end of the heavy rainfalls that boosted hydropower production at the expense of oil-fuelled generation in the first half of this year.

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2001	2000	2001	2002	2000	2001	2002
North America	24.17	0.33	0.07	0.24	1.4	0.3	1.0
Europe	15.80	-0.12	-0.04	0.10	-0.7	-0.2	0.6
OECD Pacific	8.63	-0.04	-0.02	0.04	-0.4	-0.2	0.5
China	4.98	0.30	0.19	0.15	6.6	4.0	2.9
Other Asia	7.22	0.12	0.04	0.02	1.8	0.6	0.3
<i>Subtotal Asia</i>	20.83	0.38	0.21	0.20	1.9	1.0	1.0
FSU	3.51	-0.01	0.01	0.02	-0.2	0.4	0.6
Middle East	4.54	0.09	0.16	0.14	2.1	3.7	3.0
Africa	2.37	0.01	0.03	0.03	0.3	1.3	1.2
Latin America	4.80	0.01	0.00	0.05	0.3	0.0	1.1
<i>World</i>	76.01	0.69	0.46	0.78	0.9	0.6	1.0

From 2001 to 2002*Reassessing Current-Year Demand*

Current estimates of growth in global oil demand for 2001 stand at only a quarter of the initial forecast of 1.87 million b/d issued by this Report 11 months ago, and at an even smaller fraction of last November's peak estimate of 1.96 mb/d. The Report has cut its assessment of 2001 demand progressively since the beginning of the year 2001. Our cuts mirror the pattern of downward revisions of economic growth forecasts issued by governments, intergovernmental agencies, think-tanks and other analysts all over the world since the first signs of a downturn in the US economy became apparent at the end of 2000.

Near the end of last year, global demand growth in 2001 appeared poised to exceed the record gain achieved in 1997, when demand jumped 1.95 mb/d from the previous year. That would have been a nearly threefold increase from the 690 kb/d gain that oil demand posted in 2000. Global economic growth was expected to remain strong, allowing oil demand to continue rebounding after the slowdown caused by the Asian financial crisis of 1998.

Nearly a year later, with hopes of rapid economic expansion on hold, 2001 demand growth stands at a fraction of earlier estimates, though by no means out of the historic range. At roughly 500 kb/d, the current assessment not only exceeds the recent low of 370 kb/d, posted in 1998, but is just slightly below the 540 kb/d average growth for the first half of the 1990s.

There are lessons to be drawn, for the IEA as well as for the oil industry and for economic forecasters in general, from the seemingly unpredictable way in which economic and demand growth forecasts have had repeatedly to be trimmed over the last few months. Part of the problem lies in the uncertainty of forecasting economic shifts in a global economy that has been vastly reshaped by the recent revolution in information and communications technologies. Most analysts and forecasters were caught off guard by the advent and rapid unfolding of the US downturn.

Equally unexpected was the ripple effect of the US slowdown on other economies, some of which were assumed to be immune from such effects. That the export-oriented, high-tech economies of southeast Asia were first to suffer from the burst of the Nasdaq technology bubble was predictable, as was the effect of the US manufacturing slowdown on closely linked economies of Latin America. But the perceived insulation of the leading European economies, where most of the trade was assumed to take place internally among European partners, turned out to be exaggerated. Part of the European trade turned out to involve intermediary goods used to manufacture products exported to the US. Leading European economies have repeatedly had to slash growth forecasts in recent months, with the French government officially shifting from a 3.3% growth rate assumed in budget calculations late last year to below 2.5% recently. Many private analysts now expect growth of less than 2%. The German economy, the largest in the euro-zone, faces even gloomier prospects.

More pointedly, lower than expected oil products deliveries in the first half of this year demonstrate the greater-than-expected sensitivities of oil demand to both oil prices and economic growth in the "new" economy. Until recently, the fact that developed economies had become far less oil intensive was thought to shield them from the full effect of the high oil prices. That idea is now being revisited. The US Federal Reserve, for one, has recently qualified its previous assumption that run-ups in oil

prices have only a negligible impact on economic expansion. "Of the number of factors that have contributed to the slowing of economic growth in the United States over the past few quarters, the one that has received less attention than it clearly merits is the rise in energy prices", Chairman Alan Greenspan told the Economic Club of Chicago last month. While common economic models do not reveal a "worrisome linkage" between oil price spikes and economic downturns, he added, "our heightened wariness about recent developments...reflects the possibility that the responsiveness of U.S. gross domestic product to energy prices may be different when households and businesses are confronted with abnormal price hikes."

Equally misleading has been the widespread assumption that transportation fuel demand is relatively inelastic in increasingly affluent industrialised societies. High prices clearly have accelerated fuel switching away from gasoline by European motorists. After an initial period of resilience, US gasoline demand has begun to show signs of slowing, and even of contraction, in recent months, as the effect of high prices is now compounded by a rise in unemployment. Price effects are clearer still in developing economies, from India to the Philippines and from Thailand to Colombia, where gasoline and diesel demand have fallen sharply. That many oil-importing countries faced both high oil prices and rapidly depreciating currencies has further magnified the effect of dollar-denominated oil price spikes. This has been a particularly salient issue not only for Asian economies such as Thailand, but also in the euro-zone, where the rapid fall of the euro has spiked the energy bill.

Finally, the fact that the slowdown was compounded by unpredictable weather factors, hasn't helped forecasters. In western Europe, exceptionally heavy rainfall this winter dramatically increased hydropower generation, causing residual fuel demand to drop at double digit rates in France and Italy. In Brazil, on the other hand, a drought has curtailed the country's electricity supply, slowing industrial output and crippling economic activity. Drought also affected parts of India, curtailing agricultural consumption of diesel, a major component of the demand mix, only to give way to heavy and early rainfalls that boosted hydropower generation while also curtailing cooling demand.

Looking Ahead

With world economic growth now expected to fall below 2.5% for this year, part of the growth in oil demand that had initially been forecast for 2001 has simply been pushed back to next year. This Report's assessment of 780 kb/d demand growth in 2002, roughly in line with the average of the last 11 years, assumes that a rebound in the US economy will materialise towards the end of the fourth quarter, setting the stage for global GDP growth of around 3.5% next year.

Estimated Annual World Oil Demand Growth 1997-2002

	(million barrels per day)					
	97-96	98-97	99-98	00-99	01-00	02-01
North America	0.48	0.38	0.68	0.33	0.07	0.24
Latin America	0.32	0.03	0.02	0.01	0.00	0.05
FSU	-0.16	-0.06	-0.23	-0.01	0.01	0.02
Europe	0.16	0.25	-0.09	-0.12	-0.04	0.10
OECD Pacific	0.13	-0.54	0.27	-0.04	-0.02	0.04
China	0.47	-0.02	0.30	0.30	0.19	0.15
Other Asia	0.32	0.07	0.31	0.12	0.04	0.02
Subtotal, Asia	0.92	-0.48	0.88	0.38	0.21	0.20
Middle East	0.16	0.18	0.12	0.09	0.16	0.14
Africa	0.06	0.07	-0.02	0.01	0.03	0.03
World	1.95	0.37	1.37	0.69	0.46	0.78

Despite the assumption of an economic upturn, this Report's assessment of 2002 oil demand remains below its original assessment of 2001 demand. We expect some lag in the recovery of the European and Asian economies after US growth picks up, and also a dampening effect on demand of high oil prices to extend well beyond the start of an economic recovery. In addition, the original 2001 estimate reflected the expected boost due to Y2K distortions in January, a one-off factor. Furthermore, oil demand growth due to fuel-switching by US power generators away from natural gas and towards oil products is expected to subside and partly reverse next year.

It is this Report's assumption that domestic oil demand growth would be an early beneficiary of a rebound in the US economy. While the European slowdown has been mostly driven by the US downturn, it is expected that economies in the euro-zone would respond to the stimulus of higher US demand with a substantial lag. While the slowdown in oil demand is expected to be less steep in Europe than in the US, it is expected to last longer.

In Asia, the rebound in oil demand growth is expected to be even slower and less pronounced, as the boost from higher US demand would not immediately benefit the region's main export industries. In addition, the stimulus provided by the US rebound will be hampered by continued sluggishness in Japan, as Tokyo labours through its structural reform program and breaks away from its long-standing custom of resorting to government stimulus programs. Currency depreciation across regional economies will also make it more expensive to purchase products, further muting oil demand growth.

US fuel-switching away from natural gas and towards residual fuel oil and heating oil, which added an estimated 350 kb/d to North American oil demand in the first half, has subsided. This trend is likely to continue, partly offsetting the impact of higher manufacturing activity. Conversely, record-high rainfalls will no longer be a feature of oil markets this winter, providing European demand growth an extra boost. Likewise, Brazil's economy will probably enjoy better precipitation next year, lifting the current brake on economic growth.

For much of the first half, western economies have been characterised by an unusual divergence between industrial demand and corporate spending, both of which have fallen briskly, and consumer spending, which has remained remarkably resilient. Consumer spending has recently started faltering, notably in the case of US gasoline demand, as could be expected in a climate of mounting job fears. This Report expects that such a divergence is likely to continue, albeit in reverse, even in the event of a substantial rebound in GDP growth in the US. A rebound in consumer demand for gasoline seems likely to lag behind the expected recovery in industrial oil demand, just as the slowdown in consumer spending initially lagged the slowdown in industrial demand. Jet fuel demand is likely to follow a similar pattern. The experience of previous oil shocks is that associated drops in oil demand have often taken many months to trickle down to the market. Here again, the shock of high transportation fuel prices in a downward economic cycle could have a longer-lasting effect, leading to durable gains in both car and aircraft fuel efficiency, and extending well beyond the expected turnaround.

On the other hand, demand is expected to grow briskly in the Middle East, boosted by high oil revenues, even though that will be partly offset by cuts in oil subsidies and the completion of some gas-fired turbines at power plants. Oil demand is also expected to keep growing in China, fuelled in part by domestic infrastructure projects, albeit at a slower pace than in 2001, because of gains in fuel efficiency and the damping effect of reduced export revenues this year.

Current 2002 estimates are based on the assumption that oil producers will remain able and willing to maintain high oil prices through much of 2002. Such an assumption involves risk. On one hand, OPEC producers could reconsider their policy. On the other hand, market developments may subject producer discipline to considerable pressure if demand drops far enough, or non-OPEC production rises sufficiently, to require substantial production cuts in order to maintain high prices. A reduction in oil prices could rekindle demand growth in the developing countries most affected by high prices, and would also boost industrial and consumer demand elsewhere.

OECD

Early Indications of Current Demand

Based on preliminary data, OECD oil demand appears to have declined by 300 kb/d in the second quarter, instead of staying flat as previously expected. Amid protracted economic slowdown, demand seems set for a reduction of similar magnitude in the third quarter. For 2001 as a whole, this Report expects OECD Asia and Europe to show slightly lower demand than last year, leaving aggregate growth for the entire OECD nearly flat.

This cut in the demand assessment occurs despite a substantial upward revision in the estimate of OECD oil demand for April. The latter was raised by more than 800 kb/d compared with last month's Report, including nearly 600 kb/d in North America, 120 kb/d in OECD Pacific and 100 kb/d in Europe. Revisions to US data were the largest, up 573 kb/d. But preliminary data point to even larger downward revisions to May and June estimates.

North America, where most of the OECD demand growth was expected to take place throughout the year, is the focus of the latest downward revisions. Early reports suggest that US deliveries alone fell 700 kb/d short of expectations in May and 725 kb/d in June. In addition, a revision to Canadian data has cut the assessment of first-quarter North American demand by more than 135 kb/d.

Preliminary data must be treated with caution as they are subject to further revisions. April submissions to the IEA were exceptionally patchy, with data from many OECD Member countries lacking. The very large scope of recent US revisions also suggests that US Department of Energy estimates for May and June should be seen with a critical eye. But while they are preliminary, the latest US data appear consistent with recent economic indicators, as well as anecdotal market information. This suggests that the boost in oil demand expected from the US for the second half will not materialise before the fourth quarter.

Preliminary Inland Deliveries – May 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	Mb/d	% pa	mb/d	% pa	Mb/d	% pa	Mb/d	% pa	Mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.58	-1.0	1.75	4.7	2.27	-9.8	1.28	9.8	0.97	35.3	4.23	-13.1	19.08	-2.7
Canada	0.68	0.6	0.11	-4.3	0.43	-2.3	0.05	-10.0	0.12	18.4	0.22	-4.7	1.61	-0.6
Mexico	0.56	4.1	0.06	3.7	0.30	-0.3	0.00	-100.0	0.49	-11.6	0.34	-2.0	1.74	-2.8
Japan	0.99	0.1	0.34	-2.0	0.66	-4.0	0.44	1.9	0.44	-0.9	1.56	2.1	4.43	0.1
Korea	0.18	-8.5	0.06	30.4	0.38	-4.3	0.07	-45.8	0.32	-8.2	0.89	4.5	1.90	-3.3
France	0.31	-5.1	0.13	2.5	0.57	-1.2	0.23	21.5	0.04	-5.3	0.47	-1.3	1.75	-0.3
Germany	0.65	-9.0	0.15	-6.8	0.58	10.3	0.46	20.9	0.12	17.6	0.47	-5.6	2.43	-2.9
Italy	0.39	-2.0	0.07	-7.1	0.41	5.1	0.08	8.5	0.24	-4.7	0.49	-1.4	1.67	-0.3
Total	12.35	-1.3	2.67	2.7	5.58	-6.0	2.60	7.6	2.74	7.0	8.68	-10.6	34.62	-2.1

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, Italy Ministry of Industry, Statistics Canada, Mexico Pemex, Korea PEDCO

Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Based on revised data for May 2000

Preliminary figures for inland deliveries of petroleum products in seven of the OECD's largest economies confirm that aggregate oil consumption contracted in May in nearly all markets. The overall fall was 2.1%. Gasoline demand led the drop, swinging into decline across all regions. In the US, by far the world's largest gasoline market, demand tumbled by 1%, reversing what now appears to have been a 2% increase in April. The latest drop more than offset a slight gain in Canada as well as a more vigorous advance in Mexico. Korean deliveries fell sharply as Japanese demand stalled. Germany, Europe's largest economy, led a steep decline in gasoline demand that extended to France and Italy.

Deliveries of "other products" continued to plummet, losing ground in all markets except Asia, for an aggregate drop of 10.6%. While lower natural-gas prices might allow more LPGs to be stripped from gas and to find their way into the market, buying interest is undermined by a downward cycle in the petrochemical industry, a leading consumer.

As in previous months, residual fuel oil and "other gasoil" were the main strongholds, mostly in the US and Germany. But signs of weakening were apparent there too. While still robust, "other gasoil" demand growth of 7.6% was down sharply from the double-digit rate of the previous month. And demand might well have been overstated in the US, where preliminary data lump together demand for diesel and "other gasoil". Aggregate residual fuel demand soared in May, thanks to dramatic increases in the US, Canada and Germany, but demand fell in all other markets. Sharply lower natural gas prices in North America is likely to undermine demand for residual fuel, which has now lost much of its attraction as a competitive boiler fuel for power generation. Indeed, US DOE weekly estimates of residual fuel demand for June point to growth of only 1.6%.

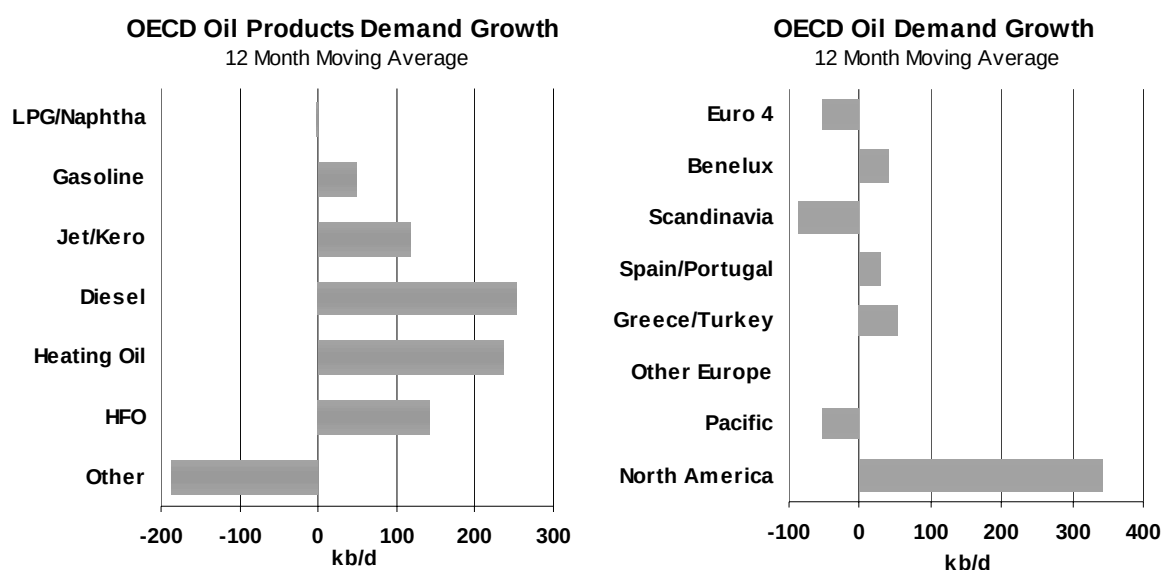
Diesel demand continued to advance in Italy, extending seven consecutive months of gains, but fell in all other markets. Jet fuel and kerosene demand offered a mixed picture, increasing by 2.7% overall. But that aggregate figure reflected a 4.7% gain in the US, a trend which preliminary weekly DOE data show was reversed in June.

Moving Annual Average Change in Oil Demand – May 2000

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-6.4%	13.8%	0.6%	4.2%	5.3%	7.9%	25.5%	-7.9%	1.4%	274
Canada	5.7%	-0.2%	0.5%	-1.5%	1.8%	4.5%	27.7%	1.8%	3.6%	74
Mexico*	-0.4%	-48.6%	4.0%	4.5%	2.6%	2.5%	-0.6%	-31.2%	-0.3%	-5
Japan	0.0%	1.2%	1.9%	2.5%	-2.8%	0.5%	-4.8%	-4.2%	-0.5%	-25
Korea	3.0%	2.2%	-5.3%	-10.2%	4.8%	-12.2%	0.9%	-39.2%	-0.9%	-19
France	-5.0%	0.9%	-5.2%	1.7%	0.3%	0.5%	-16.8%	-1.0%	-2.0%	-41
Germany	0.1%	-3.3%	-6.0%	2.2%	4.4%	9.2%	15.6%	-14.2%	1.2%	32
Italy	1.8%	3.1%	-4.0%	0.8%	5.7%	-2.9%	-8.9%	6.4%	-1.4%	-26
UK*	-12.2%	-13.8%	-1.4%	8.6%	1.9%	1.9%	-6.0%	-4.3%	-1.1%	-19
Total	-3.3%	1.4%	0.0%	2.7%	3.3%	3.7%	5.0%	-6.4%	0.6%	232
Kb/d	-144	36	4	97	180	137	174	-251	232	

* near-month data are estimated

The twelve-month moving-average change in aggregate oil demand growth for the nine largest OECD markets shed half a percentage point in May, down to just 0.6%, as demand in two more countries shifted into contraction. Six of the nine countries represented in the mix are now showing negative moving-average changes in aggregate oil demand. Those include the two Asian components, Korea and Japan, as well as all its European components except Germany. While still in positive territory, the German aggregate average change continues to reflect a sharp deceleration in demand growth, down seven tenths of a percentage point. In North America, Mexico swung into decline, while Canada's strong growth was trimmed by 2.3 percentage points, the biggest loss of all country averages represented.



Broken down by products, the moving-average change in oil demand offers no less bearish a picture. All of the product components of the index lost ground in May. The biggest single decline was registered by the average for "other gasoil", which shed 1.8 percentage points. That drop was led by declines of 3.4 and 3.8 percentage points in the US and Canada, as lower natural-gas prices undermined demand for alternate power generation fuels, as well as drops of 1.9 percentage points in Korea and 1.1 points in Italy. A loss of 1.5 percentage points sent the moving average change of LPG demand deeper into negative territory, to minus 3.3%, while a retreat of three tenths of a percentage point brought the average change of gasoline demand down to zero.

North America

Since the Asian financial crisis of 1998, when Asia-Pacific oil demand (both within and outside of OECD) contracted by nearly 500 kb/d, North America has rivalled Asia as the main driver of oil demand growth. In 1999, North American oil demand increased by 680 kb/d, 200 kb/d shy of Asian oil demand growth. Last year, North American growth of 330 kb/d lagged behind Asian growth by only 50 kb/d. Once dismissed as a mature, low-growth oil market, North America seems set to

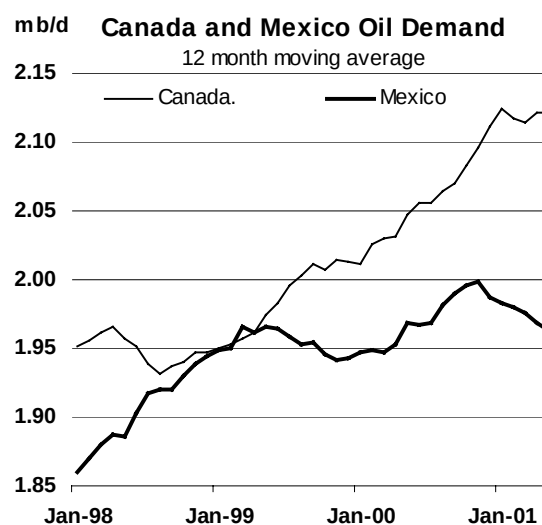
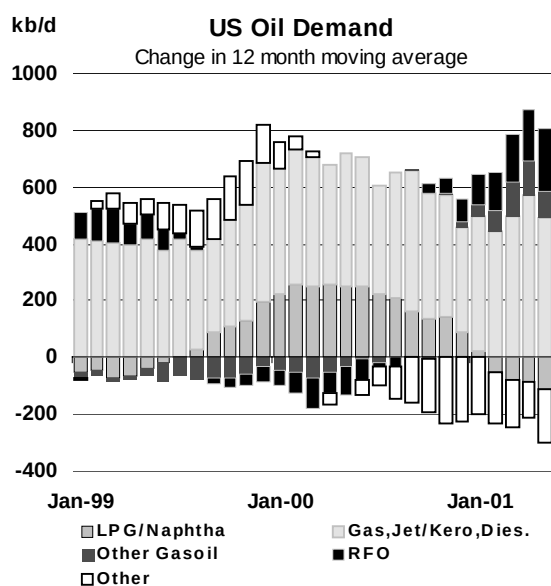
overcome Asia as the fastest growing short-term locus of oil demand. However, it now appears that North America will not assume that leadership role until 2002, rather than this year, as previously expected.

This temporary setback is anticipated despite the strong performance of the first quarter, when a 520 kb/d rise in North American demand made up 60% of world demand growth, while growth in Asia-Pacific trailed at 130 kb/d. After rising in April, North American demand appears to have contracted in May and June from year-earlier levels, leaving average second-quarter demand 300 kb/d below last year's levels. North American demand is now expected to shrink further in the third quarter, by 330 kb/d, before rebounding by 180 kb/d in the fourth. The pick-up should continue in 2002, gradually gaining momentum from 90 kb/d in the first quarter to 370 kb/d in the last, to average out at 240 kb/d for the year.

Economic indicators yield a contrasting and, to a degree, contradictory picture of the prospects for the region's leading economy. US factory orders rose more than expected in May, up 2.5% to \$343.67 billion, suggesting that the worst may be over in the US manufacturing sector, which has been depressed for almost a year. Even discounting a 60% surge in orders for defence aircraft, factory orders rose by 2.4%. Business confidence also appears to be gradually improving. A recent survey showed that a growing number of US corporations expected their capital spending, as well as their hiring, to rebound in the second half. According to some estimates, capital spending fell 16% from April through June, the biggest drop in 20 years. The Federal Reserve has identified the drop as a major brake on economic growth.

Other signals are more worrisome. Equity markets remain jittery as corporate profit margins come under pressure. Consumer spending showed a modest slowdown in May, bringing year-on-year growth in personal expenditures down to an estimated 2.5% in the second quarter from 3% in the first. US unemployment continued to rise in June, to 4.5% from 4.4% in the previous month, while the unemployment rate for workers with unemployment insurance rose to 2.4%, its highest level since 1996. Initial jobless claims, after easing briefly, unexpectedly rebounded by 7,000 in the week of June 30, suggesting that the labour market had yet to stabilise. Unlike the overall unemployment rate, which is considered a lagging indicator, initial jobless claims and insured unemployment are regarded as leading indicators, so the gains in both figures were seen with concern. The US Bankers' Association now expects US unemployment to crest at 4.9% in the fourth quarter.

On balance, there appears to be a growing consensus that the US economy is reaching a turning point. The mixed nature of recent economic indicators in itself can be seen as characteristic of an economy that has reached an inflexion point. On the other hand, the persistence of relatively weak signals suggests that even if the US economy does rebound in the second half, growth would be very modest at first. Weaker than expected economies among the country's European and Asian trading partners also dim the prospect of a quick US recovery. Growth has foundered in Canada, Japan, the UK and Germany, which together account for more than 40% of US exports.



As forecasts of a US economic recovery have been scaled down and pushed back, so have expectations of a rebound in US oil demand. While North America is still ripe for stronger demand growth late this year and next year, lower-than-expected economic indicators suggest that the second-quarter demand slowdown will likely extend into the third. But while the overall assessment of the US economy is somewhat bearish for the oil market, the persistence of job fears and an apparent disconnect between industrial and consumer sentiment carry some specific implications for oil demand.

High oil prices, coupled with rising unemployment, could have a deeper and more lasting impact on transportation fuel demand than previously anticipated. US gasoline demand swung from 2.1% growth in the first quarter to a 0.1% drop in the second. Consumer surveys confirm that a majority of US motorists have cut spending on weekend trips, recreation or vacations in response to high gasoline prices. Consumers also increasingly indicate that they are considering switching to more fuel-efficient cars. Meanwhile, unemployment is spreading beyond manufacturing workers to the wholesale and transportation sectors, as fewer goods are sold and moved.

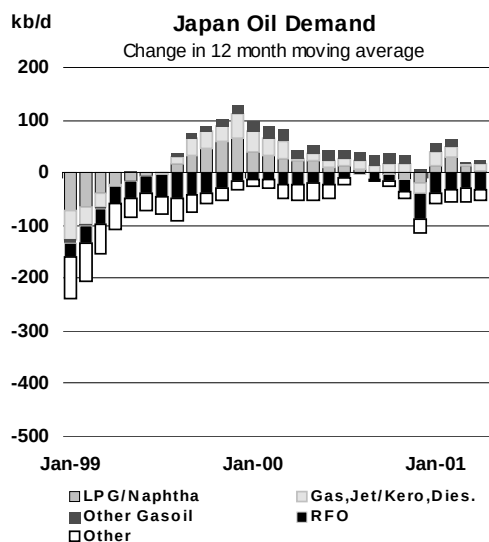
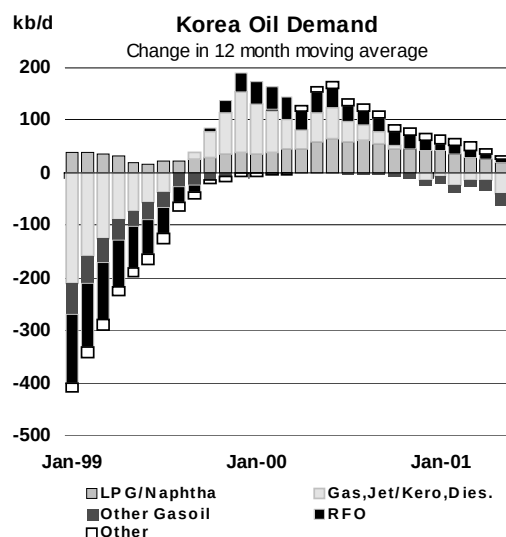
While a rebound in industrial output will lift commercial freight demand, discretionary driving might suffer longer. Just as US consumer spending remained relatively resilient while corporate spending fell in recent months, consumers may keep on cutting spending even after the resumption of US economic growth. Consumer spending is heavily influenced by unemployment trends, which themselves lag behind economic shifts, so job fears could cut demand even after growth resumes. A tax rebate instituted to boost spending may have only a limited effect, as similar refunds often have been allocated to savings or to paying back debt. Concerns over high prices could curtail demand for years to come if they give rise to greater vehicle fuel efficiency.

The natural-gas-to-oil fuel switching that boosted oil demand in the first half of 2001 will have a reverse effect in the second half of this year and in 2002, as natural gas storage levels return to normal. Even so, some of the recent gains will remain, as utilities and end-users who entered into longer term arrangements to supply fuel oil for power plants or diesel for back-up generators will need to burn some of those reserves.

Pacific

Hit both by the US slowdown and by Japan's financial travails, the Asia-Pacific region is the weakest in the OECD so far as oil demand growth is concerned. Despite a 175 kb/d upward revision in Japan from preliminary data, oil demand in OECD Pacific is estimated to have contracted by 2.9% in April, led by a 6.6% drop in Korean consumption. Demand fell 1.9% in Japan and 3.7% in New Zealand. Only in Australia did it inch up slightly, by 0.7%.

For the second quarter as a whole, OECD Pacific demand is thought to have shrunk by 1.6%. It is expected to contract by another 1.3% in the third quarter, before rising briefly in the fourth quarter from the very low levels of a year earlier. On average, OECD Pacific oil demand looks set to contract by 0.2% this year, and should post only minimal gains next year. While the lack of growth partly reflects Japanese utilities' continued policy of switching from oil to liquefied natural gas and coal, most of it reflects adverse economic conditions in the US and in Japan itself.



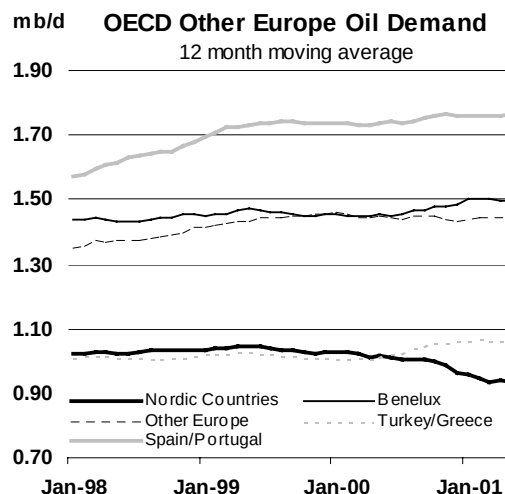
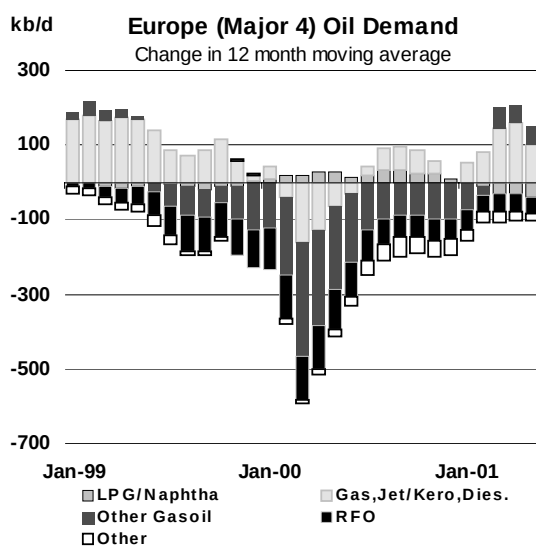
In Korea, a major, export-driven petrochemical manufacturer, demand for naphtha and LPGs has suffered from a downturn in the petrochemical cycle that is expected to last well into the first half of next year. Those two products absorb roughly 40% of Korean oil demand. Export growth in general has slowed, as has domestic demand, with retail sales growth falling from 14% a year ago to just above 1%. Economic activity, and therefore oil consumption, are not expected to resume growing in earnest until the first signs of a US rebound, though they could respond fairly quickly to such a signal.

In Japan, the economy appears to have been in recession since reaching a business cycle peak in August. According to Finance Minister Masajuro Shiokawa, it is likely to remain weak "for a while". Indeed, some economists expect the decline to accelerate through the third quarter, spreading into various economic sectors such as non-IT production, housing, wages and the labour market. Prime Minister Junichiro Koizumi has pledged profound structural reform, including the eradication of bad loans and curtailing federal debt issuance. While such steps are widely believed to be necessary to Japan's eventual recovery, they are likely to apply additional downward pressure on oil demand in the near term.

Europe

OECD European oil demand growth is estimated to have come to a halt in the second quarter and will slip into decline in the third quarter, alongside Pacific and North American consumption. Coming on the heels of an 80 kb/d contraction in the first-quarter, the third-quarter drop could result in an average decline of 40 kb/d for the year as a whole. Demand is likely to bounce back modestly next year, as the expected US economic recovery trickles through to the Continent.

Two factors have adversely affected the European economy and, perhaps to an even greater extent, European oil demand, since the end of last year. On one hand, the US slowdown has had a much greater effect on Europe than had previously been anticipated, as European finance ministers were prompt to recognise at the Group of Seven meeting in Rome in early July. German Finance Minister Hans Eichel, for one, acknowledged that he had underestimated the degree to which US weakness affects the rest of Europe, and the speed of its spread. Participants at the meeting agreed to investigate the channels through which economic fluctuations are carried around the world, in a departure from the traditional approach that considers only trade flows or financial markets.



On the other hand, the rise of inflation triggered by last year's surge in oil prices, and more recently compounded by a strong rise in food prices is now understood to be chiefly responsible for a substantial slowdown in domestic demand. The price increases cut into consumers' disposable income enough to keep private consumption more subdued than expected in the first quarter of this year, and perhaps even more subdued later on. Heightened uncertainty also led consumers to cut back on spending and boost savings. This, in turn, prompted corporations to reduce investments, following three years of strong corporate expenditures.

High oil prices are expected to keep a lid on European domestic demand and shave GDP growth for much of this year, though tax cuts implemented across the region could have a mitigating effect. A US rebound late this year would provide at first only a modest stimulus early next year, as Europe's lag in IT spending would buffer its effect.

This year's slowdown in European oil demand was further compounded by record-high rainfalls that boosted western European hydropower production through the winter, thus cutting into residual fuel demand accordingly. French residual fuel oil demand dropped 20% in the fourth quarter last year and 23% in the first quarter of this year, while Italian demand declined by close to 15% and 20%. This factor is likely to have a reverse effect on European oil demand for the remainder of the year and next year if precipitation patterns return to normal.

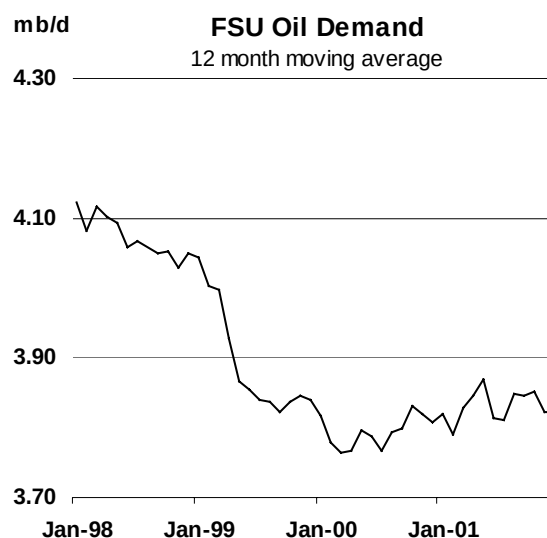
Non-OECD

Former Soviet Union

FSU demand is expected to inch up by 0.6% to 3.53 mb/d next year, as a drive to maximise exports continues along with rising crude oil production. The slow increase in demand growth, coming on the heels of this year's expected gain of 0.4%, marks a continued rebound from the sharp contraction of oil demand that followed the break-up of the Soviet Union. It is expected to be driven to a large extent by private consumption of gasoline, as the region continues to reap the economic benefits brought by high oil revenues. Government policy will continue to promote alternative fuels, natural gas, coal and nuclear power, for power generation and industrial use in a bid to maximise foreign revenues.

The region's robust economic expansion of 2001 could extend into 2002, albeit at a slower pace, paving the ground for continued, if limited, oil-demand growth. Slowing investment and the steady appreciation of the rouble have already damped Russian GDP growth, which fell to 4.2% in the first quarter from 9% a year earlier. By international standards, Russian growth will remain very substantial. The Russian economy remains comparatively shielded from the global slowdown and continues to benefit from a strong external balance of payments, improved fiscal practice and steady progress in structural reforms. The economy of Kazakhstan and other former Soviet republics is set to grow at an even faster pace.

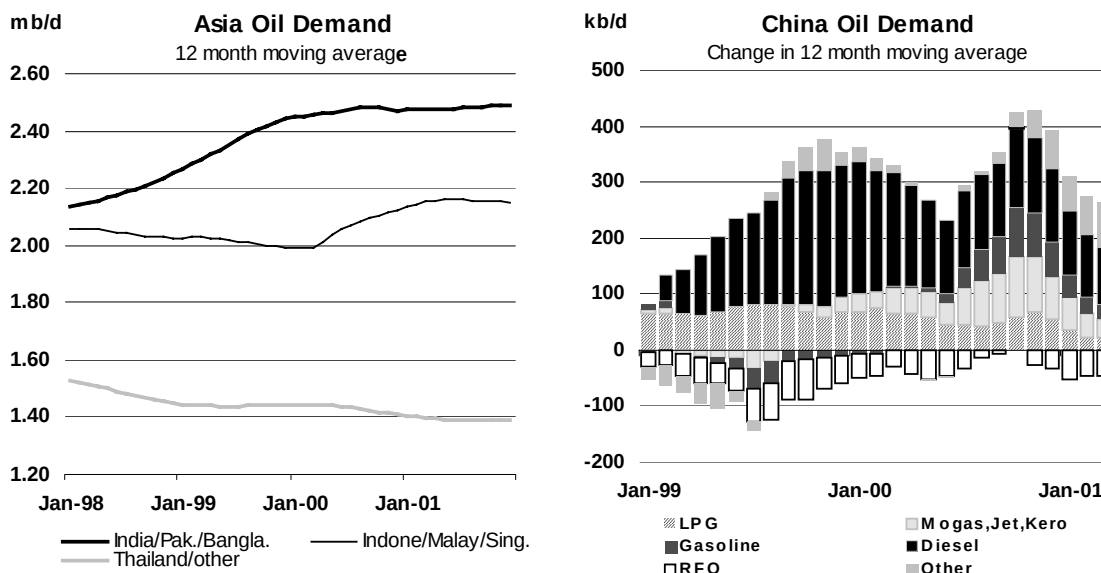
So far this year the FSU has proved as adept at placing its incremental crude production on international markets as at restoring production capacity. Recent government approval of third-quarter export plans by Russian oil companies will push Russian crude exports to new highs in coming months. Yet Russian companies are also increasingly setting their sights on domestic downstream projects that could pave the way for demand growth further down the road. Refinery upgrades and expansion plans go hand in hand with retailing and marketing projects as refiners position themselves to capture emerging gasoline demand. Russian products trade at a lesser discount to international prices than those of crude oil, so an increase in Russian refining capacity may eventually translate into reduced export rates.



China

Like that of the FSU, the economy of China has been comparatively insulated from the US economic slowdown. Chinese oil demand grew at an estimated rate of 300 kb/d in 1999 and 2000 and is expected to lead world demand growth this year. Chinese economic expansion so far has displayed no sign of abating significantly in the face of the global slowdown, with growth estimated at 8.1% in the first quarter and roughly at the same level in the second. Continued growth has been fuelled mostly by domestic consumption and investment and occurred despite a sharp drop in net exports, which fell 27% in the first five months of this year from the same period last year.

While Chinese oil-demand growth is expected to remain comparatively robust, it is unlikely that it will remain as high in absolute levels as it has been in the last two years. On the one hand, China's continued economic development has resulted in sharp gains in oil efficiency, so further leaps in economic development are unlikely to have as large an impact on oil-demand growth as previous ones. On the other hand, the extent to which China will be able to keep up the pace of domestic infrastructure projects in the event of a prolonged Japanese slowdown is unclear.



While estimates of Chinese apparent demand vary widely from month to month in line with the sharp swings in Chinese oil imports, preliminary assessments suggest that demand growth this year may be slightly less than previously expected. Chinese imports soared in April, translating into a year-on-year jump in apparent demand of almost 18%. However, imports appear to have subsided since, and Chinese traders were recently reported to be reselling crude oil bought on a term basis for delivery in June, July and August. Refiners reportedly have cut runs sharply for lack of a market outlet for their products. Sinopec and PetroChina, which together account for more than 95% of the country's refining capacity, reportedly reduced plant utilisation rates to 72%-73% in July, following government requests that they trim oil inventories by 25%.

Expected Chinese demand growth of 190 kb/d this year is down by 20 kb/d from the most recent assessment, but probably represents the single largest contribution to world demand growth of 460 kb/d. Demand growth is currently expected to slow slightly in 2002, to 150 kb/d.

India

Indian oil demand edged down slightly in April and May, by 0.9% and 0.7%, pulled lower by a further decline in deliveries of gasoil, the mainstay of the country's product mix. Drops in demand for high-speed diesel, the main variety of gasoil consumed on Indian markets, have been exceeding 4% since February, and follow almost continuous drops since the beginning of year 2000.

The latest decline in high-speed diesel demand comes as something of a surprise. Several factors have been identified as the causes of the recent downward trend, but all were expected to subside. They include price effects that caused freight transportation demand to shift from trucks to lower-cost trains, reversing the pattern of recent years; substantial gains in trucks' fuel efficiency; a downturn in industrial output since India liberalised its import policy; and a recent drought that curbed agricultural demand. The most likely explanation for the latest decline is early and abundant rainfalls in the north that gave hydroelectric production a boost even as they helped cool temperatures, thereby reducing air-conditioning demand.

LPG demand growth rebounded from the comparatively low rates of January and February, rising at double digit rates in April and May, but still not reaching the very fast expansion pace of recent years. LPG is used predominantly for cooking in India. Urban markets are thought to be mature, with most growth now expected from rural populations with lower purchasing power and embryonic marketing and retail networks.

Oil price effects, reductions in government spending and slow growth in rural incomes should keep curtailing Indian domestic demand in months to come, even as India faces reduced US imports and competition from Chinese and other imports in its domestic markets. However oil demand seems unlikely to come under further downward pressure. Structural shifts, such as the resurgence of train transportation, will soon reach capacity limits, while the one-off effect of droughts or unseasonal rains will dissipate. Growth is expected to resume at near 1% in 2002 after averaging slightly below that this year.

Other Non-OECD

Under pressure from international lending institutions to drop its large domestic fuel subsidies, Indonesia raised retail prices for non-industrial consumers by 30%, a measure promptly greeted by street riots, but also by a sharp decrease in demand. Indonesia's product import requirements, met through a combination of long-term contract purchases and spot tenders, were sharply reduced in August. In a tender document issued early this month, state oil company Pertamina sought nearly 20% less products for August than for July. Imports are estimated to fulfil about 35% of domestic needs.

A 70% hike in transportation fuel prices in Zimbabwe followed the lifting of oil subsidies took effect on 12 June, prompting massive protests and a two-day general strike that brought the economy to a standstill. The fuel price hike sparked similar increases in commuter bus fares.

In Brazil, energy conservation measures have taken a toll on industrial output and economic activity, curtailing oil demand. A return to more normal weather patterns is likely to facilitate a slow rebound in oil demand next year.

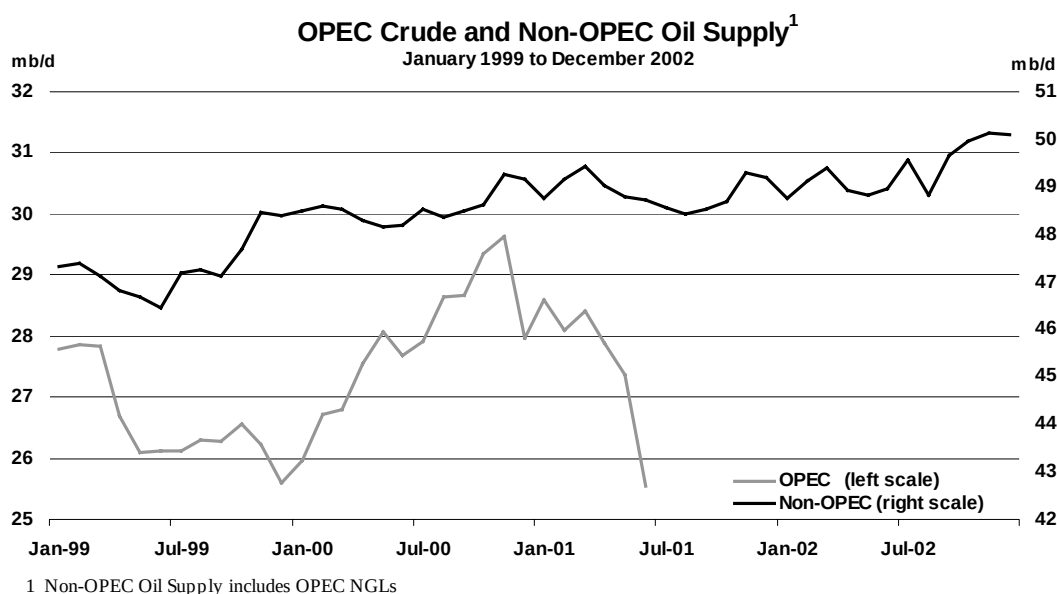
Summary of Global Oil Demand

	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
Demand (mb/d)																
North America	23.77	23.65	23.84	24.45	24.43	24.10	24.17	23.66	24.37	24.48	24.17	24.26	23.82	24.70	24.86	24.41
Europe	15.22	15.17	14.61	15.16	15.39	15.09	15.09	14.63	15.03	15.43	15.04	15.10	14.66	15.16	15.61	15.13
Pacific	8.69	9.35	8.09	8.35	8.81	8.65	9.44	7.96	8.24	8.90	8.63	9.40	8.00	8.31	8.98	8.67
Total OECD	47.68	48.17	46.55	47.96	48.64	47.84	48.70	46.25	47.64	48.82	47.85	48.76	46.49	48.16	49.44	48.21
FSU	3.50	3.52	3.37	3.43	3.64	3.49	3.63	3.45	3.38	3.56	3.51	3.67	3.47	3.39	3.58	3.53
Europe	0.74	0.81	0.75	0.69	0.75	0.75	0.81	0.76	0.70	0.76	0.76	0.81	0.77	0.71	0.77	0.76
China	4.49	4.73	4.55	5.05	4.82	4.79	4.66	5.00	5.06	5.18	4.98	4.90	5.01	5.24	5.34	5.12
Other Asia	7.05	7.10	7.27	7.22	7.13	7.18	7.21	7.31	7.21	7.15	7.22	7.20	7.31	7.25	7.19	7.24
Latin America	4.78	4.67	4.84	4.89	4.79	4.80	4.67	4.83	4.90	4.80	4.80	4.71	4.88	4.95	4.86	4.85
Middle East	4.29	4.26	4.41	4.52	4.33	4.38	4.41	4.57	4.69	4.49	4.54	4.54	4.71	4.83	4.62	4.68
Africa	2.33	2.37	2.31	2.32	2.35	2.34	2.39	2.34	2.35	2.39	2.37	2.42	2.37	2.37	2.42	2.40
Total Non-OECD	27.19	27.45	27.50	28.12	27.81	27.72	27.79	28.26	28.28	28.33	28.17	28.25	28.52	28.75	28.78	28.58
World	74.87	75.62	74.05	76.08	76.46	75.56	76.48	74.51	75.92	77.14	76.01	77.01	75.01	76.91	78.22	76.79
of which:																
US	19.52	19.27	19.48	20.02	19.98	19.69	19.80	19.32	19.96	20.08	19.79	19.85	19.44	20.22	20.37	19.97
Euro 4	8.54	8.46	8.08	8.43	8.56	8.38	8.37	8.12	8.36	8.61	8.36	8.37	8.14	8.43	8.72	8.41
Japan	5.60	6.01	5.01	5.41	5.63	5.51	6.10	4.96	5.32	5.70	5.52	6.07	4.98	5.35	5.74	5.53
Korea	2.08	2.33	2.06	1.95	2.18	2.13	2.32	1.98	1.94	2.18	2.10	2.32	1.99	1.96	2.20	2.12
Mexico	1.94	2.00	2.00	2.00	1.94	1.99	1.96	1.95	1.95	1.94	1.95	1.96	1.97	1.98	1.98	1.97
Canada	2.01	2.06	2.07	2.14	2.19	2.11	2.07	2.09	2.15	2.14	2.11	2.09	2.10	2.18	2.16	2.13
Brazil	2.08	2.02	2.02	2.02	2.02	2.10	2.02	2.12	2.18	2.21	2.13	2.18	2.24	2.28	2.20	2.20
India	1.84	2.04	2.04	2.04	2.04	2.00	2.09	2.04	1.99	2.07	2.05	2.16	2.10	2.18	2.16	2.14
Annual Change (% per annum)																
North America	3.0	0.6	1.9	1.6	1.4	1.4	2.2	-0.8	-0.3	0.2	0.3	0.4	0.7	1.3	1.5	1.0
Europe	-0.5	-4.4	1.0	2.6	-2.2	-0.8	-0.5	0.1	-0.9	0.2	-0.3	0.0	0.2	0.9	1.1	0.6
Pacific	3.2	-1.2	2.1	1.6	-3.7	-0.4	0.9	-1.6	-1.3	1.0	-0.2	-0.4	0.5	0.8	0.9	0.5
Total OECD	1.9	-1.4	1.7	1.9	-0.7	0.3	1.1	-0.6	-0.7	0.4	0.0	0.1	0.5	1.1	1.3	0.8
FSU	-6.1	-3.0	2.8	-0.1	-0.4	-0.2	3.3	2.2	-1.5	-2.2	0.4	1.0	0.7	0.2	0.5	0.6
Europe	-2.4	1.1	1.4	1.3	1.3	1.3	0.0	1.3	0.9	0.7	0.7	0.8	1.0	1.3	1.4	1.1
China	7.3	8.1	-1.4	16.6	3.8	6.6	-1.4	9.9	0.1	7.5	4.0	5.1	0.3	3.5	3.0	2.9
Other Asia	4.5	1.7	2.6	2.3	0.4	1.8	1.5	0.6	-0.1	0.2	0.6	-0.1	0.0	0.6	0.6	0.3
Latin America	0.4	0.5	1.1	0.5	-0.9	0.3	0.0	-0.2	0.1	0.3	0.0	0.9	1.0	1.2	1.3	1.1
Middle East	2.9	-0.1	1.2	3.5	3.7	2.1	3.6	3.7	3.8	3.7	3.7	2.9	3.1	3.1	2.9	3.0
Africa	-0.7	2.0	0.0	0.0	-0.6	0.3	1.1	1.1	1.3	1.5	1.3	1.0	1.3	1.2	1.4	1.2
Total Non-OECD	1.8	1.6	1.2	3.9	1.1	2.0	1.2	2.8	0.6	1.8	1.6	1.7	0.9	1.7	1.6	1.5
World	1.9	-0.3	1.5	2.6	-0.1	0.9	1.1	0.6	-0.2	0.9	0.6	0.7	0.7	1.3	1.4	1.0
Annual Change (mb/d)																
North America	0.68	0.15	0.45	0.38	0.33	0.33	0.52	-0.18	-0.08	0.05	0.07	0.09	0.16	0.33	0.37	0.24
Europe	-0.07	-0.70	0.15	0.38	-0.35	-0.13	-0.08	0.01	-0.14	0.04	-0.04	0.01	0.03	0.13	0.18	0.09
Pacific	0.27	-0.12	0.17	0.13	-0.34	-0.04	0.09	-0.13	-0.11	0.09	-0.02	-0.03	0.04	0.07	0.08	0.04
Total OECD	0.88	-0.67	0.77	0.89	-0.36	0.16	0.52	-0.30	-0.33	0.18	0.01	0.06	0.24	0.53	0.63	0.36
FSU	-0.23	-0.11	0.09	0.00	-0.01	-0.01	0.12	0.07	-0.05	-0.08	0.01	0.04	0.02	0.01	0.02	0.02
Europe	-0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
China	0.30	0.35	-0.07	0.72	0.18	0.30	-0.07	0.45	0.01	0.36	0.19	0.24	0.01	0.18	0.16	0.15
Other Asia	0.31	0.12	0.19	0.16	0.03	0.12	0.11	0.04	-0.01	0.02	0.04	-0.01	0.00	0.04	0.04	0.02
Latin America	0.02	0.02	0.05	0.02	-0.04	0.01	0.00	-0.01	0.00	0.01	0.00	0.04	0.05	0.06	0.06	0.05
Middle East	0.12	0.00	0.05	0.15	0.15	0.09	0.16	0.16	0.17	0.16	0.16	0.13	0.14	0.15	0.13	0.14
Africa	-0.02	0.05	0.00	0.00	-0.01	0.01	0.03	0.03	0.03	0.03	0.03	0.02	0.03	0.03	0.03	0.03
Total Non-OECD	0.49	0.44	0.32	1.06	0.30	0.53	0.34	0.76	0.16	0.51	0.44	0.46	0.26	0.47	0.45	0.41
World	1.37	-0.23	1.10	1.95	-0.06	0.69	0.86	0.46	-0.16	0.69	0.46	0.52	0.50	0.99	1.07	0.78
Changes from Last Month's Report																
North America	-	-	-	-	-	-	-0.13	-0.33	-0.23	-0.17	-0.22					
Europe	-	-	-	-	-	-	-0.01	-0.03	-0.14	-0.29	-0.12					
Pacific	-	-	-	-	-	-	-	0.06	-0.08	-0.06	-0.02					
Total OECD	-	-	-	-	-	-	-0.14	-0.31	-0.46	-0.52	-0.36					
FSU	-	-0.02	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01	-0.01	-0.01					
Europe	-	-	-	-	-	-	-	-	-	-	-					
China	-	-	-	-	-	-	-0.06	0.03	0.04	-0.08	-0.02					
Other Asia	-	-	-	-	-	-	-0.01	0.04	-0.10	-0.17	-0.06					
Latin America	-	-	-	-	-	-	-0.01	-0.05	-0.08	-0.11	-0.06					
Middle East	-	-	-	-	-	-	-	-0.01	-0.01	-0.01	-0.01					
Africa	-	-	-	-	-	-	-0.01	-0.01	-0.03	-0.02	-0.02					
Total Non-OECD	-	-0.02	-0.02	-0.02	-0.02	-0.02	-0.09	-0.02	-0.19	-0.40	-0.17					
World	-	-0.02	-0.02	-0.02	-0.02	-0.02	-0.24	-0.32	-0.65	-0.93	-0.53					

SUPPLY

Summary

- **Non-OPEC oil supply in 2002** is expected to increase by 740 kb/d, following growth of 590 kb/d estimated for this year. A gain of 300 kb/d by OECD producers is led by Canada (+200 kb/d), Mexico (+120 kb/d) and the US (+90 kb/d). Output is forecast to decline in Australia (-40 kb/d), Norway (-60 kb/d) and the UK (-20 kb/d).
- Non-OECD production will grow in Angola (+30 kb/d), Brazil (+120 kb/d), Equatorial Guinea (+20 kb/d) and the Former Soviet Union (+410 kb/d). These increases will be partly offset by declines in Argentina (-30 kb/d), Colombia (-40 kb/d) and Egypt (-30 kb/d). Production of OPEC NGLs is estimated to grow by 160 kb/d in 2002. Iran's South Pars gas field is expected to contribute half of this increase.
- Preliminary estimates indicate that **world oil production in June** averaged 74.44 mb/d, a drop of 1.91 mb/d from the previous month. Iraqi production fell by almost 2 mb/d, due to a month-long suspension of its exports under the UN oil-for-food programme. Meanwhile, OPEC 10 production averaged 24.65 mb/d for June, almost unchanged from 24.52 mb/d in the previous month (see Table 4 at the end of the Report). Non-OPEC oil supply decreased by 70 kb/d to 45.99 mb/d. North Sea production fell by 220 kb/d, due to scheduled maintenance and an accident in the Danish sector in May (see Table 4A at the end of the Report).
- Based on the initial supply and demand forecast for next year, the **"call on OPEC crude plus stock change"** is estimated at 26.5 mb/d for 2002, virtually unchanged from this year's 26.6 mb/d. The "call" for 2001 has been revised downwards by 0.5 mb/d, due to reductions in global demand. The "call" for the third and fourth quarters of 2001 stands at 26.7 mb/d and 27.2 mb/d. The "call" for the two quarters has been revised downwards by 0.5 mb/d and 0.7 mb/d (see Tables 1 and 1A at the end of the Report).



All world oil supply figures for June discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary June crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 100 kb/d and 300 kb/d for non-OPEC supply each year.

This month's Supply section focuses on the outlook for 2002. For the usual monthly production reports, please refer to Summary and Tables 4 and 4A at the end of the Report.

2002 Outlook: Non-OPEC Supply

Non-OPEC oil supply is expected to increase by 740 kb/d in 2002, after 590 kb/d this year. This Report's outlook is based on the assumption of relatively strong oil prices in 2002 (see Market Overview). This translates into a continuation of strong investment in the upstream sector. The key factor for forecasting oil supply in 2002 is how production from mature oil producing regions will be sustained. Although news of new field start-up can be eye-catching, the majority of the world's oil production is sustained by continuous drilling, work-over and maintenance activities at existing fields. Oil prices have an immediate impact on spending for these activities. Therefore, production from mature areas is sensitive to the movement of oil prices. In our outlook, Russian output will continue to rise, while in North America and the North Sea production will cease to decline.

Production from new fields will have a lower overall impact on growth in 2002. Since major field developments take three to five years, and because upstream spending was weak in 1998 and 1999, fewer projects are scheduled to start up in late 2001 and 2002. Those include; the Terra Nova field in Canada, satellite fields in the Prudhoe Bay and Kuparuk area of Alaska, deepwater fields in the US Gulf of Mexico, the Shearwater and Elgin/Franklin gas condensate fields in the UK sector of the North Sea, the Snorre field expansion in the Norwegian sector and the Girassol field in Angola.

World Oil Supply 1999-2002

(million barrels per day)

	1999	2000	2001	2002	99 vs 98	00 vs 99	01 vs 00	02 vs 01
North America	14.00	14.30	14.37	14.77	-0.54	0.30	0.07	0.41
Europe	6.75	6.78	6.67	6.61	0.10	0.02	-0.11	-0.06
Pacific	0.67	0.84	0.80	0.75	-0.01	0.17	-0.04	-0.05
Total OECD	21.43	21.92	21.84	22.14	-0.45	0.49	-0.08	0.30
Former USSR	7.49	7.92	8.41	8.82	0.20	0.43	0.49	0.41
East Europe	0.19	0.18	0.18	0.17	-0.01	-0.01	0.00	-0.01
China	3.19	3.23	3.27	3.28	-0.01	0.04	0.04	0.01
Other Asia	2.23	2.28	2.34	2.30	0.05	0.05	0.06	-0.04
Latin America	3.78	3.77	3.76	3.80	0.13	-0.01	0.00	0.03
Middle East	1.93	1.99	2.00	1.96	-0.02	0.06	0.00	-0.04
Africa	2.75	2.83	2.87	2.90	0.03	0.08	0.04	0.02
Total Non-OECD	21.56	22.20	22.82	23.21	0.39	0.64	0.62	0.39
Processing Gains	1.66	1.72	1.76	1.81	0.03	0.05	0.05	0.05
Total Non-OPEC	44.66	45.84	46.43	47.16	-0.03	1.18	0.59	0.74
OPEC Crude	26.61	27.92	Na	na	-1.42	1.30	na	na
OPEC NGL & Non-Conv.	2.82	2.88	2.94	3.10	0.05	0.06	0.06	0.16
Total OPEC	29.43	30.80	na	na	-1.36	1.37	na	na
Total Supply	74.09	76.64	na	na	-1.40	2.55	na	na

NGL production is also projected to increase, as global natural gas production rises. High oil and natural gas prices have increased the economic feasibility of gas projects, and these projects will produce more NGLs as by-products. Booming gas exploration should add more production volumes in North America. More gas fields than oil fields are being developed in the North Sea. Because of environmental concerns reinforcing economic incentives, less gas is flared and more gas is treated in processing plants, yielding more NGLs, in oil producing countries.

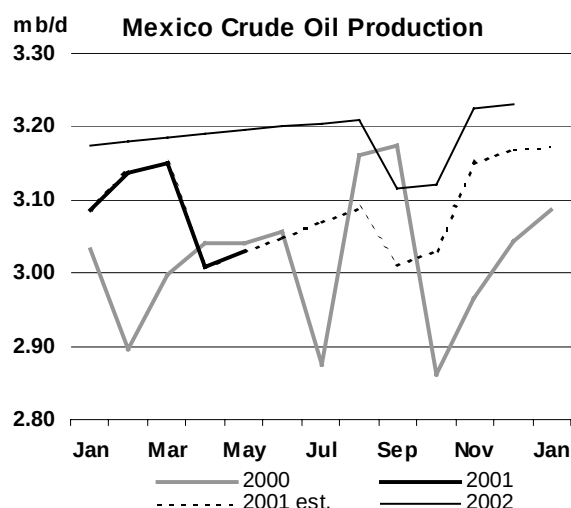
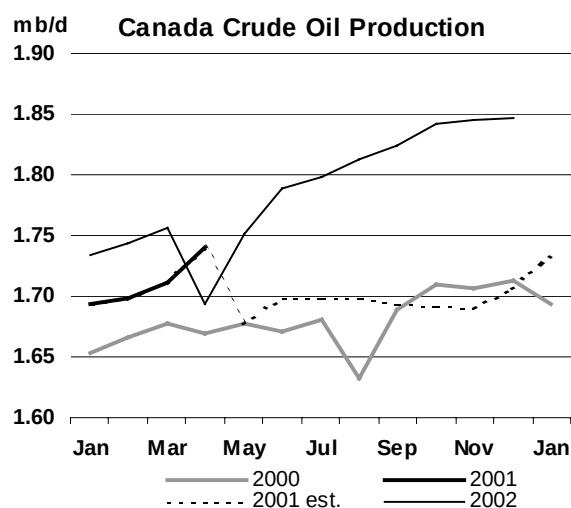
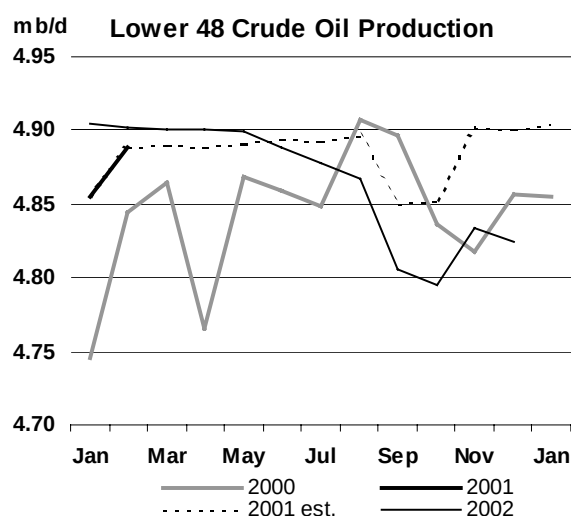
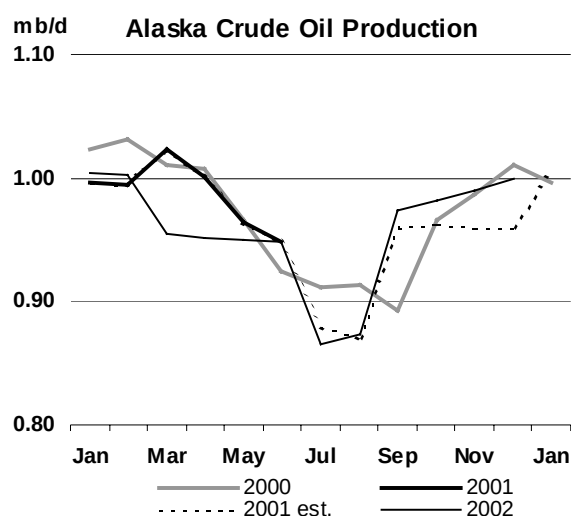
Despite the overall positive outlook for 2002, there are some concerns. One is the possibility of overheating in the oil service industry. Surveys conducted by investment banks confirm strong growth in oil companies' exploration and production spending in 2001, with further increases anticipated in 2002. Rig utilisation in the Gulf of Mexico and the North Sea has already risen to 90%, and rig day rates are currently reaching levels seen before the drop in 1998 and 1999.

Another concern is the general slowdown of the rate of increase in non-OPEC production. As mentioned above, 2002 will see the introduction of fewer new fields. This situation may change in the future as a result of current brisk exploration activities. But, Western oil companies appear to be shifting their focus to large-scale, cost-effective projects in OPEC countries, away from technologically advanced, but more expensive, offshore projects in the non-OPEC countries. This trend could bring declines in non-OPEC production and increases in OPEC output earlier than resource-based projections would suggest.

OECD

North America

US: Crude supply is forecast to remain virtually unchanged at 5.82 mb/d in 2002. Rising production from deepwater Gulf of Mexico fields is expected to compensate for declines in other parts of the lower 48 states. Supply from the Gulf of Mexico is expected to gain 90 kb/d next year. The largest contribution will come from the Brutus field, which is scheduled for start-up in the third quarter of this year, with production peaking at 100 kb/d in 2002. Production in California, Texas and the other lower 48 states will continue to decline. Alaskan production will remain unchanged. Satellite field developments are expected to help arrest declines at the Prudhoe Bay and Alpine fields, while a new field, the North Star, is expected to come onstream in the second half of 2002, with output reaching 60 kb/d at year-end. US NGL output should recover from the loss earlier this year, increasing by 110 kb/d year-on-year.



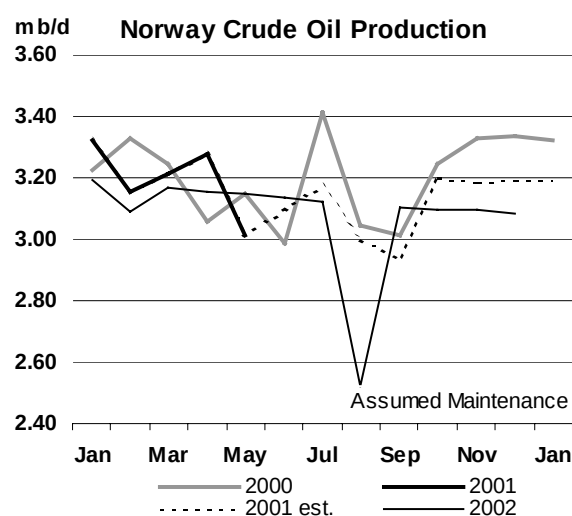
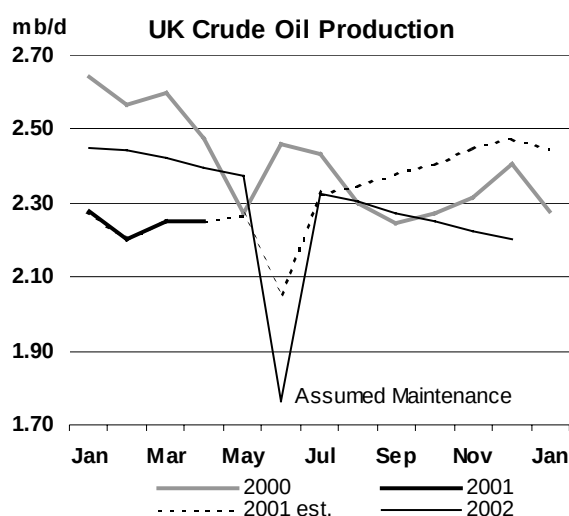
Canada: Canadian output is estimated to grow by 200 kb/d in 2002, with the start-up of the Terra Nova field and expansion of the Suncor synthetic crude project. The 120 kb/d Terra Nova field is now scheduled for start-up at the end of this year, following an announcement of engineering problems in its floating production storage and offloading (FPSO) vessel in February. Production from Hibernia is expected to average 130 kb/d. Bitumen output in Alberta is expected to gain next year.

However, long-term declines in conventional light crude production will continue. Suncor Energy plans to raise its synthetic crude output from the current 120 kb/d to 230 kb/d next year. NGL production in Canada is also projected to grow next year.

Mexico: Mexican production is forecast to rise by 100 kb/d next year, following an increase of 110 kb/d for 2000 and estimated growth of 70 kb/d in 2001. The bulk of these gains come from the ongoing nitrogen injection project at the Cantarell field. This field produces the heavy Maya grade, which accounts for approximately 60% of Mexico's crude production. The nitrogen injection operation started in May 2000 and reached full capacity in December 2000. Pemex, the Mexican state owned oil company, expects production to reach 2 mb/d later this year, and to maintain this level for the next four years.

North Sea

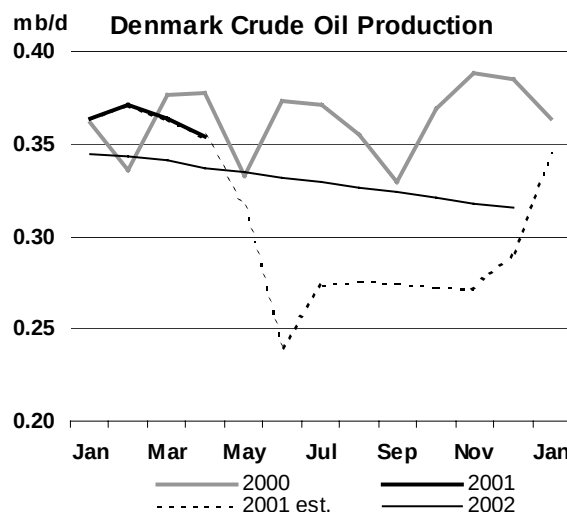
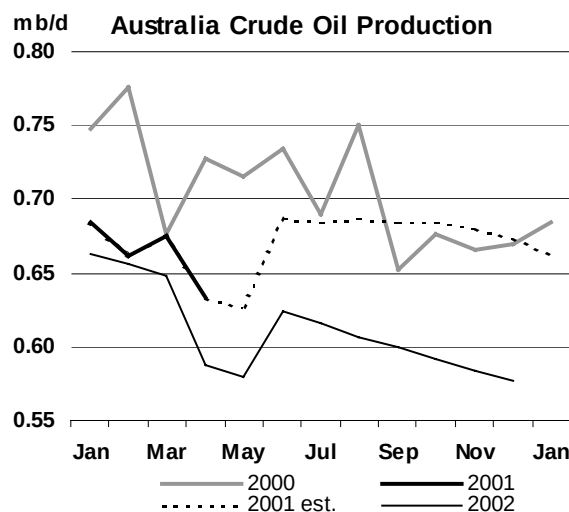
UK: UK offshore crude production is estimated to remain basically unchanged at 2.53 mb/d next year, following a decline of 100 kb/d expected in 2001. Recent data suggest that the UK sector of the North Sea produced 360 kb/d less year-on-year in the first quarter of 2001. This poor performance was caused by harsh weather, in addition to natural declines. Production should recover later this year and in 2002, with start-up of new fields. Three high-temperature, high-pressure gas condensate fields in the Forties System, Shearwater and Elgin/Franklin, are commencing production and will have a combined plateau production of 240 kb/d in 2002. (Production from these fields is counted as crude.) Three other smaller fields, Beaulieu, Kyle, and Blake, are also coming onstream. Two more fields, Halley and Jade, are scheduled for start-up later this year, but only one, Skua, in 2002.



Norway: Crude output is expected to decrease by 70 kb/d in the Norwegian sector in 2002, following a drop of 50 kb/d this year. Production declines at the large Norwegian fields are steep, with annual rates in the 15% to 25% range at the Statfjord, Gullfaks and Oseberg fields. Production from new fields will partly offset these reductions. The 100 kb/d Snorre II project started production last month, while the 30 kb/d Huldre field is due to come onstream in the fourth quarter of this year. The 20 kb/d Tune gas condensate field is scheduled for start-up in 2002. Rising NGL production will also compensate declines in crude production.

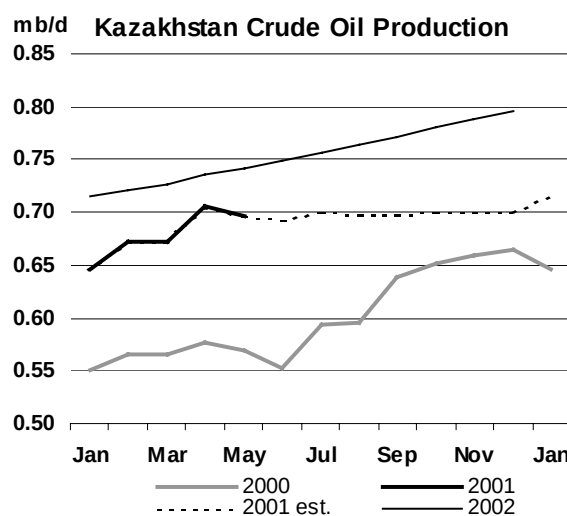
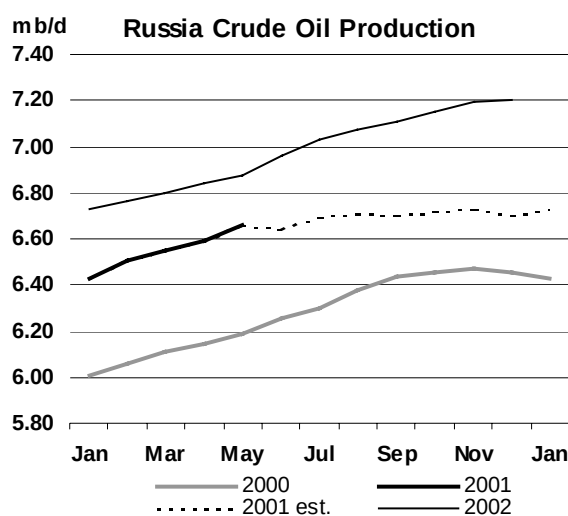
Pacific

Australia: Crude production from larger fields on the northwestern continental shelf (Wanaea-Cossack, Laminaria/Corralina and Buffalo) is declining; so is output from older fields in the Gippsland and Cooper basins. A positive development is the introduction in May this year of the 40 kb/d Legendre field in the Carnarvon basin, which will partly offset declines from other fields. The country's crude production is forecast to drop by 40 kb/d in 2002.



Former Soviet Union (FSU)

Russia: Russian crude production turned around in 1999, after many years of falling production during the transition period in the 1990s. This turnaround was made possible by a substantial increase in upstream investment by Russian oil companies, which benefited from rouble devaluation in 1998 and high oil prices starting early in 1999. Rising production was sustained in 2000 and 2001, increasing by around 350 kb/d a year. Production is expected to rise by the same amount in 2002. The primary factors driving these increases are maintenance of ground facilities, work-over of production wells, infill drilling and restart of production from idle wells. In addition, Russian oil companies' partnership with Western oil service companies has brought new technology and efficiency to their field operations. Expectations are that depletion of Russia's main oil producing region, West Siberia, could be arrested or reversed by better reservoir management and development of smaller satellite fields.



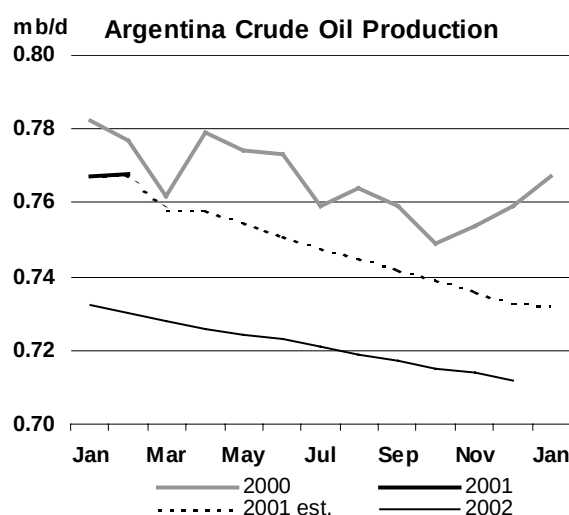
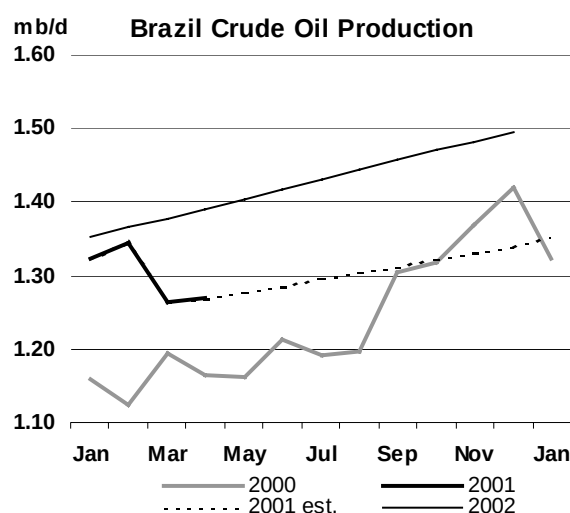
Kazakhstan: Kazakhstan crude and NGL production is expected to increase by 60 kb/d to 860 kb/d in 2002. The gain is largely attributable to improvements in transportation to Western markets. The CPC pipeline will commence operation later this year, and Russia will enlarge Kazakhstan's quota in

its Transneft pipeline system, which competes with the CPC pipeline. Under these conditions, the Tengiz field is expected to raise its output and other fields are likely to follow. However, production from the Krachanganak gas condensate field is not expected to increase before a 650 km pipeline that connects the field with the CPC pipeline is completed in 2003.

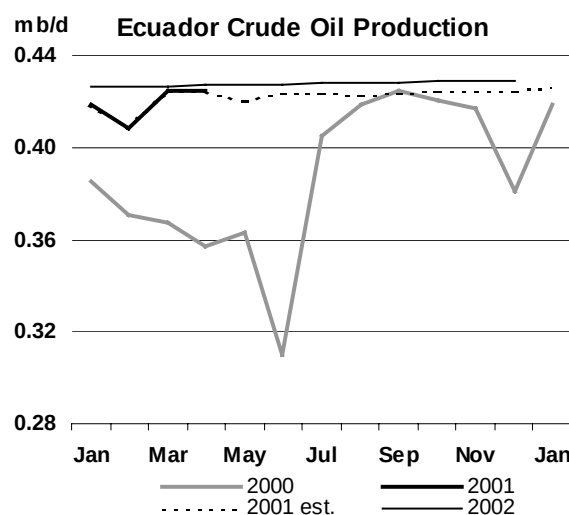
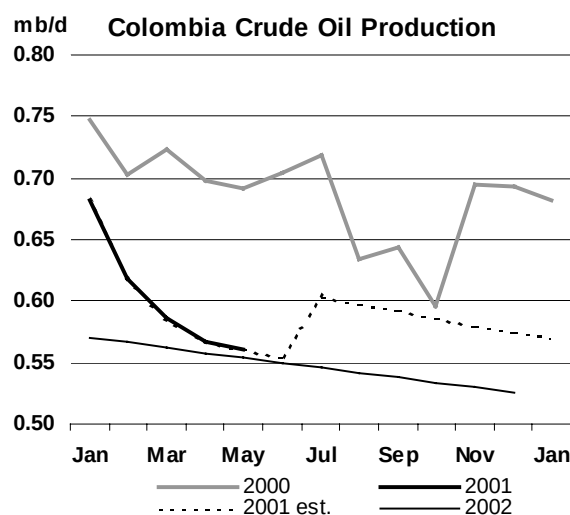
Azerbaijan: Azerbaijani output is forecast to increase by 20 kb/d. The incremental production will come from the Azeri field of the Azerbaijan International Operating Company (AIOC). The development of the new field is scheduled to begin in the third quarter of this year. There will be additional room in Azerbaijan's two pipelines to Supsa and Novorossiysk to export its crude to Western markets next year, as Tengiz crude will be diverted to the CPC pipeline.

Other Non-OPEC

Latin America: Brazil's Petrobras announced in April a plan to offset production losses resulting from the offshore platform P-36 accident. According to this plan, Petrobras will increase production from the Marlim Sul field by re-deploying the drilling rigs and vessels that previously were allocated to the Roncador field. Petrobras will eventually install two production platforms at the Roncador field: the first in the second half of 2002 and the second at the beginning of 2004. With these measures, Petrobras set the company's domestic crude production targets at 1.39 mb/d for 2001, 1.52 mb/d for 2002 and 1.92 mb/d for 2005. This Report estimates Brazil's crude production to average 1.31 mb/d this year and 1.43 mb/d next year.

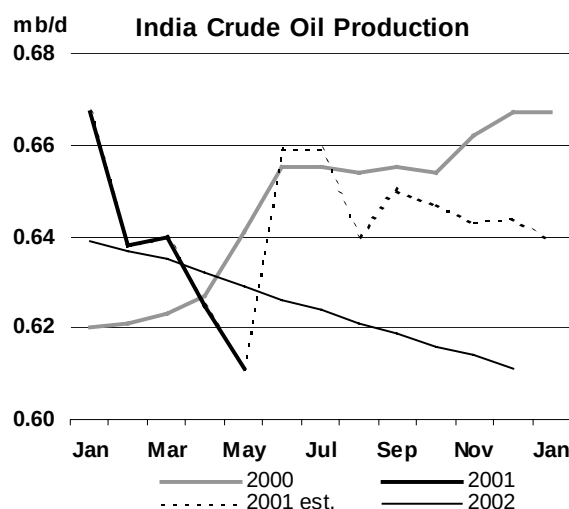
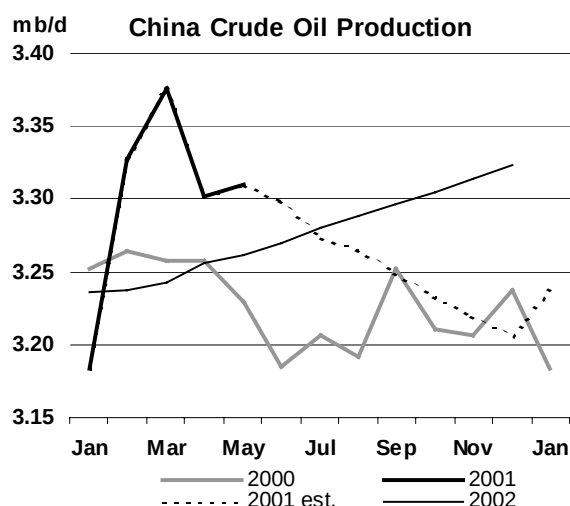


Elsewhere in Latin America, production from **Argentina's** mature oil fields will continue to decline in 2002. **Colombian** output is estimated to drop by 40 kb/d next year, following a loss of 100 kb/d this year. In addition to declines in the Cusiana/Cupiagua field, this Report reduces the 110 kb/d Cano Limon field production by half for the remainder of 2001 and 2002, because of deteriorating



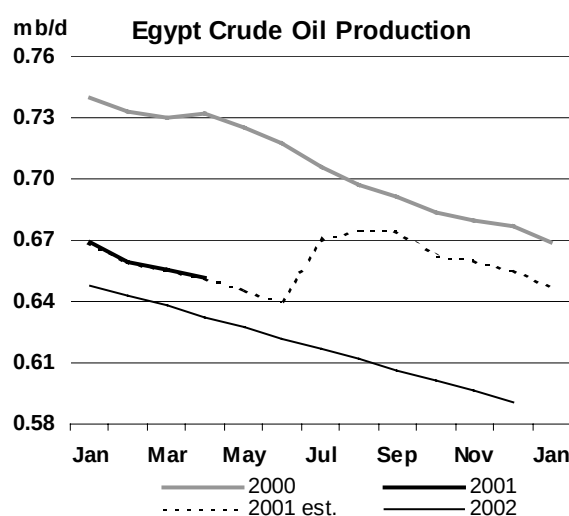
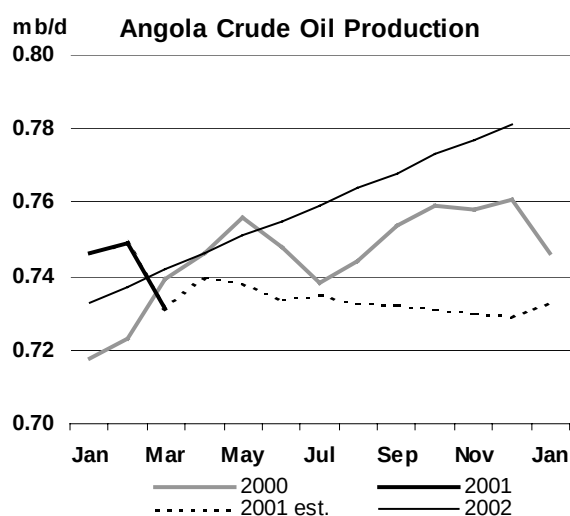
security and increasing guerrilla attacks on the pipeline. In **Ecuador**, output will remain almost unchanged, although large increases are expected after a new 450 kb/d pipeline starts operating in the second half of 2003.

China and Other Asia: **Chinese** crude production has performed strongly this year. Daqing, Shengli and other large, mature onshore fields have benefited from reinvestment made possible by high oil prices. Output from offshore fields is also growing. With the Penglai field in the Bohai Bay scheduled for start-up in the fourth quarter of this year, output should remain high at 3.27 mb/d in 2002. **Indian** supply is expected to fall by 20 kb/d, due mainly to ongoing declines at the Bombay High area. **Malaysian** supply is thought to decrease slightly by 10 kb/d to 0.70 mb/d. **Vietnamese** production will also drop by 10 kb/d.



Middle East and Africa: In the Middle East, **Oman** production is forecast to remain unchanged at 0.97 mb/d next year, while **Syrian** output is thought to decline by 30 kb/d to 0.49 mb/d. Production in **Yemen** will also remain unchanged at 0.46 mb/d. Meanwhile, in Africa, **Egyptian** crude and NGL production is estimated to drop by 30 kb/d in both 2001 and 2002. Although the country's NGL output will rise, it will not compensate for declines in overall crude production in volumetric terms.

Angolan supply is projected to increase by 30 kb/d to 0.77 mb/d in 2002. The deepwater Girassol field is slated to start production by the end of this year. Construction of a 200 kb/d FPSO for the field was completed in April. Meanwhile, production in **Sudan** is thought to average 230 kb/d for 2002, an increase of 20 kb/d from this year.



Estimates on OPEC Crude Production Capacity in 2002

Over the first 20 years of OPEC's existence, its major OPEC countries did not welcome foreign investment in their upstream sector. However, the 1990s saw the opening of the upstream sectors in some OPEC countries and Western oil companies are going back. OPEC countries, in general, are finding that permitting access to foreign capital does not necessarily mean an unacceptable reduction in their sovereignty over oil and gas resources, but almost invariably means a greater return on the exploitation of these resources by drawing on foreign expertise and capital to develop new oil and gas fields. While some countries are still reluctant to open their upstream sectors, next year's OPEC capacity expansion will come mainly from those countries that have successfully introduced foreign investment. OPEC crude production capacity is estimated to increase by 400 kb/d from the current level, to 32.2 mb/d next year.

Saudi Arabia's production capacity is expected to remain unchanged at 10.5 mb/d, although sustainability of these 10.5 mb/d may improve. The 500 kb/d Qatif field expansion project will not come onstream until 2004. Iranian production capacity is estimated to increase, due to startup of foreign investment projects. The Soroosh and Nowrooz fields, operated by Shell, will start production later this year. The offshore South Pars gas field is also scheduled to commence production this year and its gas will be used for injection to support production of onshore oil fields. Algerian and Kuwaiti production capacities are thought to rise by 100 kb/d each. Qatar's crude capacity will grow, due to further development of the al-Rayyan field. Venezuelan production capacity is estimated to increase. Production from field rehabilitation projects operated by foreign oil companies is rising and the fourth Orinoco extra-heavy oil project, Hamaca, is scheduled for startup by the end of 2001. In contrast, Iraqi production capacity declines by 200 kb/d to 2.60 mb/d, assuming that the country will continue to neglect work-over and drilling activities and to allow reservoirs, production wells and facilities to deteriorate.

OPEC Crude Production Capacity¹

	(million barrels per day)	
	Annual average for 2002 (Estimate)	Change from the current level
Algeria	1.00	+0.10
Indonesia	1.25	-
Iran	4.00	+0.10
Kuwait ²	2.60	+0.10
Libya	1.45	-
Nigeria	2.20	-
Qatar	0.85	+0.10
Saudi Arabia ²	10.50	-
UAE	2.50	-
Venezuela	3.25	+0.20
Subtotal	29.60	+0.60
Iraq	2.60	-0.20
Total	32.20	+0.40

¹ Capacity levels can be reached within three months and maintained for more than six months

² Includes half of Neutral Zone production

Revisions to Non-OPEC Oil Supply

Non-OPEC supply growth in 2002 is estimated at 740 kb/d, while 2001 has been revised upwards by 20 kb/d, to 590 kb/d. The 2001 revision is related to two downward revisions on non-OPEC supply, 20 kb/d for 2001 and 40kb/d for 2000.

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2001	2002	02 vs. 01	2001	2002	02 vs. 01	2001	2002	02 vs. 01
North America	14.37	na	na	14.37	14.77	0.41	0.00	na	na
Europe	6.56	na	na	6.67	6.61	-0.06	0.11	na	na
Pacific	0.79	na	na	0.80	0.75	-0.05	0.01	na	na
Total OECD	21.72	na	na	21.84	22.14	0.30	0.12	na	na
Former USSR	8.42	na	na	8.41	8.82	0.41	-0.01	na	na
Europe	0.18	na	na	0.18	0.17	-0.01	0.00	na	na
China	3.31	na	na	3.27	3.28	0.01	-0.04	na	na
Other Asia	2.32	na	na	2.34	2.30	-0.04	0.01	na	na
Latin America	3.81	na	na	3.76	3.80	0.03	-0.05	na	na
Middle East	2.02	na	na	2.00	1.96	-0.04	-0.02	na	na
Africa	2.91	na	na	2.87	2.90	0.02	-0.04	na	na
Total Non-OECD	22.96	na	na	22.82	23.21	0.39	-0.14	na	na
Processing Gains	1.76	na	na	1.76	1.81	0.05	0.00	na	na
Total Non-OPEC	46.45	na	na	46.43	47.16	0.74	-0.02	na	na

OMR = Oil Market Report

TRADE

The resumption of Iraqi exports of crude oil under the UN oil-for-food programme appears imminent at the time of writing. Most observers expect a gradual resumption of Iraqi crude exports during July.

Net OECD Crude and Product Trade

The tables overleaf summarise crude and product surpluses and shortages for each of the three OECD regions. Note that figures for the most recent months are preliminary, and fluctuate as OECD member-country submissions and revisions are received.

In North America, two categories warrant special mention for April: crude oil and gasoline. Net imports of crude oil were 450 kb/d higher than a year earlier, significant but well short of the first quarter's year-on-year increase of 800 kb/d. Preliminary weekly statistics from the US Energy Information Agency suggest that the US's strong pull on world crude supply resumed in May. Preliminary reports show May crude imports 700 kb/d higher than a year earlier, despite refinery runs that were only 120 kb/d higher. With runs down slightly in June, crude imports slipped to 140 kb/d less than a year earlier. North America's net imports of gasoline were extremely high in April, at 230 kb/d more than a year earlier. Europe contributed 115 kb/d and the FSU and Latin America split the balance.

OECD Europe's imports of crude and products took a breather in April, after five months of net imports averaging 860 kb/d (11%) higher than a year earlier; stock changes accounted for 300 kb/d of the increase. The latest figure for March imports of gasoil is substantially higher than in the last Report; one of every seven barrels of gasoil delivered to European consumers in March was supplied from outside the region. Gasoil imports from the Former Soviet Union have been running about 400 kb/d from February on, a third higher than a year earlier.

April net imports also slowed in the OECD Pacific, but the 420 kb/d combined crude and product shortfall relative to a year earlier followed three consecutive months of year-on-year gains averaging 510 kb/d. In the first quarter, crude imports posted year-on-year gains of 580 kb/d (8%), partially offset by higher net exports of heavy fuel oil. With imports and runs outpacing demand, a slowdown was inevitable. The products which bear watching for signs of weakness are petrochemical feedstocks (LPG and naphtha) and jet/kerosene, for which imports were noticeably lower than either last month or a year ago.

West African & North Sea Crude Trades

OECD imports of crude oil from West Africa totalled 2.46 mb/d in April, fractionally higher than in March. Shipments by destination show Europe's decline from a January peak and an equivalent increase for North America. North American refiners bid West African crude away from Europe despite its relatively high prices, linked to that of dated Brent, in order to maximise gasoline production and so, refining profits. In April, the gross margin at a Gulf Coast cracking refinery averaged \$6.55 per barrel. Across the Atlantic, margins of less than \$1 per barrel at hydroskimming refineries in Northwest Europe and the Mediterranean left European refiners unwilling to enter a bidding war for light, sweet crude. That situation was to change in May and June.

Crude price differentials show the North American pull on West African crude waning in May and June. The price premium for Louisiana Light Sweet over Brent narrowed from \$1.40 in April to about 55 cents in both May and June, reflecting increasingly-ample North American supplies of crude and products and a tightening of European supply. Rising Asian inventories were signalled by a near-doubling of marker crude Dubai's discount to Brent between April and May. It reached nearly \$3 in May before settling at \$2.20 in June. These differentials may indicate that refiners in both Asia and the US had lost interest in West African crude by June. On the Gulf Coast, the price of regular unleaded gasoline had collapsed from nearly \$14 per barrel in April to \$10 in May and just \$2.50 in June.

OECD North America Crude & Product Trade

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Latest month vs.	
										Mar 01	Apr 00
Net Imports/(Exports) of:											
Crude Oil	8.22	7.63	7.32	7.57	7.37	7.47	7.02	7.97	7.91	-0.05	0.45
Products & Feedstocks	1.05	1.23	1.15	1.49	2.15	1.80	1.88	1.38	1.46	0.08	0.63
Gasoil/Diesel	-0.06	-0.04	0.05	0.16	0.50	0.36	0.44	0.15	0.08	-0.07	0.08
Gasoline	0.34	0.37	0.36	0.39	0.49	0.50	0.52	0.48	0.57	0.09	0.23
Heavy Fuel Oil	0.16	0.22	0.27	0.31	0.40	0.34	0.34	0.30	0.32	0.02	0.23
LPG	0.07	0.07	0.05	0.07	0.08	0.03	0.01	0.01	0.00	-0.01	0.00
Naphtha	0.06	0.10	0.12	0.07	0.15	0.10	0.07	0.06	0.07	0.00	0.01
Jet & Kerosene	0.19	0.09	0.09	0.16	0.24	0.18	0.19	0.10	0.16	0.06	0.07
Other	0.28	0.42	0.20	0.32	0.29	0.29	0.31	0.29	0.28	0.00	0.01
Total	9.27	8.86	8.47	9.06	9.52	9.27	8.90	9.35	9.38	0.03	1.08

Source: IEA MOS imports and exports data for extra-regional trade

OECD Europe Crude & Product Trade

(million barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Latest month vs.	
										Mar 01	Apr 00
Net Imports/(Exports) of:											
Crude Oil	7.42	7.68	7.91	7.89	7.45	7.21	7.11	7.05	6.34	-0.71	0.14
Products & Feedstocks	1.48	0.99	0.77	1.20	0.29	1.28	1.26	2.28	1.13	-1.15	0.01
Gasoil/Diesel	0.32	0.38	0.19	0.36	0.01	0.36	0.26	0.82	0.34	-0.47	0.10
Gasoline	-0.18	-0.27	-0.36	-0.22	-0.49	-0.27	-0.27	-0.05	-0.27	-0.22	-0.01
Heavy Fuel Oil	0.16	0.00	-0.01	0.07	-0.04	0.15	0.16	0.34	0.05	-0.29	-0.12
LPG	0.17	0.18	0.23	0.21	0.19	0.19	0.21	0.15	0.16	0.01	0.03
Naphtha	0.28	0.08	0.18	0.08	0.14	0.20	0.19	0.27	0.21	-0.06	-0.07
Jet & Kerosene	0.23	0.12	0.19	0.14	0.10	0.13	0.14	0.15	0.21	0.06	0.12
Other	0.50	0.50	0.35	0.56	0.39	0.52	0.57	0.60	0.42	-0.18	-0.04
Total	8.90	8.67	8.68	9.09	7.75	8.48	8.37	9.32	7.47	-1.85	0.15

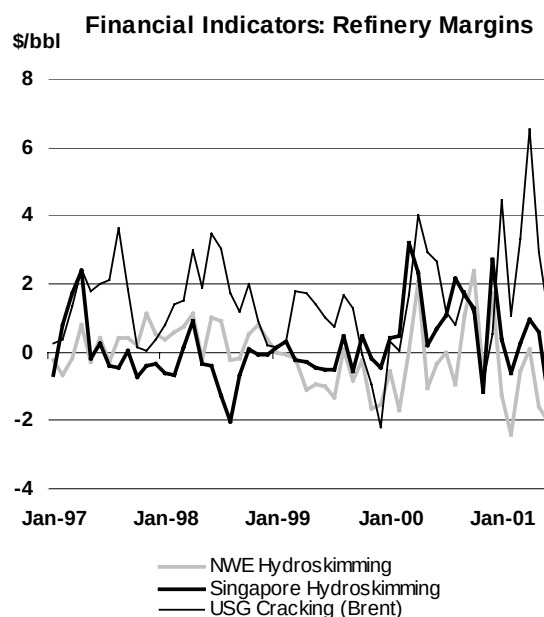
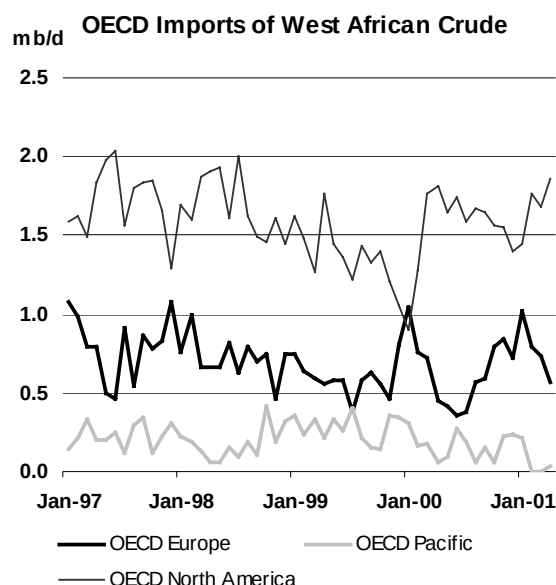
Source: IEA MOS imports and exports data for extra-regional trade

OECD Pacific Crude & Product Trade

(million barrels per day)

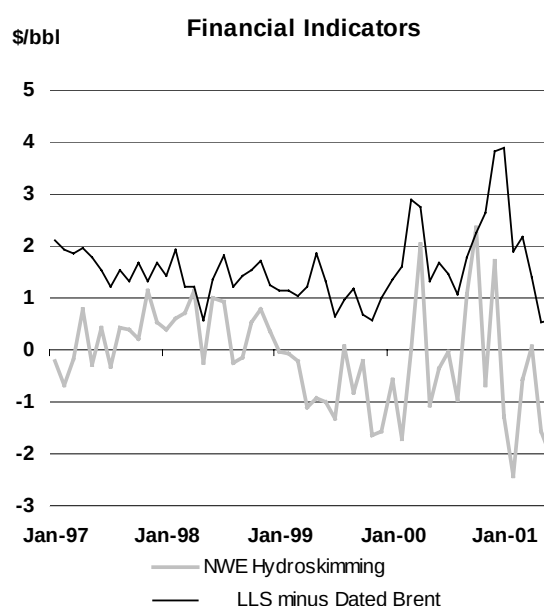
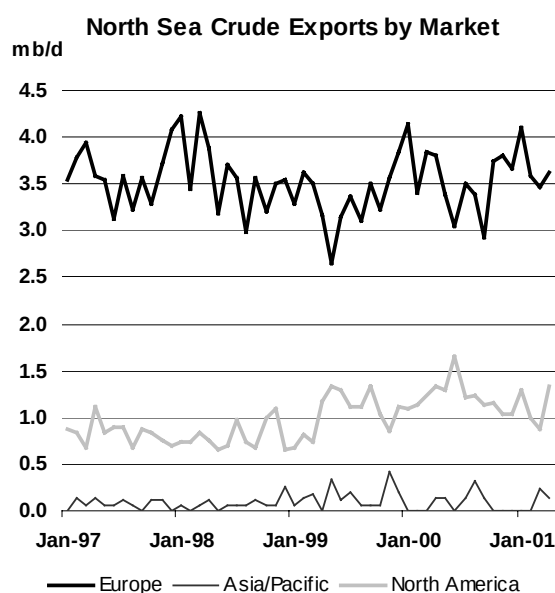
	1999	2000	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Latest month vs.	
										Mar 01	Apr 00
Net Imports/(Exports) of:											
Crude Oil	6.48	6.19	7.25	6.85	7.49	7.50	7.68	7.35	6.74	-0.61	-0.22
Products & Feedstocks	1.02	0.80	0.99	0.81	0.92	1.00	0.88	1.17	0.95	-0.22	-0.20
Gasoil/Diesel	-0.25	-0.23	-0.25	-0.21	-0.22	-0.22	-0.21	-0.22	-0.07	0.15	0.04
Gasoline	0.03	0.01	-0.02	-0.01	0.00	0.00	-0.03	0.02	-0.02	-0.04	-0.04
Heavy Fuel Oil	-0.09	-0.10	-0.21	-0.22	-0.21	-0.18	-0.18	-0.16	-0.14	0.02	-0.07
LPG	0.56	0.58	0.60	0.46	0.50	0.51	0.39	0.63	0.55	-0.08	-0.03
Naphtha	0.69	0.57	0.72	0.62	0.65	0.66	0.61	0.70	0.60	-0.10	-0.02
Jet & Kerosene	-0.10	-0.12	0.04	0.03	0.05	0.09	0.16	0.07	-0.12	-0.19	-0.09
Other	0.17	0.10	0.12	0.13	0.16	0.15	0.15	0.14	0.16	0.01	0.01
Total	7.49	6.99	8.24	7.66	8.42	8.50	8.56	8.52	7.69	-0.83	-0.42

Source: IEA MOS imports and exports data for extra-regional trade



West African crude certainly seems to be losing favour in non-OECD Asia, with a combination of high product stocks and uncertain future demand inducing China and others to reduce crude imports. In the third quarter of 2000, China imported 1.56 mb/d of crude, with 340 kb/d of that from West Africa. Over the first quarter of this year, China's imports dropped to 1.1 mb/d and West Africa's share of that slipped to 110-120 kb/d. Indian Oil Company's imports of West African crude similarly waxed and waned with total crude requirements. Imports topping 1 mb/d in November and December of last year included 360 kb/d of West African crude. By March 2001, imports by IOC had tumbled to 750 kb/d and of West African, to just 175 kb/d. When imports by IOC rose 150 kb/d in April, West Africa took a third of the increase. When imports rose an additional 150 kb/d in May, West Africa gained only another 20 kb/d. Dubai's discount to Brent had become so wide that West African crude was disproportionately expensive.

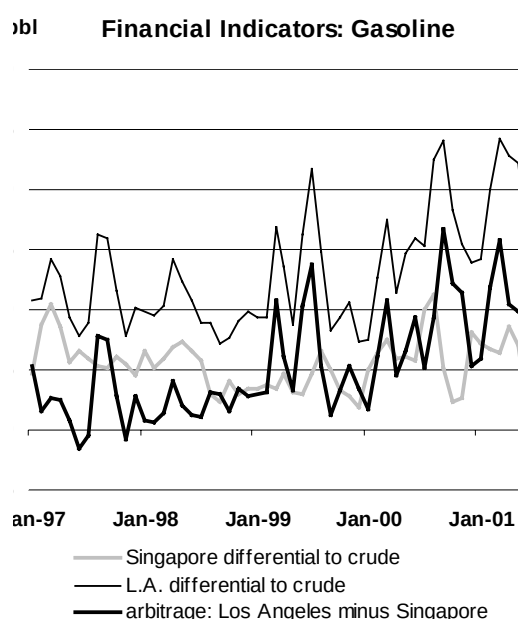
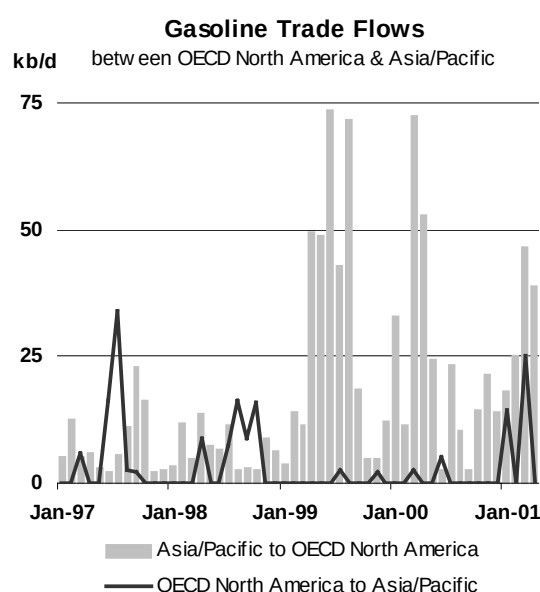
Exports of North Sea crude ramped up from 4.6 mb/d in February to 4.8 mb/d in March and hit 5.3 mb/d in April. April loadings for Europe totalled 3.6 mb/d and for North America, 1.3 mb/d. The North American total was split between 430 kb/d for Eastern Canada and 900 kb/d for the US. As a general rule, 45% of the US total reaches the Northeast, with the balance shipped to the Gulf Coast. Some observers believe that loadings for North America were inflated by one or more market participants sending Brent to Cushing in order to close out short positions for WTI futures contracts on the New York Mercantile Exchange. All other things being equal, such shipments would have increased the price of dated Brent and depressed that of WTI.



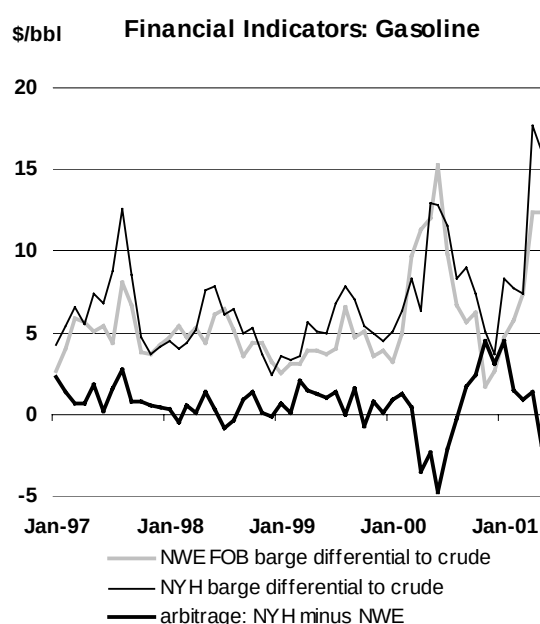
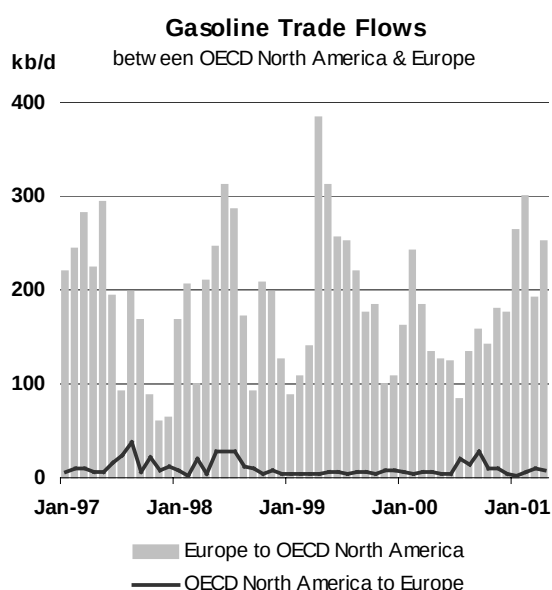
Norway reported that it sent some 210 kb/d of March crude and 135 kb/d of April crude to China, some fifty days away. The UK reported nearly as large exports to unspecified destinations for the same months. Of course, cargoes can and do change ownership and/or destination while on the water. But China reported imports of North Sea crude averaging 85 kb/d in 1999 and 50 kb/d last year, of 70 kb/d this April and of 30 kb/d this May. So the relative prices of dated Brent may have been particularly strong in May and June due not only to high demand from Atlantic Basin refiners and field maintenance that reduced supply, but also to strategic exports to Asia.

OECD Product Trade

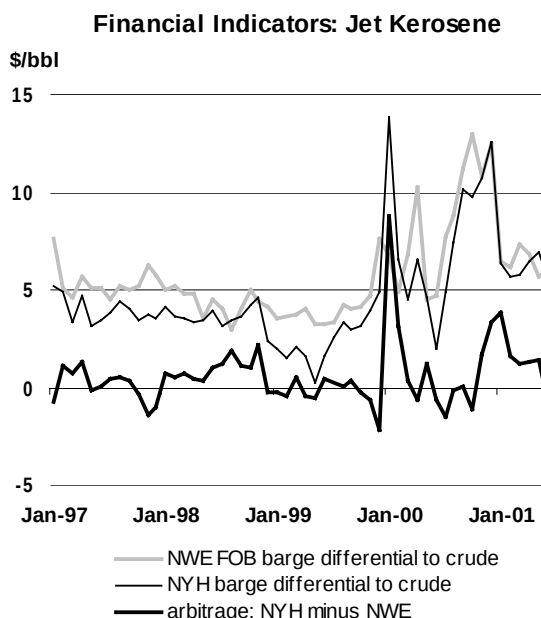
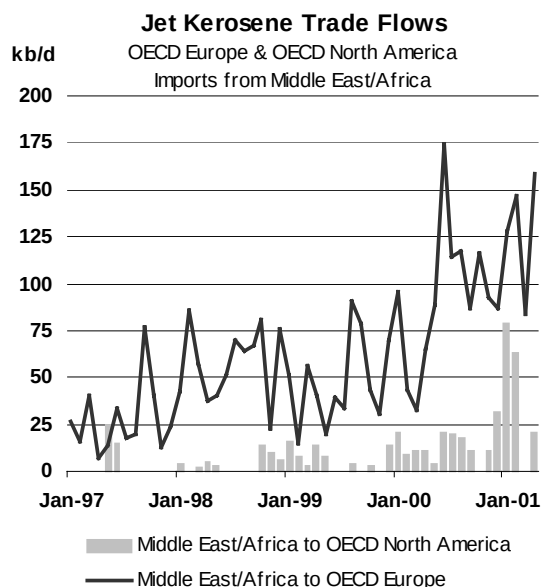
The price of gasoline in Los Angeles was \$16 higher than in Singapore during March and \$10.50 higher in April. Even so, North America's imports of **motor gasoline** from Asia/Pacific countries totalled only 40 kb/d in April, much less than traders suggested. The continued contraction of the arbitrage, to \$9.50 for June, indicates that West Coast gasoline stocks have built and that Asian fundamentals are deteriorating.



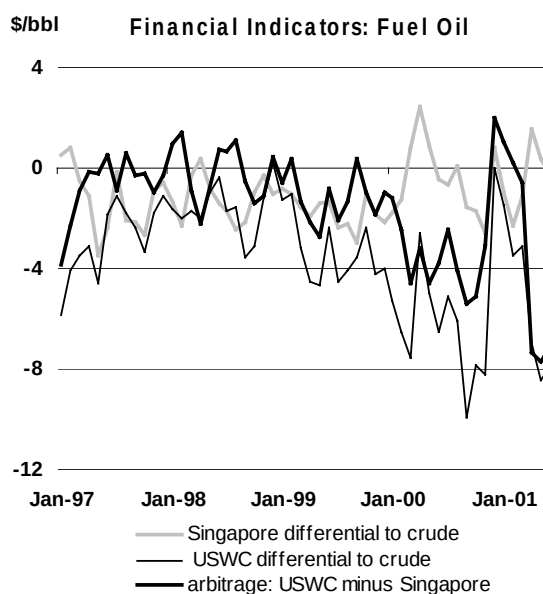
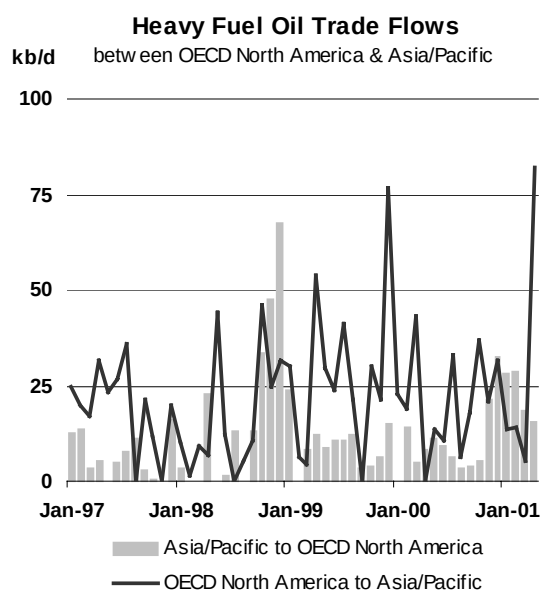
If volumes pick up in June and July, the cause may well be product surpluses on the Asian side. Asian demand weakness is widely suspected because the premium in Singapore of gasoline to Dubai fell from the \$6 to \$9 range prevailing between December and May to just over \$1 in June.



North America was a magnet for Atlantic Basin gasoline in April. North America's net gasoline imports rose 90 kb/d (19%) from those in March, with supply from Europe increasing 215 kb/d. With the voyage time from Rotterdam about 20 days, April's arrivals on the East Coast were determined by relative prices in late March and early April, when prices were much higher in New York than in Northwest Europe. That situation continued through April, suggesting a continuation of high North American imports in May. The tables were turned in May and June, with New York prices falling below those of Rotterdam; so westward transatlantic flows are likely to have been sharply lower in June and July.



In April, OECD Europe's net imports of kerosene and jet kerosene spiked to 215 kb/d, 120 kb/d more than a year earlier, with virtually all the incremental supply from the Middle East or Africa. The change results from the clash of opposing trends. European demand for jet/kerosene during the first four months of this year was running 50 kb/d higher than a year ago, yet less jet fuel was available locally as refiners and blenders "cut" more of it into diesel to meet new, cleaner specifications. Because jet and kerosene are both lighter than gasoil, they tend to be lower-sulphur. During the refining process, increasing concentrations of sulphur remain in heavier products.

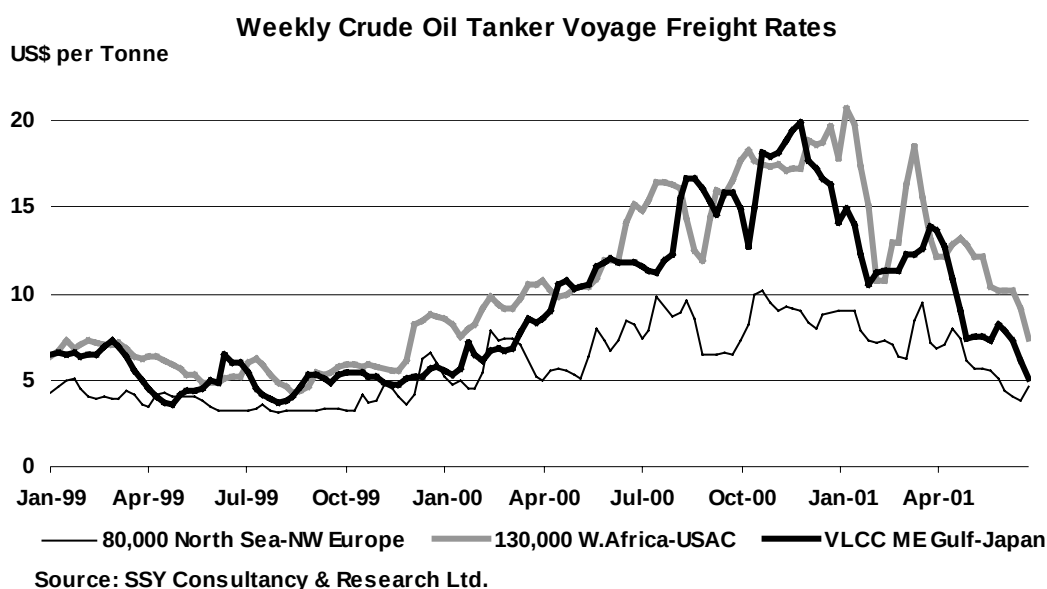


The differentials between the US East Coast and Northwest Europe have been far below those that pulled jet kerosene away from Europe in January and February of this year. A New York premium of only about \$1.30 for March through May slipped by June to an average 80 cent discount, indicating ample supply and no need to bid for imports. In Northwest Europe, a jet price premium to gasoil of \$2.65 in May and \$2.30 June means that Europe's jet shortage is still running strong.

With supply limited by OPEC's production cutbacks earlier in the year, stronger Asian demand for heavy fuel oil pushed its price premium in Singapore vs. Los Angeles from 60 cents per barrel in March to more than \$7 in April. North America's net exports of HFO to Asia surged in April to 65 kb/d, all of it destined for Singapore. With Singapore's price premium holding through May and June, this export trend is likely to have continued.

Freight

Spot freight rates for crude tankers continued to soften over the course of June, reflecting the 4 June halt of about 2 mb/d Iraqi oil-for-food crude exports and minimal OPEC overproduction to compensate for the Iraqi loss. Rates for Suezmax tankers (with total capacity from 120,000 to 199,999 deadweight tonnes) and VLCCs (200,000 deadweight tonnes and over) suffered most. Between the end of May and the fourth week of June, the spot charter rate for a VLCC from Ras Tanura, Saudi Arabia to Japan's Chiba refining centre dropped nearly 40%, while rates for Aframax ships (75,000 to 119,999 deadweight tonnes) were relatively stable. If normal seasonal patterns hold, rates are unlikely to firm much before October, either west or east of Suez.



Since April, rising inventories and slowing demand for petroleum products have significantly reduced refining margins. Refinery crude runs and demand for crude tankers followed. By the time of the Iraqi stoppage, crude and product markets were seen as well-supplied, both in absolute terms and in days of forward coverage. Part of the crude and crude tanker market's current weakness may be temporary, resulting from just-in-time production, transportation, refining and distribution.

In the product trades, spot charter rates for "clean" (light product) tankers moved sideways for key Atlantic Basin routes, but firmed between the Middle East and Japan. This increase primarily reflects increased product import requirements during Asian turnarounds and margin-related Asian run cuts.

Non-OECD Trade

Preliminary statistics available for the **Former Soviet Union's** net exports of crude and petroleum products in June show 4.83 mb/d in May. This initial figure is likely to correspond to a final figure for total exports of 5 mb/d or more. The current May estimate, of 4.9 mb/d, was 4.67 only a month ago, and even the higher figure is not yet "final". Nevertheless, there appears to be a slowdown in the rate at which FSU exports are increasing. The June figure is only 110 kb/d higher than that of a year earlier, and preliminary data for April and May showed increases triple that.

Seaborne exports were limited by bad weather at Novorossiysk to only 3.3 mb/d in the second week of June, rebounding to a new-record of 4.5 mb/d the subsequent week when loading conditions improved. Russian production and exports are still rising, depressing the price of Urals blend in the Mediterranean even in June, despite the absence of competing supplies from Iraq.

FSU Net Exports of Crude & Petroleum Products

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Apr 01	May 01	Jun 01	Latest month vs.	
										May 01	Jun 00
Black Sea Exports	1.56	1.80	1.95	1.78	1.82	2.10	2.14	2.11	2.04	-0.07	0.10
Baltic Exports	1.09	1.37	1.42	1.19	1.41	1.58	1.40	1.69	1.64	-0.05	0.06
Total Seaborne	2.66	3.18	3.37	2.96	3.23	3.68	3.54	3.80	3.68	-0.12	0.16
Druzhba Pipeline	1.02	1.03	1.01	1.07	1.10	1.07	1.04	1.08	1.08	0.00	0.01
Other	0.08	0.12	0.19	0.13	0.04	0.05	0.05	0.02	0.09	0.07	-0.05
Total Exports	3.75	4.32	4.56	4.17	4.37	4.80	4.64	4.90	4.85	-0.05	0.11
Imports	3.71	4.31	0.01	0.02	0.01	0.01	0.01	0.01	0.03	0.02	0.00
Total Net Exports	3.71	4.31	4.56	4.15	4.35	4.78	4.63	4.89	4.83	-0.06	0.11
Crude	2.71	3.06	3.10	3.12	3.16	3.37	3.36	3.43	3.34	-0.09	0.14
Products	1.01	1.24	1.46	1.03	1.19	1.41	1.27	1.47	1.49	0.03	-0.03

Sources: Petro-Logistics, IEA estimates

Caspian Pipeline Corporation now hopes to load the first "test cargo" of Kazakhi crude from Novorossiysk at the end of August. Filling the pipeline with crude oil has been slower than anticipated and was interrupted twice. Finally, line fill has resumed and trans-shipments across Russia have begun without a crude quality bank being agreed. In response to concerns about high tanker movements through the Straits of Bosphorus, Chevron has declared that it will take on pilots through the Straits and where possible use double-hulled Suezmax tankers on the route.

OECD Imports of FSU Crude

(thousand barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Latest month vs.	
										Mar 01	Apr 00
Germany	645	689	682	693	690	733	766	679	643	-36	-75
Poland	298	333	291	355	354	300	316	287	287	0	72
Italy	294	325	313	340	373	304	231	292	331	39	0
France	154	153	192	144	113	185	267	130	190	60	-65
Hungary	117	117	93	132	118	109	115	99	103	4	31
Spain	113	116	138	158	109	78	92	92	200	109	-2
Belgium	92	108	99	114	82	113	116	108	105	-3	-31
Czech Republic	107	105	107	115	114	103	93	109	115	6	36
Finland	101	97	105	78	102	101	34	140	51	-90	0
Netherlands	65	90	67	94	96	123	86	152	91	-61	19
Greece	17	86	85	90	80	88	80	98	81	-18	0
Turkey	65	50	58	36	75	25	0	56	36	-20	0
all other	150	169	142	179	172	175	197	224	269	45	141
Total	2217	2438	2373	2527	2478	2437	2394	2466	2502	36	125
note: FSU crude production	2706	3063	3070	3097	3116	3160	3192	3161	3363	202	336

Sources: IEA MOS imports data, Petro-Logistics

Imports by OECD countries accounted for three-quarters of FSU crude exports in April. In the same month, OECD countries imported 875 kb/d of petroleum products from the FSU: nearly half gasoil/diesel, a quarter residual fuel oil, and an eighth, gasoline plus blendstocks. OECD Europe accounted for all but 140 kb/d, with the Netherlands the single largest importer at 235 kb/d. US imports of FSU products averaged 160 kb/d over the first four months of 2001, double last year, with imports in January/February virtually all in the form of heating and fuel oil. By March and April, gasoline and naphtha swelled the totals.

Runs at **China's** largest refineries totalled 4.1 mb/d in April, 14% more than a year earlier. Figures from one industry source indicate second-quarter runs 670 kb/d or 17% higher than last year and 240 kb/d above government planning targets. But demand is not keeping pace with refinery output, and product stocks have built to what one industry spokesman estimates as 100 million barrels, or 20 days of supply. The government reportedly will limit crude imports in order to reduce refinery runs, so that product stocks can be drawn down.

China's crude imports in April were unusually high, and sufficient to have built crude stocks by as much as 300-400 kb/d. The sharp decline in crude imports between April and May marks a return to normal. Compared to a year earlier, net imports of crude were up in May by a quarter, and products were up by more than 100%. China's imports of Middle East crude fell by 400 kb/d between April and May, to a near-normal 600 kb/d. Omani crude lost the most ground, collapsing from 365 kb/d in April to just 135 kb/d in May. The remaining losses were shared by Kuwait, Yemen and Saudi Arabia. Asia/Pacific's crude placements in China halved between April and May, with the most dramatic declines for Indonesia, from 150 kb/d to just 60 kb/d, and for Vietnam, from 130 kb/d to 65 kb/d. African crudes fared best at 250 kb/d, just 50 kb/d less than in April.

China Crude & Product Trade

(thousand barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	581	1179	928	1348	1275	852	780	1625	959	-666	196
Products & Feedstocks	436	287	211	356	299	282	341	387	293	-94	169
Gasoil/Diesel	-6	-6	-11	-2	-5	2	6	-2	3	5	14
Gasoline	-96	-105	-134	-84	-113	-128	-115	-136	-147	-12	0
Heavy Fuel Oil	244	192	204	208	137	304	350	409	247	-163	77
LPG	174	152	137	159	152	131	122	126	143	17	12
Naphtha	7	-14	-16	-12	-20	-19	-22	-8	-15	-7	7
Jet & Kerosene	19	9	13	16	17	3	6	2	2	0	-11
Other	95	59	19	72	131	-12	-6	-5	60	64	70
Total	1017	1466	1139	1704	1573	1134	1121	2012	1252	-760	365

Source: China Oil, Gas and Petrochemicals plus IEA estimates

Of the quarter-million barrels per day of petroleum products exported by refineries in mainland China during the first four months of this year, only 65 kb/d turns up in IEA statistics as imports by OECD countries, most of it in the form of naphtha, jet or kerosene destined for Korea or Japan. This year's much-heralded US imports of Chinese gasoline and blendstocks amounted to only about 15 kb/d in March and 10 kb/d in April of this year, down two-thirds from a year earlier. So 150 kb/d of Chinese product exports remain unaccounted-for, after deducting the 40 kb/d reported in Singapore. "Exports" to Hong Kong are likely to be significant, for Hong Kong's statistics have not yet been integrated with those of the rest of China. Product demand in Hong Kong is about 350 kb/d, of which Singapore supplies only about 220 kb/d.

With Chinese inventories high, net imports of petroleum products fell by a quarter between April and May. The sharpest decline was posted for heavy fuel oil, because the expiration of import permits at the end of April resulted in heavy buying earlier this year. Customs data show China's gross imports of fuel oil for the first five months of 2001 averaging 320 kb/d, with Korea alone supplying 60% of that amount. Russia had the next largest share, at 10%. Beijing partially protects its refining sector with tariffs, quotas on imports of some petroleum products and an outright ban on gasoil imports – barriers to trade which it says it will lower within four years after it joins the World Trade Organisation.

After hitting a record-high 2.26 mb/d in March, **Indian** refinery runs slipped to 1.95 mb/d in April before recovering to utilisation rates averaging 94% in May. May runs totalled 2.14 mb/d, 170 kb/d or 8.6% higher than a year earlier. Reliance's Jamnagar refinery turned in a remarkable performance: May throughput of 600 kb/d, or 111% of its "nameplate" capacity of 550 kb/d. Reliance's capacity is thus likely to be expressed on a calendar-day rather than stream-day basis: a sustainable rate making allowance for turnarounds and other maintenance. Reliance currently plans incremental expansion in the form of facility de-bottlenecking, while Indian Oil Corporation has approved plans to double capacity at Panipat, to 240 kb/d, and is negotiating tax exemptions for a new refinery at Paradip. Rising refinery runs and expansion plans come despite the fact that Indian demand for petroleum products is flat.

The table below summarises the Indian trade for which Indian Petroleum Ministry statistics are available: crude and product imports and exports made by IOC, plus historically-based estimates of product imports. It therefore understates crude imports by about 550 kb/d (by excluding Reliance and Caltex imports for MRPL), and understates product exports by roughly 100 kb/d (for Reliance). India's published product-export statistics total only 6 kb/d over the first four months of 2001, yet OECD countries imported 60 kb/d from India over the same period, two-thirds naphtha, and Singapore imported 20 kb/d heavy fuel oil from India for February through April. Reliance also reportedly has been exporting gasoil to Bangladesh and Brazil. No OECD imports of Indian gasoline or blendstocks appear in statistics through April, but industry sources say that 65 kb/d was shipped to the US in May and 50 kb/d in June.

India Crude & Product Trade

(thousand barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	917	888	936	892	925	805	798	899	1049	150	205
Products & Feedstocks	441	241	238	168	170	204	215	179	128	-51	-42
Gasoil/Diesel	138	34	33	-1	0	0	0	0	-2	-2	-2
Gasoline	0	0	0	0	0	0	0	0	0	0	0
Heavy Fuel Oil	21	26	31	23	21	20	18	21	18	-3	-9
LPG	58	26	26	18	23	43	56	32	11	-21	-5
Naphtha	65	66	70	56	67	75	70	66	57	-9	-9
Jet & Kerosene	151	79	68	64	51	57	63	51	36	-15	-16
Other	8	9	10	8	8	8	8	8	8	0	0
Total	1358	1129	1174	1060	1095	1009	1013	1078	1177	99	163

Sources: Indian Ministry of Commerce, Indian Port Authorities and IEA estimates

Excludes private imports of crude and private exports of products, for which figures are unavailable

The pace of IOC's crude imports picked up between March and May. April imports were made up of 610 kb/d from Middle East producers, 220 kb/d Nigerian crude, 45 kb/d from Malaysia and 20 kb/d from Egypt. May's incremental volume included 65 kb/d of 30-degree Furrial crude from Venezuela and 75 kb/d more from Africa. Indian imports of Dubai crude, the key marker crude for Asian markets, averaged 60 kb/d or as much as a third of its total supply. In mid-June, IOC announced a change in the basis on which it will buy crude. Prospective sellers of sour now must offer a differential to the average of spot Dubai for the calendar month during which the cargo is loaded, while offers to sell sweet must be expressed in terms of differentials to dated Brent, also for the calendar month.

Singapore's net imports of crude oil fell in May to 75 kb/d less than estimated runs. This suggests that a 2.3 million barrel stock draw in May reversed two-thirds of April's build. While remaining the largest single supplier to Singapore, Saudi Arabia nearly halved its exports from April, falling to 225 kb/d. Qatar and the United Arab Emirates each supplied about 130 kb/d and Kuwait and Yemen a combined 90 kb/d. Australia was the largest Asia/Pacific supplier, at 75 kb/d, with Vietnam second at 45 kb/d.

Singapore Crude & Product Trade

(thousand barrels per day)

	1999	2000	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	885	840	936	729	981	996	859	913	781	-132	-51
Products & Feedstocks	-185	-90	-38	-29	-188	-145	-135	-57	-107	-50	2
Gasoil/Diesel	-202	-157	-146	-149	-184	-152	-129	-146	-133	13	54
Gasoline	-83	-82	-81	-87	-61	-78	-108	-111	-92	19	20
Heavy Fuel Oil	306	341	378	373	293	323	278	374	277	-97	-124
LPG	-24	-22	-22	-24	-23	-25	-22	-21	-21	0	2
Naphtha	-28	-33	-49	-19	-47	-46	-26	-46	-15	31	35
Jet & Kerosene	-106	-93	-69	-78	-121	-121	-76	-65	-77	-12	14
Other	-47	-45	-50	-46	-46	-45	-52	-42	-48	-5	1
Total	700	750	898	700	792	851	724	855	674	-182	-50

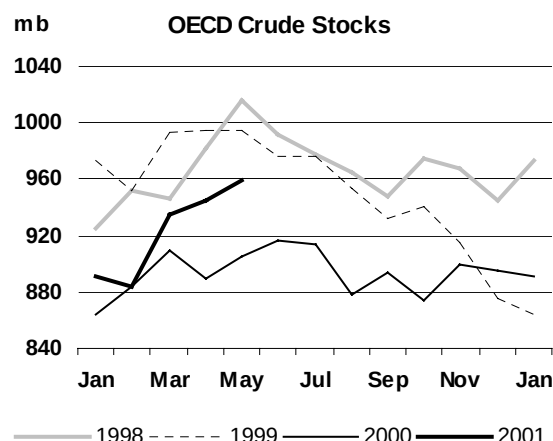
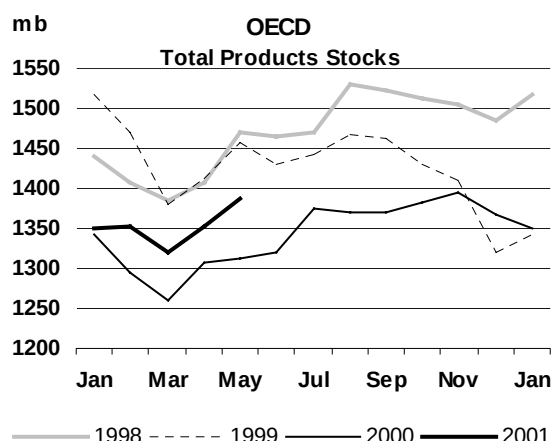
Source: Singapore Monthly Oil Statistics, IEA estimates

Although a net exporter of gasoline and gasoline blendstocks, Singapore is also a gasoline importer, with May supply including 35 kb/d from China and a net 25 kb/d from Thailand. This was probably relatively low-quality gasoline, used as a gasoline blendstock. Malaysia was the most popular declared destination for Singapore gasoline exports, at 50 kb/d in May. Only 70 kb/d of gasoline and blendstock was shipped to all other Asia/Pacific destinations combined, while 20 kb/d was declared destined for Iran. The situation was similar for jet and kerosene, with Singapore receiving a combined net 45 kb/d from the UAE, Saudi Arabia and Kenya. Singapore is a supplier of jet and kerosene almost exclusively to Asia/Pacific countries, about half to Hong Kong alone.

OECD STOCKS

Industry Stock Changes in May 2001

In line with seasonal patterns and weakening oil demand, total oil industry stocks within the OECD built for the third consecutive month since February. The rise in total oil stocks in May from revised April levels totalled 43.7 million barrels or 1.41 mb/d, leaving stocks at 2633.3 million barrels. The growth in primary storage of total oil came in products rather than crude. OECD crude stocks increased by 14 million barrels in spite of high crude prices in May. Meanwhile product stocks posted growth by 33.7 million barrels, the bulk of which stemmed from builds of North American "Other Products" (20.2 million barrels). The OECD stock change for total oil over the combined months of April and May reached 1.5 mb/d, in line with an expected build for the second quarter.



OECD builds in crude and total products of 0.45 and 1.09 mb/d mask uneven regional developments. The bulk of crude gains was distributed between North America with 0.16 mb/d (where **US** inventories weighed heavily on the stock build) and the Pacific with 0.23 mb/d (where **Japanese** crude stocks provided much of the impetus). Growth in products was centred in North America where stocks rose by 1.20 mb/d. In the **US**, some 15.7 mb/d of crude inputs were processed, while refinery capacity utilisation reached 96 per cent. This, together with strong imports of gasoline and blending stocks drove the North American increase in product stocks.

European stock trends were tied to developments in the **US** and the **Middle East**. While products in Europe tracked sideways, crude stocks posted a meagre 0.05 mb/d build. The transatlantic arbitrage in crude was unfavourable as WTI traded at a thin premium and then a discount to Brent during the month of May. However, Brent and gasoline rich crudes from West Africa moved west on the strength of persistent high gasoline spreads to crude in the **United States**.

Preliminary Industry Stock Change in May and the First Quarter 2001

(million barrels per day)

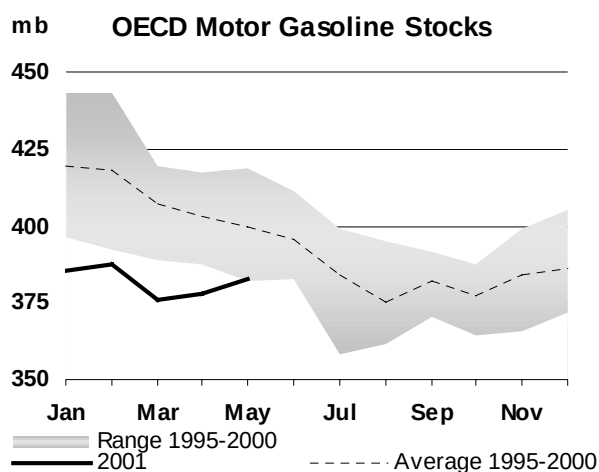
	North America	May (preliminary)		Total	North America	First Quarter 2001		Total
		Europe	Pacific			Europe	Pacific	
Crude Oil	0.16	0.05	0.23	0.45	0.16	0.18	0.11	0.45
Gasoline	0.35	-0.17	-0.03	0.15	0.00	0.01	0.03	0.04
Distillates	0.18	0.12	-0.12	0.19	-0.19	-0.16	-0.20	-0.55
Residual Fuel Oil	0.02	0.06	0.00	0.07	0.05	-0.02	0.02	0.04
Other Products	0.65	0.00	0.03	0.68	0.01	-0.03	-0.06	-0.08
Total Products	1.20	0.01	-0.12	1.09	-0.14	-0.20	-0.21	-0.54
Other Oils ¹	-0.09	0.00	-0.04	-0.13	0.02	-0.01	0.02	0.03
Total Oil	1.27	0.07	0.07	1.41	0.04	-0.03	-0.08	-0.06

other oils includes NGLs, feedstocks and other hydrocarbons

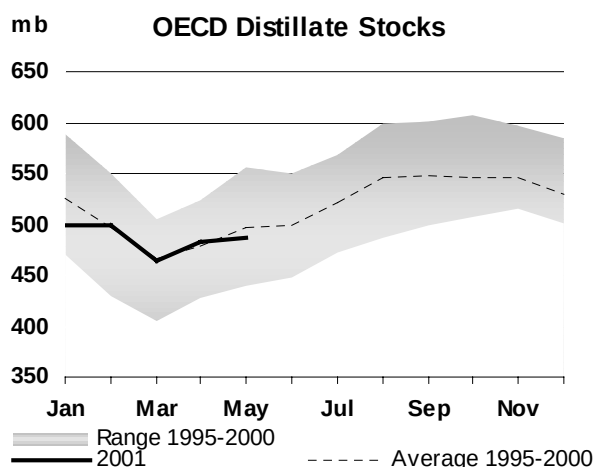
April cuts in OPEC production took their toll on European inventory levels in May ahead of North America. Westbound crude supplies from the Middle East to the Atlantic Basin fell, limiting crude builds.

May gasoline stocks in the OECD were up by 0.15 mb/d or 4.5 million barrels over the previous month. The bulk of this increase occurred in North America (up 0.35 mb/d). Strong imports and high US refinery throughputs bolstered levels in both regular and reformulated gasoline stocks. Gasoline stocks in Europe declined by 0.17 mb/d, while the Pacific remained flat over the month.

May stocks of gasoline in the OECD moved closer to their 1995-2000 levels. With increased crude runs, builds are expected to carry through to June. Weaker than expected demand on account of precautionary secondary and tertiary storage in North America could contribute to a stock overhang if the level of US production is maintained. Given the current stock builds, the threat of a gasoline shortage this summer is fading. Markets supported this sentiment as spot gasoline prices peaked in mid May and fell in June. Although consumer price sensitivity is hard to gauge, demand is likely to continue to decline, contributing to a further increase in gasoline stocks at the primary storage level. The potential for a gasoline surplus is not to be excluded. If it occurs, refiners will be able to switch their attention early to the production of middle distillates despite peak demand for gasoline in the third quarter.



Distillates stocks are at average levels within the 1995-2000 period and are seasonally rising. In May, OECD distillate stocks grew by 5.8 million barrels over April and are now 21.6 million barrels above last year. Distillates built in North America by 0.18mb/d, despite resilient May gasoil and fuel oil demand in the US, and in Europe by 0.12 mb/d. Given the projected builds in gasoline stocks, product markets should loosen, allowing for early switch of refinery yields in favour of distillate production. In such a case, refinery yields of distillates could be maintained at 23 per cent through the summer and we could anticipate a more balanced picture for product inventories by the third quarter ahead of the winter season. Heating oil futures on the NYMEX and gasoil futures on the IPE were in contango for the past three months, encouraging stock builds.



Revisions versus 12 June 2001 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Mar 01	Apr 01	Mar 01	Apr 01	Mar 01	Apr 01	Mar 01	Apr 01
Crude Oil	-2.3	3.6	3.4	1.4	0.0	0.4	1.1	5.4
Gasoline	1.7	2.3	-1.7	-8.3	0.6	0.3	0.6	-5.7
Distillates	0.8	1.8	0.3	14.0	0.0	0.1	1.2	15.9
Residual Fuel Oil	0.5	1.0	1.2	-0.3	0.2	-2.4	1.9	-1.7
Other Products	4.3	-3.5	1.0	3.6	0.0	0.6	5.3	0.7
Total Products	7.3	1.6	0.9	9.0	0.8	-1.5	9.0	9.1
Other Oils ¹	-7.9	-5.5	0.5	0.0	0.0	1.2	-7.3	-4.4
Total Oil	-2.9	-0.4	4.8	10.3	0.8	0.2	2.7	10.1

¹ other oils includes NGLs, feedstocks and other hydrocarbons

April 2001 preliminary estimates of total oil stocks have been revised upwards by 10.1 million barrels. The bulk of the increase (9.1 million barrels) came from the product side and was primarily in Europe. European middle distillates contributed 14 million barrels out of a total revision of 15.9 million barrels within the product category. The upward revision in distillate figures was somewhat offset by a reduction in OECD gasoline stocks (5.7 million barrels) with a downward revision centred mainly in Europe of 8.3 million barrels. Revised total product stocks for the OECD in April now stand at 1353.1 million barrels. April crude stocks were revised upwards across all OECD regions. North America showed the biggest revision, with 3.6 million barrels, followed by Europe and the Pacific, with 1.4 and 0.4 million barrels pushing April OECD crude stocks to 945.5 million barrels. The net effect of revisions for OECD April figures of total oil was to add an additional 0.25 mb/d to the previous report's stock change.

OECD Industry Stock Changes: Effect of Revisions for April and the First Quarter

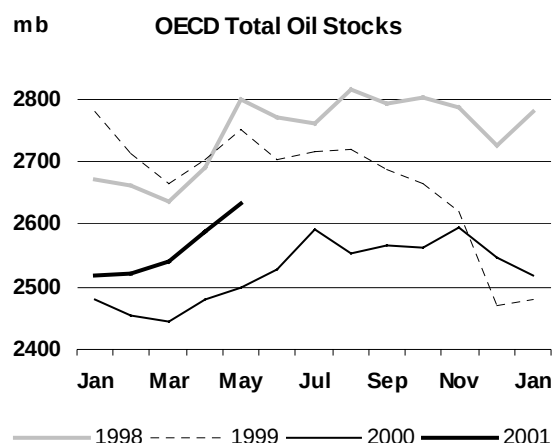
	April (million barrels per day)				First Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.19	-0.07	0.01	0.14	-0.03	0.04	0.00	0.01
Gasoline	0.02	-0.22	-0.01	-0.21	0.02	-0.02	0.01	0.01
Distillates	0.03	0.46	0.00	0.49	0.01	0.00	0.00	0.01
Residual Fuel Oil	0.02	-0.05	-0.09	-0.12	0.01	0.01	0.00	0.02
Other Products	-0.26	0.09	0.02	-0.15	0.05	0.01	0.00	0.06
Total Products	-0.19	0.27	-0.08	0.00	0.08	0.01	0.01	0.10
Other Oils ¹	0.08	-0.02	0.04	0.10	-0.09	0.01	0.00	-0.08
Total Oil	0.08	0.19	-0.02	0.25	-0.03	0.05	0.01	0.03

1 includes feedstocks, NGLs and other hydrocarbons

Preliminary Stocks at the End of May

OECD industry stocks of total oil ended the month of May at 2.63 billion barrels, up by 133.5 million barrels over a year earlier but significantly lower than in 1998 and 1999. Total oil stocks in all OECD regions remained above the previous year with OECD North America closing out at 1227.8 million barrels, while OECD Europe and OECD Pacific stood at 942.2 and 463.3 million barrels respectively.

OECD crude stocks were up by 53.8 million barrels and products by 74.8 million barrels on the previous year. Among products, OECD industry gasoline stocks were level with the previous year at 382.5. Distillate stocks, at 487.7 million barrels, are ready to build from a 21.6 million barrels surplus to last year's level ahead of the winter heating season. Residual fuel oil at 160.9 million barrels out paced the previous year by 12.8 million barrels. Among regions, North America posted the biggest margins in both crude and products over last year followed by Europe and the Pacific.



Year-on-Year Industry Stock Comparisons for May 2001

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	35.3	11.4	7.1	53.8	Total Oil	3.5	3.3	3.2	3.4
Total Products	40.0	26.8	8.1	74.8	Versus 1999	-3.0	-5.7	2.9	-2.8
Other Oils ¹	-4.9	5.5	4.3	4.9	Versus 1998	-4.4	-4.9	-2.0	-4.3
Total Oil	70.4	43.6	19.5	133.5	Total Products	2.0	2.0	1.3	1.9
Versus 1999	-73.4	-71.7	26.0	-119.1	Versus 1999	-1.7	-3.2	1.1	-1.7
Versus 1998	-71.0	-88.9	-6.1	-166.1	Versus 1998	-2.3	-2.8	-0.2	-2.2

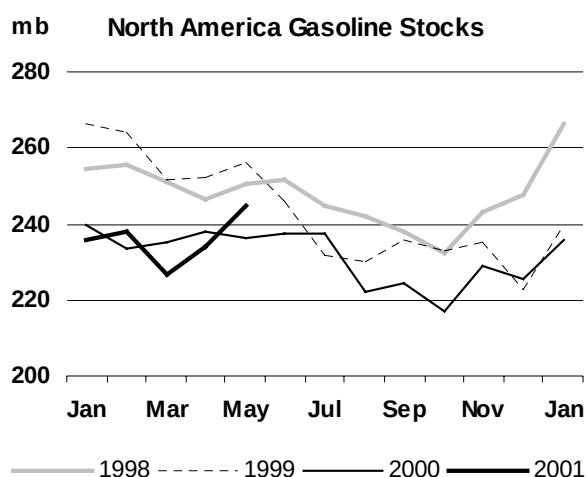
1 other oils includes NGLs, feedstocks and other hydrocarbons

Regional Stock Developments

North America

Crude and product stocks continued to ease in May. Crude stocks increased by 5.1 million barrels while total products grew by 37.3 million, driven by an increase in the "Other Products" category, with 20.2 million barrels, and an increase in motor gasoline stocks by 10.8 million barrels.

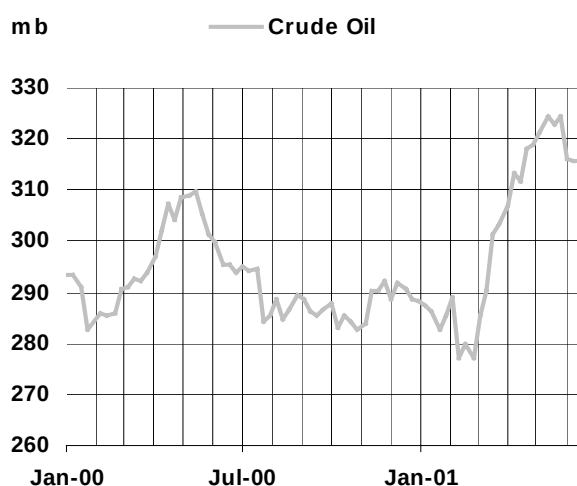
In the absence of unforeseen shortages, the threat of a gasoline 'crisis' in the US has faded as evidenced by rising inventory levels in both regular and reformulated gasoline. Weekly figures from the DOE show that total motor gasoline stocks rose from 200 to 221.6 million barrels between the months of May and June. More significantly, reformulated gasoline stocks climbed over the same period by 9.7 million barrels, peaking at 49.6 million barrels. Production of RFG received a further boost as refiner Williams joined Citgo and Tesoro in agreeing to pay Unocal for the patent licence to produce and blend the cleaner burning gasoline. Record production levels of gasoline, associated with over 95 per cent refinery utilisation rates and weaker demand over the last three months, lifted primary inventory levels during the period.



US total motor gasoline stocks, 12.2 million barrels higher than last year, are now ample to allow for any seasonal upturn in demand. Despite a lack of capacity expansion, refiners will be able again, this year to meet the growth in product demand by maximising runs at existing plants. Market expectations reflected the current situation, as gasoline futures dropped by some 38 per cent by the end of June from a record high on May 23. In addition, the soaring gasoline production has pushed the Colonial pipeline, which carries product from the **Gulf Coast** to the **New York** area, into apportionment. Record production has overtaken both local demand and pipeline capacity.

Middle distillates in North America rebounded during May by 5.7 million, barrels reaching 184.3 million barrels. In the **United States**, the build in distillate stocks over the months of May and June pursued at a steady pace reaching 112.8 million barrels on June 29. A combined increase in production and steady imports contributed to the rise in inventory levels despite a resilient level of demand that was supported by the momentum of gas-to-oil fuel switching. Weekly DOE numbers indicate that at the end of June, diesel inventories had climbed to 67.6 million barrels, while heating oil ended 7 million barrels above last year's levels at 45.1 million barrels. Given comfortable stock levels in gasoline, refiners are now in a position to consider yield switches towards distillates. The economic incentives are certainly there to start building distillate stocks. Futures on heating oil and gasoil are in contango and with shifting crude-product spreads, spot heating oil prices during June attained a higher premium over crude than did gasoline in New York Harbour.

The graph on the right details **United States** weekly crude stocks and shows that the rise in March and April continued unabated in May but lost ground in June. In May, Brent and West African gasoline rich crudes continued to arrive on the strength of persistent high differentials of spot gasoline to crude. End of May and early June builds were hampered by weather related conditions on the Gulf Coast as tropical storm Allison prevented the unloading of cargoes. Crude inventories in the first half of June dropped from 324.4 million barrels to 316.2 million barrels and tapered off to 310.7 million by the end of the month. Despite falling in the last week of June by 4.8 million barrels, crude oil stocks at 310.7 million barrels were 6.8 per



cent higher than last year's levels and 2.4 per cent below their 5-year average. We should see a tightening in crude stocks in the month of July. This will be due to continued high refinery throughputs and declining imports, as the effect of OPEC's April cuts combined with the halt of Iraqi crude exports in June begins to be felt.

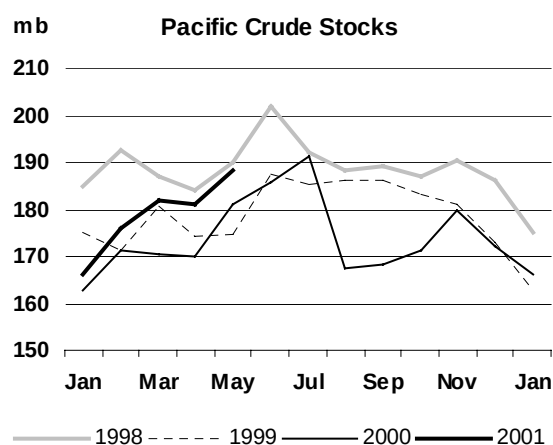
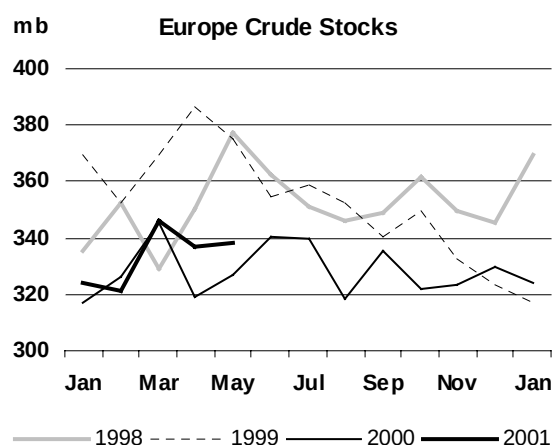
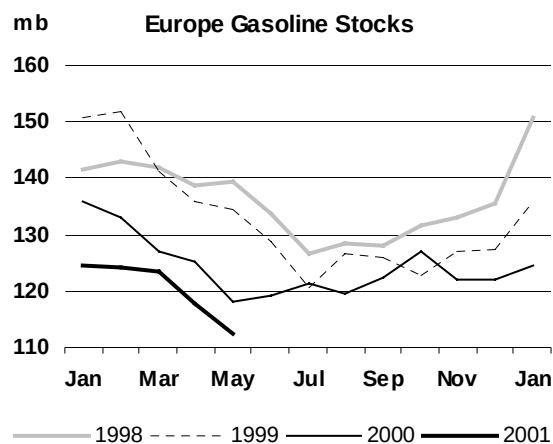
Europe

OECD European product stocks trended sideways over the course of May, levelling at 537.7 million barrels. The May gasoline stockdraw of 5.3 million barrels was chiefly responsible for stagnating product stocks as middle distillates and residual fuel oil posted gains respectively of 3.8 and 1.8 million barrels over the month. The drop in gasoline stocks was strongest in **France**, where stocks fell by 3.4 million barrels to 8 million, and in **Germany**, where stocks fell by 1.3 million barrels to 10.8 million. Gasoline cargoes from Europe continued to arrive in New York until late May on the heels of arbitrage opportunities opened in April and the beginning of May, thus adding pressure on the stockdraw. As refinery runs were cut down and utilisation rates fell to 90 per cent, total product inventories progressed only slowly, ending the month marginally higher than at the end of the first quarter.

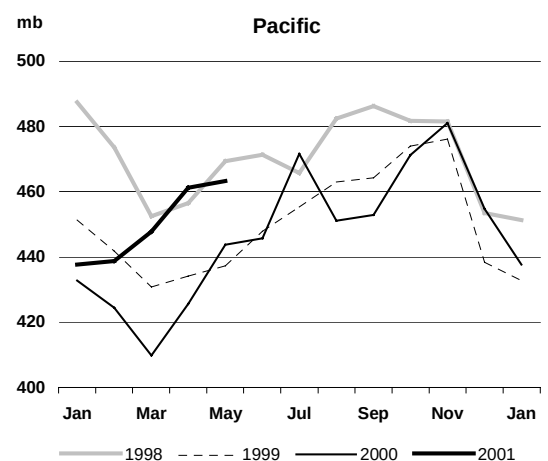
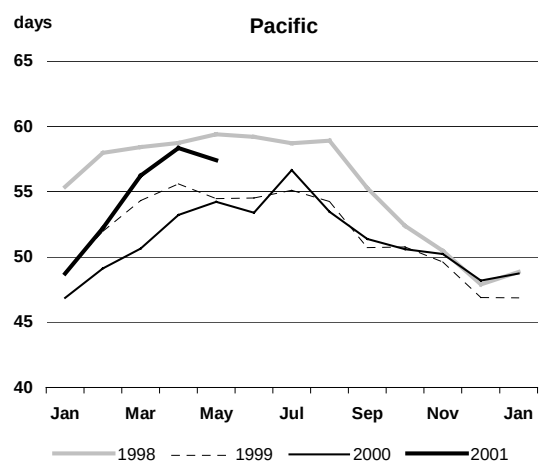
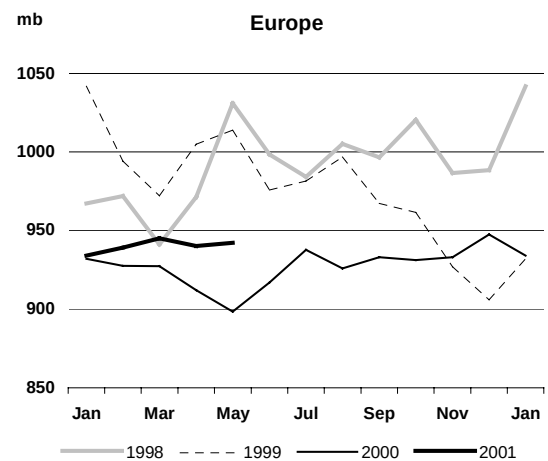
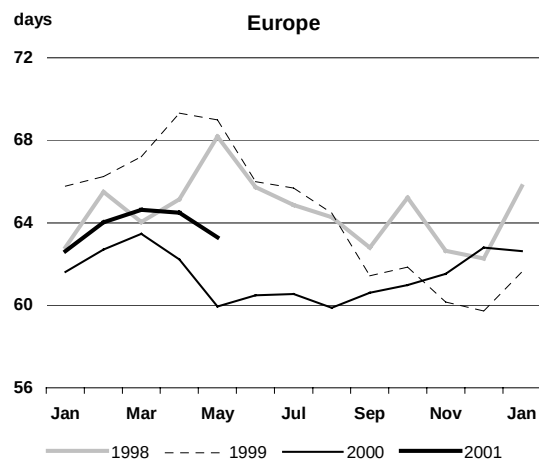
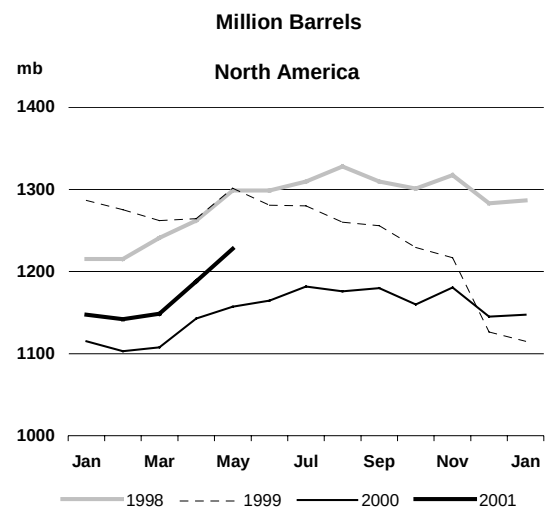
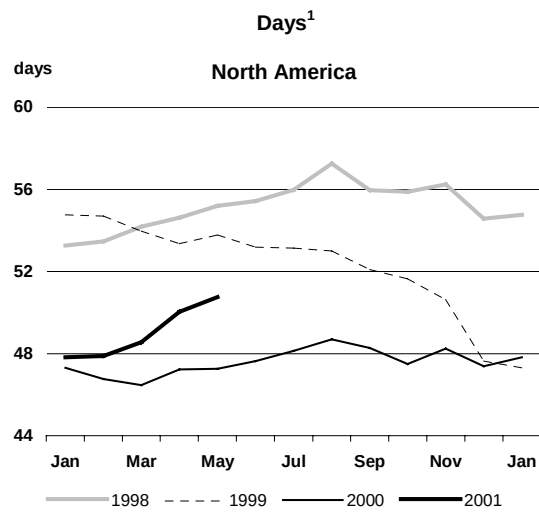
Crude stocks also moved sideways over the month of May. They are beginning to show the effects of the shortfall in the volume of Middle East crude heading west to the Atlantic Basin since OPEC cut production in April. In contrast to North America, the crude picture is tighter. The shortage in prompt crude was reflected in IPE Brent futures. Futures price curves were in backwardation at the end of both May and June implying a shortage in the cash markets. As Brent prices rose and margins weakened, crude inventories came under pressure and remained at 338.5 million barrels or just 11.4 million barrels above last year's levels. Supplies are likely to get tighter depending on how quickly Iraqi crude exports resume.

Pacific

Crude stocks rose in OECD Pacific to 188.1 million barrels in May, supported mainly by an inventory gain in **Japan** of 7.6 million barrels over the month. The rise in crude stocks accompanies a general regional weakness in demand for refined products. In **Korea**, consumption of refined products in May declined 3.4 per cent on the year. In similar fashion, **Japanese** gasoil demand from the industrial sector and fuel oil demand from the power sector are also expected to slump. In addition to turnarounds, refinery runs were trimmed and stock levels across major product groupings fell. Total products at the end of May stood at 189.7 million barrel, down 3.8 million for the month.



Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

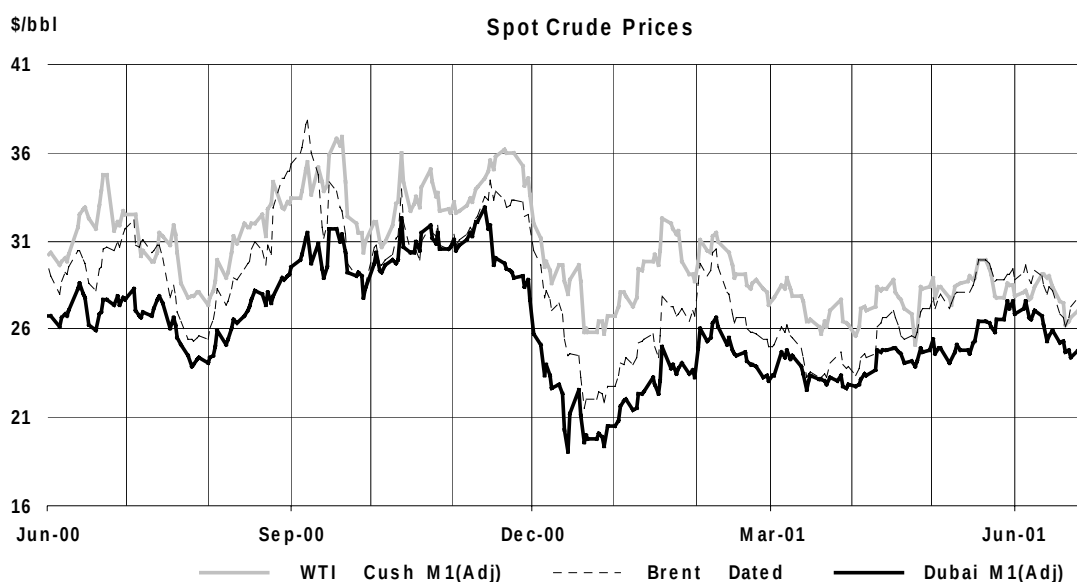


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- Under persistent pressure from growing gasoline inventories in the US, **gasoline** prices around the world collapsed in June, falling by 18% to 24% in key markets. By the end of June, New York Harbour prices for premium unleaded had plummeted by 42% from the peak in late April and early May peak. Prices in Europe and Singapore prices were down 33% over the same period.
- Other products also fell, with the exception of **gasoil**, which held steady overall. In effect, the summer gasoline season of 2001 is all but over. The focus now shifts to the coming winter heating season. There is talk of refiners starting to increase heating oil production earlier than usual. After gasoline's collapse, gasoil prices are now higher than those for gasoline. The forward curves for heating oil and gasoil futures in New York and London are in contango (upward-sloping), giving refiners an economic incentive to build stocks.
- Crude oil prices** declined in June, with the major marker grades losing about \$3 between the beginning and end of the month. Refineries cut runs and reduced crude purchases, putting downward pressure on crude prices. Early in the month, this was offset by the disruption of Iraqi exports. By mid-month, however, this support eroded, as the markets began to factor in the return of Iraqi crude. With run cuts reportedly growing, crude prices fell quickly at mid-month.
- With stocks comfortable and underlying product demand sluggish, product prices have fallen faster than crude prices. As a result, **refining margins** continued to deteriorate in June. Reports mounted of discretionary run cuts and new maintenance programmes, as refiners attempted to improve margins.



Note: As of the Report dated 11 May 2001, the IEA changed the source of its Platt's price data. As a result, historical price data may differ slightly from that shown in previous Reports.

Overview

Following signs of oil market weakness in late May, gasoline prices collapsed in June, falling by 20%. Gasoline led general declines in both products and crude. In the first half of this year, overall OECD crude and product stocks became much more comfortable, in both absolute terms and in terms of days of forward demand cover. OECD industry stocks reached 56 days of forward cover by the end of the first quarter, and stocks continued to build in April and May. In the US, both crude and gasoline inventories have, until recently, been rising every week.

Beginning in May and continuing through June, signs of weakness in product demand have mounted, driven by slowing economies and high oil prices. The devaluation of most other currencies against the US dollar has exacerbated the impact of high prices. In the US, as the second quarter unfolded, significant incremental demand caused by switching from natural gas to oil began to dissipate. This occurred first for heating oil, and then, to a lesser extent, for residual fuel oil.

Spot Crude Oil Prices and Differentials*

(monthly and weekly averages, \$/bbl)

	Apr	May	Jun	Change	Week Beginning:					
					21 May	28 May	04 Jun	11 Jun	18 Jun	25 Jun
Crudes										
Brent Dated	25.66	28.51	27.83	-0.68	29.30	29.11	29.13	28.41	26.72	26.87
Brent 1 month (adjusted)	26.54	28.71	27.70	-1.01	29.27	29.21	29.22	29.23	27.20	26.55
Brent 2 month (adjusted)	25.47	28.09	28.07	-0.02	29.24	28.98	28.13	28.25	26.66	26.40
WTI Cushing 1 month (adjusted)	27.40	28.61	27.57	-1.05	28.84	27.91	28.02	28.91	26.89	27.08
WTI Cushing 2 month (adjusted)	27.72	29.11	28.12	-0.99	29.27	28.46	28.35	29.10	27.07	26.43
Urals (Mediterranean)	23.91	26.63	25.50	-1.12	27.18	26.98	26.85	26.05	24.31	24.60
Es Sider	24.86	27.91	27.02	-0.89	28.70	28.46	28.33	27.61	25.92	26.03
Iran Light	23.11	26.08	25.68	-0.40	26.94	26.77	26.80	26.20	24.64	24.93
Iran Heavy	22.44	25.30	24.95	-0.35	26.14	25.97	26.00	25.50	23.94	24.23
Dubai 1 month (adjusted)	24.18	25.60	25.65	0.05	na	26.85	27.00	25.98	na	na
Oman 1mth (adjusted)	23.59	25.36	26.98	1.61	na	26.66	27.41	26.61	na	na
Minas	27.91	28.23	27.91	-0.33	28.08	28.28	28.09	28.84	27.67	26.95
Tapis	27.94	28.98	28.13	-0.85	29.63	29.15	28.87	29.07	27.49	26.96
Forcados	25.04	28.40	27.59	-0.81	29.19	28.96	28.94	28.21	26.43	26.57
Bonny Light	25.71	28.83	27.97	-0.85	29.58	29.29	29.25	28.52	26.89	27.04
Differential to Dated Brent										
Brent 1mth (adjusted)	0.88	0.20	-0.13	-0.33	-0.02	0.10	0.09	0.82	0.48	-0.32
WTI Cushing 1month (adjusted)	1.74	0.10	-0.26	-0.37	-0.46	-1.21	-1.11	0.49	0.17	0.21
Urals (Mediterranean)	-1.75	-1.88	-2.33	-0.44	-2.12	-2.13	-2.28	-2.37	-2.41	-2.27
Es Sider	-0.80	-0.60	-0.81	-0.21	-0.60	-0.65	-0.80	-0.80	-0.80	-0.84
Iran Light	-2.55	-2.43	-2.15	0.28	-2.36	-2.34	-2.33	-2.22	-2.08	-1.94
Iran Heavy	-3.22	-3.21	-2.88	0.33	-3.16	-3.14	-3.13	-2.92	-2.78	-2.64
Dubai	-1.48	-2.91	-2.18	0.73	na	-2.26	-2.13	-2.43	na	na
Oman	-2.07	-3.15	-0.85	2.30	na	-2.46	-1.72	-1.80	na	na
Minas	2.25	-0.28	0.08	0.35	-1.22	-0.83	-1.05	0.43	0.95	0.08
Tapis	2.28	0.47	0.30	-0.16	0.33	0.03	-0.27	0.66	0.77	0.09
Forcados	-0.62	-0.12	-0.24	-0.13	-0.11	-0.15	-0.19	-0.21	-0.29	-0.30
Bonny Light	0.05	0.31	0.14	-0.17	0.28	0.17	0.12	0.10	0.17	0.18
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	1.07	0.62	-0.37	-0.99	0.04	0.23	1.09	0.98	0.53	0.15
WTI Cushing 1mth-2mth (adjusted)	-0.32	-0.50	-0.56	-0.06	-0.43	-0.55	-0.32	-0.20	-0.18	0.65

* Weekly data for Brent, WTI, Dubai and Oman 1st month and 2nd month are unadjusted

Product prices have fallen, even faster than crude prices. As a result, refining margins have been squeezed around the world. Refiners have reacted by cutting runs and buying less crude, putting downward pressure on crude prices. Early in June, the downward pressure was offset by the removal of 2.1 mb/d of Iraqi oil-for-food exports from the markets. By the middle of June, however, this element of crude price support had eroded. With run cuts reportedly growing, dated Brent and spot WTI prices quickly fell by around \$3. In addition, the markets began to factor in an expected return of Iraqi exports.

In summary, the prompt physical markets for both crude and products were well supplied in June. The markets focused more on real *current* indicators, such as the weekly API and DOE figures for the US. Due to a general malaise over macroeconomic conditions and oil demand, the markets have tended to disregard *forecasts* of oil supply and demand, many of which indicate that crude markets are expected to tighten.

During the first week of July, marker crude prices gained from \$1 to \$2. The gains were led by WTI, and WTI futures on the NYMEX returned to backwardation (downward-sloping curve). Ironically, just as a new five-month phase of the oil-for-food programme was approved and Iraqi exports came closer to resuming, the markets received some of the real evidence of tightening that it was looking for. Preliminary US DOE figures released last week indicate that US crude stocks fell by almost 14 million barrels in June. The decline was essentially caused by a drop in US crude imports. With spot WTI priced at an unusual discount to dated Brent for much of June, exports to the US were unattractive. Although this anomaly seems to have ended, US crude imports in July will be reduced by the absence in June of Iraqi barrels, which take 45 days to reach the US. Reports on oil-at-sea westbound from the Persian Gulf already show a sharp downturn.

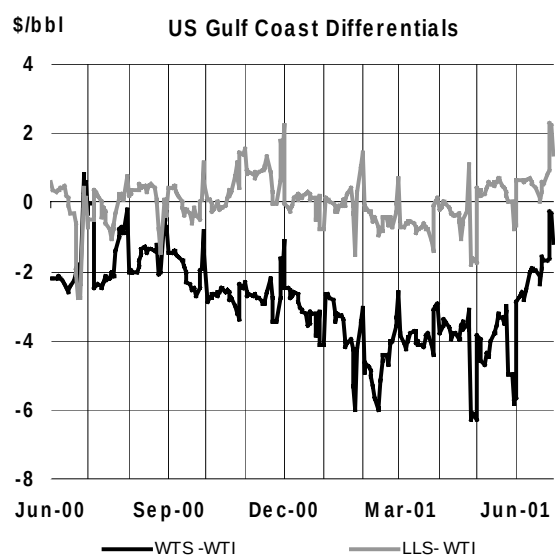
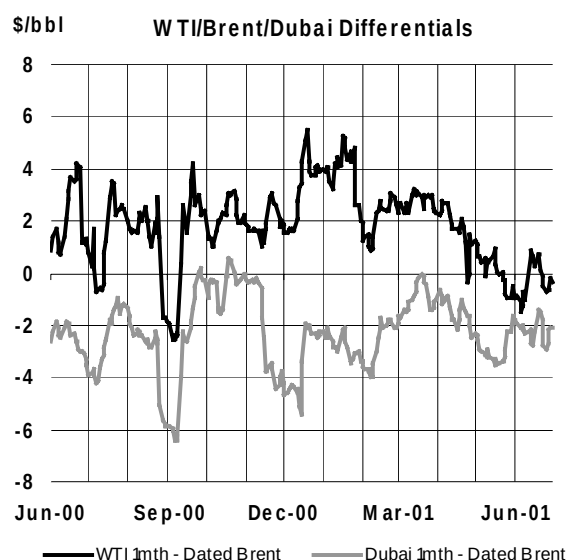
Further drawdowns in US crude inventories are expected, following the normal third quarter pattern. Assuming that the other OPEC members hold output steady, a key variable in the outlook is how quickly Iraqi exports return to the market. A return to "normal" levels of around 2 mb/d could take a couple of months. Even if export volumes come back more quickly, the first tankers won't arrive in the US until the second half of August. This would tend to tighten the Atlantic Basin crude markets - unless offset by run cuts.

With gloomy prospects for economic growth and product demand, the outlook is for weak product prices. If weak product prices are indeed combined with strengthening crude prices, refining margins will continue to be squeezed. This will, in turn, cause runs to be reduced and will lower refinery demand for crude. To put it another way, in the next four weeks, opposing forces will be at work in the market: strengthening crude prices, due to the Iraqi export stoppage, versus weakening product prices, due to slowing economies. In the end, run cuts cannot create product demand. Demand remains the most important and the most uncertain part of the oil market outlook.

Crude Oil Prices

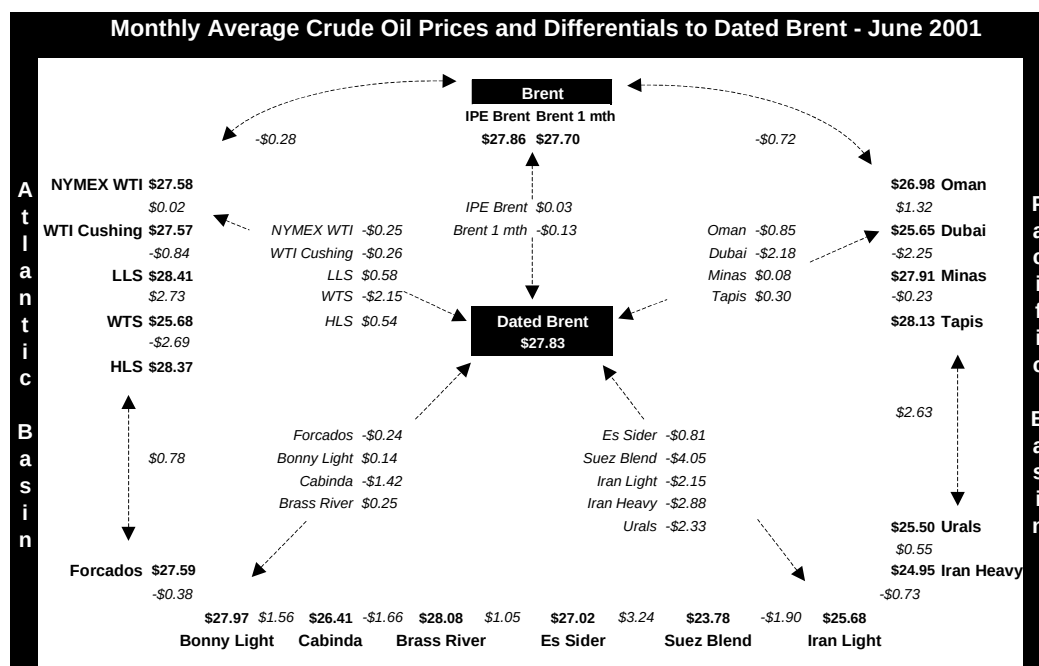
Spot Crude Prices and Differentials

Refinery run cuts in June, first in Europe and then in the US, put downward pressure on crude prices. Although crude price support from gasoline had evaporated, for the first two weeks of the month, the Iraqi export cut-off propped up prices, keeping them relatively steady. By mid-month, however, run cuts appeared to be gathering momentum. At the same time, the market began to look ahead to the return of Iraqi exports, removing that pillar. As a result, **dated Brent** and **spot WTI** prices quickly fell by \$3, before stabilising again for the latter part of June. **Urals** prices also fell during the month. The Iraqi disruption had been expected to support Urals crude, which competes directly with Iraqi Kirkuk. But European run cuts and very high levels of Russian crude exports kept this support from materialising.



Like the Atlantic Basin markers, **Dubai** finished June about \$3 lower than it started. However, Dubai's decline was fairly steady through June, rather than being concentrated in the middle of the month. Although some Asian buyers were back in the market securing supplies for July, when the refinery maintenance season will be over, crude demand was still generally soft in Asia. During June, there were announcements of run cuts and additional refinery maintenance in the region.

The normal **Brent-WTI** relationship was inverted for most of June, with WTI selling at a discount to Brent, not a premium. This inversion started in the second half of May. WTI supplies were particularly ample and Brent supplies were tight. In addition, it is rumoured that one or more trading plays had the effect of exaggerating the overhang of WTI and the limited availability of Brent. Early in July, WTI's premium to Brent re-established itself.



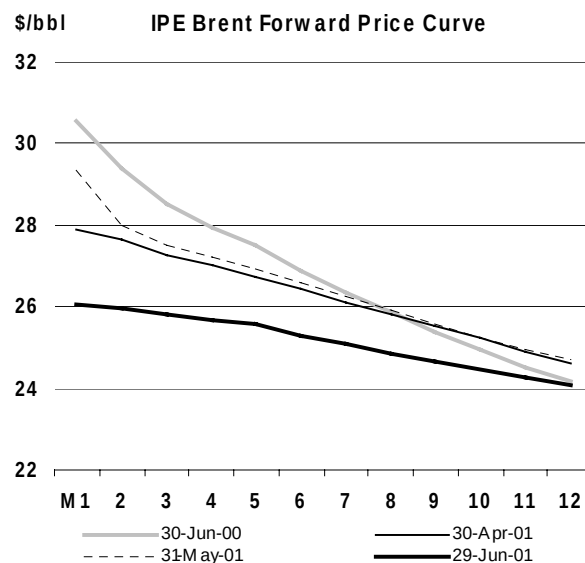
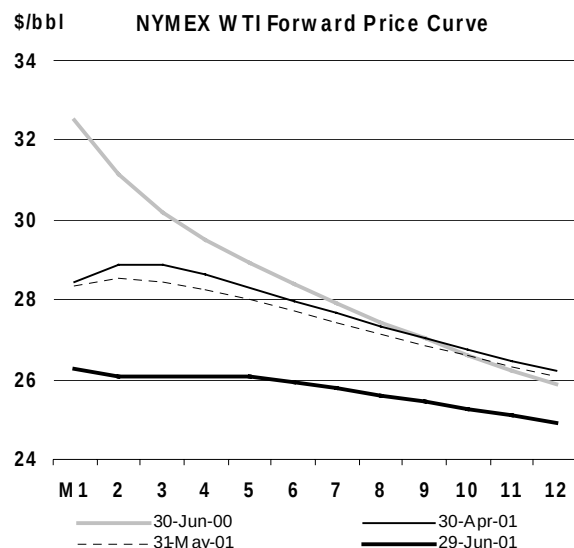
With US gasoline-crude spreads in June back down to \$3-6, from \$10-16 in May, transatlantic exports were no longer profitable, and US imports fell, triggering the 14 million barrel US crude inventory draw during the month.

The Iraqi disruption in June had the effect of a 2 mb/d OPEC production cut, adding to OPEC's two cuts earlier this year. This continued to tighten the market for medium and heavy sour Middle Eastern crudes. As a result, Dubai prices rose and the **Brent-Dubai spread** narrowed by 73 cents in June, to \$2.18. This allowed more West African crude to swing eastward into Asia. The **WTI-WTS** spread also narrowed, from \$3.88 in May to \$1.89 in June. This was another indication that medium and heavy sour crudes were starting to strengthen against light sweet grades, because of the OPEC production cuts.

Crude Futures

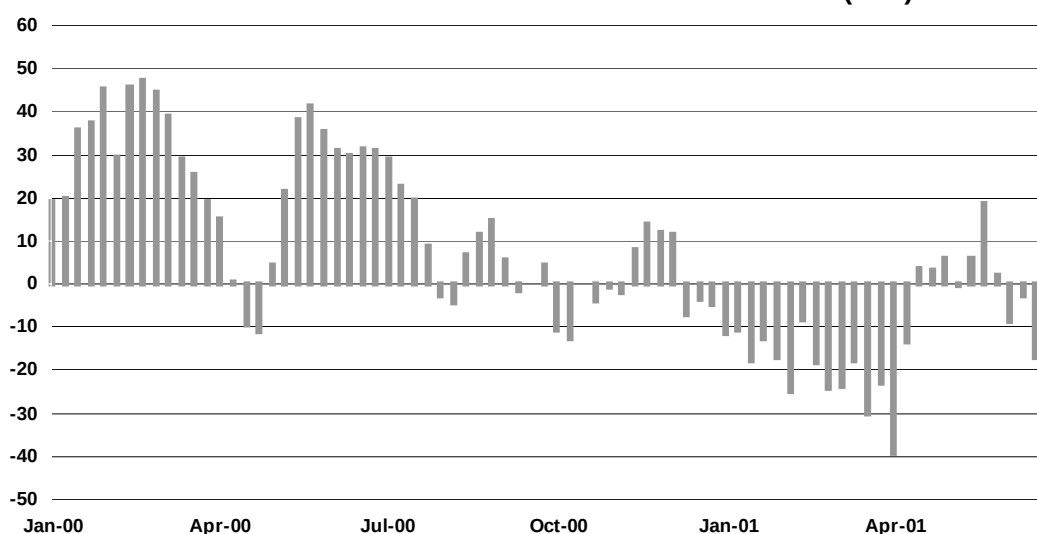
Over the course of June, **NYMEX WTI** futures prices fell by more than \$2. The forward price curve slipped from shallow contango (upward slope) into shallow backwardation (downward slope), indicative of a prompt physical market which, while still well-supplied, was gradually tightening.

Although there were signs that the physical markets were beginning to firm, the "non-commercial", or speculative, NYMEX WTI futures contracts became "shorter", or more bearish, as June unfolded. By 26 June, the non-commercials had taken one of the largest net short positions in recent years. The two bearish factors that the speculators counted on were slowing oil demand and the return of Iraqi crude exports.



IPE Brent futures prices also dropped, with the front months falling more than \$3. In contrast to WTI, the forward price curve moved from steep backwardation to much shallower backwardation. This reflected a prompt physical market that was loosening up. The end of the rumoured Brent trading play and cuts in European refinery runs were both factors.

Volume of Non-Commercial NYMEX WTI Contracts ('000)



Delivered Crude Prices

Crude import prices into IEA countries averaged \$24.10 in April, a decrease of 31 cents from the previous month. Compared to last year's November peak, the April figure was \$7, or 23%, lower. On a regional basis, **IEA Europe** prices rose, while **IEA North America** and **IEA Pacific** prices fell. Most European imports are short-haul crudes, from the Middle East, the FSU and North Africa; so April price gains reflect April crude prices, which were led upwards by a tight Atlantic Basin gasoline market.

Weighted-Average CIF Crude Import Cost by Area**
\$/ bbl

	Total IEA	IEA Europe	IEA North America	IEA Pacific
Nov 00	31.10	31.36	29.93	32.60
Dec 00	27.00	26.22	26.03	30.81
Jan 01	24.85	25.25	24.34	24.83
Feb 01	25.89	26.82	25.04	25.34
Mar 01	24.41	24.00	23.63	26.64
Apr 01*	24.10	24.58	22.74	25.84

* preliminary, based on partial submissions

** CIF = cost, insurance and freight

In contrast, Pacific imports are mainly long-haul crudes from the Middle East. North American imports are a mix of short-haul crudes from Canada, Mexico and Latin America, medium-haul crudes from the North Sea and West Africa and long-haul crudes from the Middle East. With longer shipping times to North America and the Pacific, April price declines reflect March crude prices, which were pushed down by a well-supplied prompt physical crude market in the midst of a heavy refinery maintenance season.

Product Prices

Spot Product Prices

Gasoline prices plummeted in June, continuing the trend that began after the first week of May. Monthly average prices for premium and super unleaded plunged around the world, by 24% in New York Harbour, 21% in Europe and 18% in Singapore. From the late April-early May peak to the late June trough, the collapse was even more dramatic, with prices down 42% in New York and 33% in Europe and Singapore. The springtime price run-up was driven by the tight US market, and the collapse was caused by unrelenting builds in US gasoline inventories, of both conventional and reformulated grades. The rise in gasoline inventories was caused by high US domestic output, high imports and sluggish US demand.

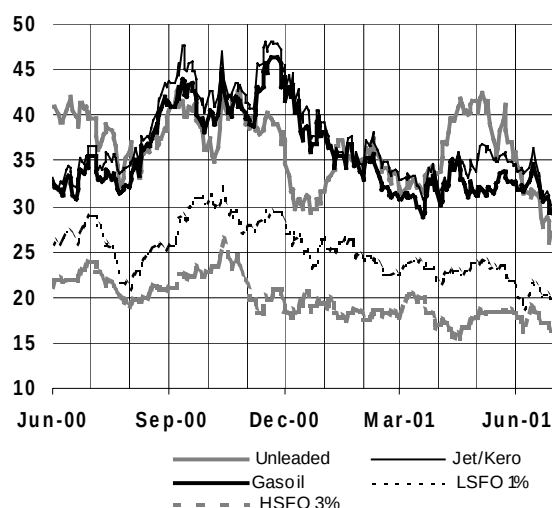
Spot Product Prices

(monthly and weekly averages, \$/bbl)

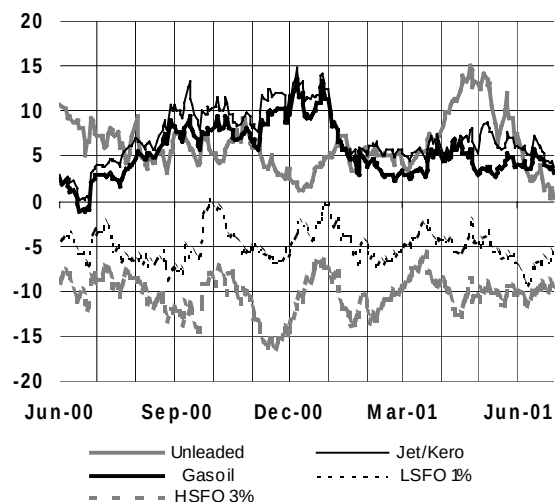
	Apr	May	Jun	Jun-May	% Chg	Week Beginning:					Apr	May	Jun
						28 May	04 Jun	11 Jun	18 Jun	25 Jun			
Rotterdam, Barges FOB						Differential to Brent							
Premium Unleaded (Cargo)	38.03	40.84	32.17	-8.67	-21.22	35.81	34.31	33.53	30.64	29.71	12.37	12.33	4.34
Regular Unleaded	36.59	39.25	30.60	-8.65	-22.04	34.24	32.68	31.87	28.99	28.37	10.93	10.74	2.77
Naphtha	27.15	29.80	26.96	-2.84	-9.55	29.19	29.32	28.17	26.12	23.81	1.49	1.29	-0.87
Jet/Kerosene	32.49	34.22	33.85	-0.36	-1.06	33.98	33.65	35.15	33.94	32.73	6.83	5.70	6.02
Gasoil	30.75	31.56	31.56	0.00	-0.01	31.35	31.31	32.93	31.69	30.39	5.09	3.05	3.73
Fuel Oil 1.0%S	21.17	21.08	19.95	-1.13	-5.36	20.77	20.23	19.93	19.94	19.60	-4.49	-7.44	-7.88
Fuel Oil 3.5%S	17.66	18.88	18.77	-0.11	-0.61	18.89	18.44	18.98	18.94	18.77	-8.00	-9.63	-9.06
Mediterranean – Basis Italy, Cargoes FOB						Differential to Urals							
Premium Leaded (0.15 g/l)	38.89	41.10	32.63	-8.47	-20.60	36.20	34.85	34.02	31.05	30.11	14.99	14.47	7.13
Premium Unleaded	38.18	40.38	31.91	-8.47	-20.97	35.48	34.13	33.31	30.34	29.39	14.27	13.75	6.41
Naphtha	25.46	28.14	25.89	-2.26	-8.02	27.73	27.99	27.08	25.27	22.88	1.55	1.52	0.38
Jet/Kerosene	28.81	30.56	30.19	-0.37	-1.21	30.25	29.78	31.46	30.35	29.25	4.90	3.93	4.68
Gasoil	27.96	28.54	30.24	1.70	5.96	28.52	28.88	31.40	31.01	30.03	4.05	1.91	4.74
Fuel Oil 1.0%S	20.27	19.92	18.50	-1.42	-7.15	19.24	18.33	18.28	18.53	18.77	-3.64	-6.70	-7.00
Fuel Oil 3.5%S	14.58	15.77	16.22	0.45	2.88	15.67	15.56	16.27	16.60	16.63	-9.33	-10.86	-9.28
NY Harbour, Barges						Differential to WTI							
Premium Unleaded 93	45.03	44.71	34.06	-10.66	-23.84	40.98	37.05	35.79	32.74	29.72	17.64	16.10	6.49
Regular Unleaded 87	39.37	38.81	30.33	-8.48	-21.85	35.21	32.27	31.44	29.41	27.38	11.97	10.20	2.77
Jet/Kerosene	33.81	35.58	33.01	-2.57	-7.21	34.40	33.86	35.10	32.32	30.60	6.42	6.96	5.45
No.2 Heating Oil	32.53	32.38	31.73	-0.65	-2.00	32.34	31.95	33.56	31.41	29.98	5.14	3.77	4.17
Fuel Oil 1.0%S (Cargo)	22.86	23.12	20.21	-2.91	-12.60	21.20	19.08	21.28	20.42	20.09	-4.54	-5.49	-7.36
Fuel Oil 3.0%S (Cargo)	16.75	18.36	17.48	-0.87	-4.75	18.13	17.18	18.53	17.44	16.73	-10.65	-10.26	-10.08
Singapore, Cargoes						Differential to Dubai							
Premium Unleaded 95	32.80	32.59	26.87	-5.73	-17.56	28.53	27.57	28.88	26.24	24.63	8.62	6.99	1.22
Naphtha	27.00	28.08	26.63	-1.45	-5.17	27.72	27.51	27.69	26.10	25.10	2.81	2.48	0.98
Jet/Kerosene	30.06	30.66	30.86	0.20	0.65	30.50	30.46	31.81	31.10	30.16	5.88	5.06	5.21
Gasoil	29.78	30.91	30.00	-0.91	-2.95	30.25	29.58	30.64	30.35	29.50	5.59	5.31	4.34
LSWR (0.3%S)	25.71	25.96	25.35	-0.61	-2.36	25.78	25.63	25.60	25.16	24.90	1.53	0.36	-0.31
HSFO (3.5%S 180cst)	21.89	23.33	21.46	-1.87	-8.02	22.64	22.47	21.83	20.85	20.48	-2.29	-2.27	-4.20
HSFO 4%S	21.62	23.06	21.07	-1.99	-8.63	22.35	22.14	21.44	20.43	20.05	-2.57	-2.54	-4.59

On the roads, the peak driving season has only just begun. But in the oil markets, it is pretty much over. The arrival of peak demand does mean that gasoline inventory drawdowns should be expected. This is normal for the third quarter. Nonetheless, stock levels are expected to remain more than adequate. The market is, as always, subject to unforeseen refinery problems. Aside from such difficulties, it is difficult to see how a high and sustained gasoline price surge could develop again this summer.

\$/bbl New York Harbour Spot Product Prices



\$/bbl New York Harbour Spreads to WTI

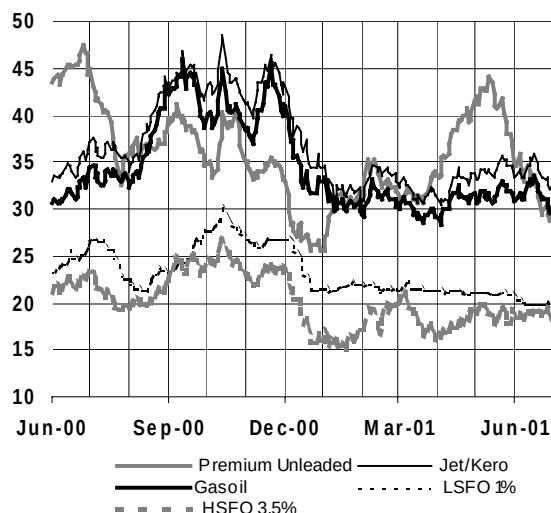


In middle distillates, **gasoil** and **heating oil** prices held up much better than those for gasoline. Prices firmed in the Mediterranean, were flat in Rotterdam, and fell by less than one percent in New York and Singapore. With Atlantic Basin refiners focused on maximising gasoline output since returning from spring maintenance, gasoil inventories, while significantly higher than a year ago, are not quite as ample as gasoline. Moreover, recent run cuts and refinery maintenance in the US, Europe and Asia, have restrained output of gasoil and this has supported prices. Demand has been robust in France and Germany, but this is expected to draw Russian gasoil into Europe, particularly as there are no Russian export limits this summer.

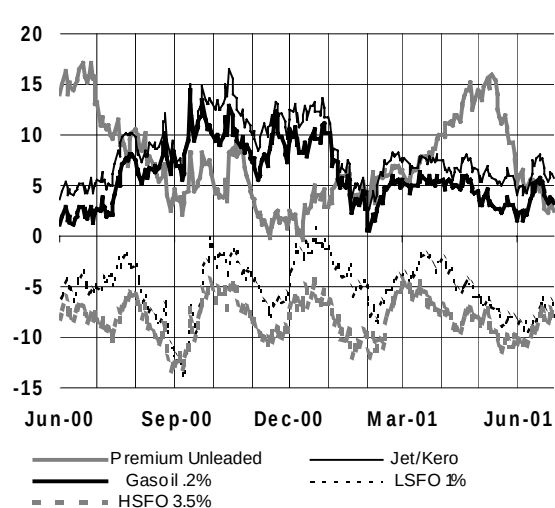
As the focus shifts to the winter, there has been talk in recent weeks - as yet unsupported by any statistics - that refiners may already be easing gasoline production, in favour of higher gasoil yields. This may indeed be starting to happen, or about to happen, because of two factors. First, gasoil prices exceed gasoline prices in all the main refining centres, which is unusual for this time of year. Second, the fact that heating oil and gasoil futures, on both the NYMEX in New York and IPE in London, are in contango, gives refiners an economic incentive to build inventory. Assuming that these incentives continue and that gasoil yields do indeed creep up, inventory building in the coming months will be determined by the level of refinery runs versus current demand.

Jet/kerosene prices fell in New York Harbour, but held steady in Europe and Asia. The US decline was due to falling jet demand related to the economic slowdown. Anecdotal reports depict an economic climate that is hurting both private and business jet travel and cargo traffic as well. Some North American airlines have cut the cost of business-class tickets by up to 50% to lure back business travellers.

\$/bbl Rotterdam Spot Product Prices

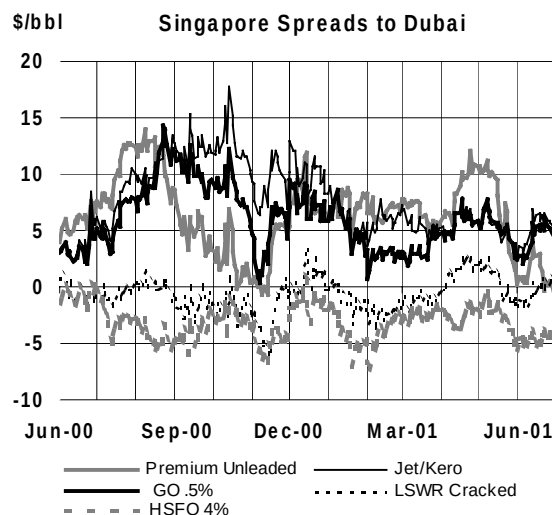
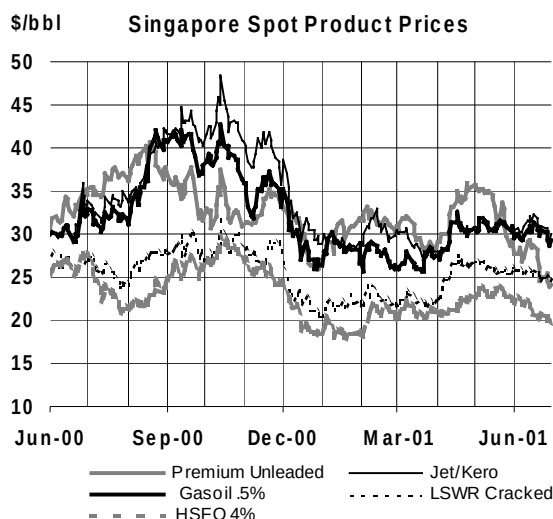


\$/bbl Rotterdam Spreads to Dated Brent



Low sulphur fuel oil prices fell by almost 13% in New York Harbour. Continued declines in natural gas prices caused electric utilities to switch from oil back to gas, eroding this key source of incremental demand and price support. Prices fell more modestly in Europe, by 5% to 7%, because supplies of the product were tighter there. In Singapore, refinery run cuts limited the price drop to 2%.

In contrast to May, when strong Asian demand for **high sulphur fuel oil** supported prices around the world, the Asian market was oversupplied in June, and prices there fell by 8% to 9%. In New York Harbour, prices also retreated, as high refinery runs resulted in excess HSFO availability. With margins low in Europe, refiners ran HSFO as a feedstock instead of crude. Thus, demand was healthy, and prices were flat in Rotterdam and up slightly in the Mediterranean.



End-User Product Prices

End-user **gasoline** prices generally fell in June, with the steepest declines in North America. The only exceptions were Spain and the UK, where mid-month prices were slightly higher than in May. With changes at the retail level lagging behind wholesale changes, the June decreases reflect the downward movement in spot gasoline prices that began in the middle of May, not the full month of falling spot prices in June.

Further declines in end-user gasoline prices are expected. In the US, weekly surveys have shown falling retail gasoline prices. In the UK, late in June, gasoline retailers Safeway, BP and Texaco all announced price cuts. The time lag for wholesale price movements to reach the retail level means that when wholesale prices fall quickly, retail profit margins increase. But the opposite is also true: when wholesale prices rise quickly, retail profit margins are often squeezed.

Automotive diesel prices fell in North America, were flat in Japan and rose slightly in Europe. The only exception was Germany, where the latest preliminary statistics, for May, indicate that diesel demand was weak. These statistics also suggest that **domestic heating oil** demand in Europe was relatively strong, perhaps accounting for the price gains that occurred everywhere except the UK. Buying by German consumers stocking up for next winter may have been a factor. Heating oil prices eased in the US and Japan. Changes for **industrial heavy fuel oil** were mixed.

Mid-Month End-User Product Price Changes

June 2001 versus May 2001

Local Currency Including Taxes (%)

	Gasoline ¹	Automotive Diesel ³	Domestic Heating Oil	HFO for Industry ⁵
US	-6.6	-0.3	-1.7	na
Canada	-9.3	-0.7	na	na
France	-1.8	0.7	2.5	-0.6
Germany	-3.6	-1.3	2.4	2.0
Italy	-0.2	0.5	1.3	-2.6
Spain	0.7	0.8	4.7	5.5
UK	0.6	0.4	-0.7	3.8
Japan	-1.0	0.0	-0.2	0.0

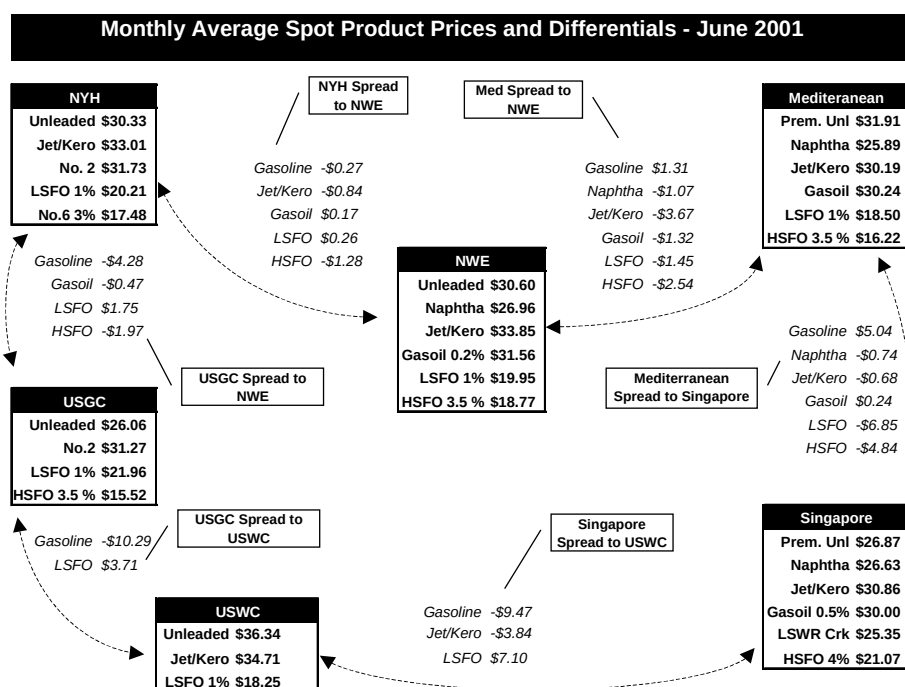
1 premium leaded gasoline for France, Italy, Spain, the UK; regular unleaded gasoline for Canada, Germany, Japan and the US

2 previous month's data

3 VAT excluded where it is refundable: Heavy Fuel Oil for Industry, Automotive Diesel for Industry

4 kerosene

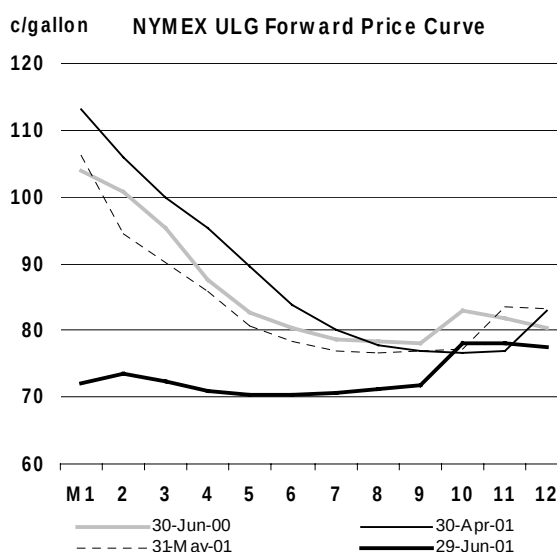
5 high sulphur fuel oil price for France, Spain, the UK and Japan; low sulphur fuel oil price for Germany and Italy - details are shown in Table 9 at the back of the Report



Product Futures

The collapse in **NYMEX gasoline** futures, in line with spot prices, is starkly illustrated in the graph. In the space of a month, the front-month contract fell from \$1.06/gallon to just over 70 cents. This 33% decline followed spot prices over the same period. Backwardation vanished, and the curve was almost flat, with a slight amount of contango between the first and second months.

As far as the futures markets are concerned, the summer of 2001 is over. The graph of positions held by "non-commercial" participants on the NYMEX shows clearly that the speculators became steadily less bullish as the month went on. By the end of June, the small volume of remaining positions was actually net short, or pessimistic on the price direction. From now on, the focus will be on the next seasonal product, heating oil.

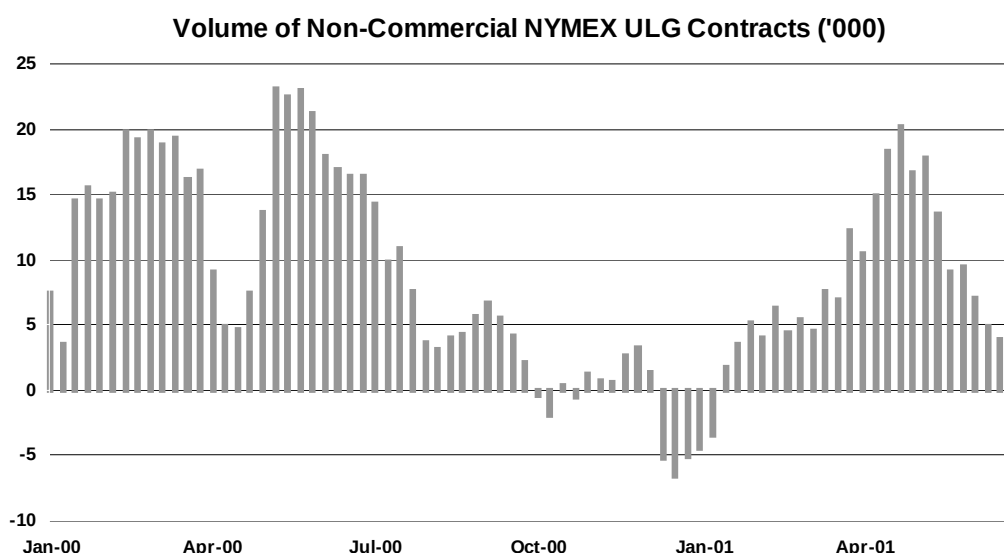


Refining Margins

As gasoline prices collapsed in June, the gasoline-to-crude spreads did the same. In the three main Atlantic Basin refining centres, premium/super unleaded spreads fell from the \$12 to \$16 range in May to between \$4 and \$7 in June. In Singapore, it fell from \$7 to \$1. Although European and Asian middle distillate prices held their own, overall product prices fell, as summarised in the table below by "Gross Product Worth". More important for the profitability of the refining sector, product prices fell more steeply than crude prices. As a result, refining margins fell across the board in June.

US Gulf Coast refining margins held up best in May, but they fell the fastest and the farthest in June. With Dubai crude prices going against the trend and actually increasing slightly in June, **Singapore** margins also dropped. Margins declined in **Northwest Europe** and the **Mediterranean** as well, but not as sharply as in the other refining centres.

In the middle of June, there seemed to be a respite, particularly in Europe, where refiners had begun discretionary run cuts at the end of May. The upward blip in margins was caused by steep mid-month declines in crude prices and by the emergence of some strength in middle distillates. However, the pace of the crude price declines moderated again, and the middle distillate strength proved temporary.



By the end of the month, the situation was bleak in all four of the main refining centres, with margins firmly negative. The only exceptions were Mediterranean cracking plants running Urals. At this point, refinery runs reportedly have been cut to varying degrees in all of the main refining centres, in an attempt to restore margins.

Refining Margins in Major Refining Centres

(\$/bbl)

	Monthly Averages				End of Week:					
	Apr 01	May 01	Jun 01	Change	25 May	01 Jun	08 Jun	15 Jun	22 Jun	29 Jun
Refining Margins										
NW Europe										
Brent (Hydroskimming)	-0.58	0.01	-1.59	-1.60	1.02	-0.51	-0.23	-0.85	-2.78	-2.15
Brent (Cracking)	1.11	2.52	1.26	-1.27	3.79	2.26	2.80	2.32	0.12	0.42
Mediterranean										
Urals (Hydroskimming)	0.53	-1.19	-1.10	0.09	-1.50	-2.39	-2.71	-0.28	-0.59	-1.28
Urals (Cracking)	3.33	1.86	1.12	-0.74	1.29	0.06	-0.17	2.07	1.31	0.57
US Gulf Coast										
Brent (Cracking)	7.53	5.52	1.24	-4.28	5.21	3.56	1.25	1.53	0.25	-0.48
WTI (Cracking)	6.33	2.91	1.15	-1.75	1.80	0.49	-1.57	0.27	-1.85	-2.46
Singapore										
Dubai (Hydroskimming)	0.97	0.57	-1.30	-1.88	-0.86	-2.04	-2.37	-1.00	-0.36	-1.77
Dubai (Cracking)	3.49	2.87	0.43	-2.44	1.05	-0.44	-0.76	1.20	1.25	-0.18
Gross Product Worth										
NW Europe										
Brent (Hydroskimming)	27.20	28.26	26.14	-2.12	27.81	26.67	26.37	27.16	25.64	24.70
Brent (Cracking)	29.81	31.21	28.19	-3.01	30.47	29.02	28.80	29.29	27.33	26.33
Mediterranean										
Urals (Hydroskimming)	24.64	25.62	24.60	-1.03	25.26	24.41	24.46	25.65	24.43	23.70
Urals (Cracking)	27.54	28.78	26.92	-1.86	28.15	26.96	27.10	28.10	26.43	25.65
US Gulf Coast										
Brent (Cracking)	36.03	35.23	29.90	-5.33	34.14	32.57	30.71	31.04	28.05	27.16
WTI (Cracking)	35.54	34.78	29.64	-5.14	33.72	32.20	30.34	30.74	27.91	26.97
Singapore										
Dubai (Hydroskimming)	25.63	26.66	24.84	-1.82	26.16	25.31	25.18	25.41	24.54	23.50
Dubai (Cracking)	28.25	29.06	26.67	-2.39	28.18	27.01	26.88	27.71	26.24	25.19

For the purposes of this Report, refining margins are calculated on the basis of an 'average' refinery that is running a 'typical' crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

The reduced refinery demand for crude is an important element in the current dynamics of the crude markets. It exerts a downward price pressure that may offset some of the upward pressure caused by the loss of Iraqi exports - a loss which is only now beginning to be felt in the US. Similarly, in the product markets, a decrease in output by refiners will put upward pressure on product prices, which

may offset some of the downward pressure caused by weakening demand. Refining margins and crude runs will remain in the spotlight in the coming weeks.

OECD Refinery Throughput

Preliminary monthly data indicate that total OECD refinery throughput in May averaged 38.39 mb/d, a decrease of 870 kb/d from April. The decline was almost entirely accounted for by the **Pacific** region, where runs fell by 960 kb/d. Refinery maintenance was heavy in both Japan and Korea during May, with throughputs declining by 600 kb/d and 350 kb/d, respectively. Refinery runs in **North America** and **Europe** increased modestly, gaining a combined 90 kb/d.

Refinery Crude Throughput and Utilisation in OECD Countries

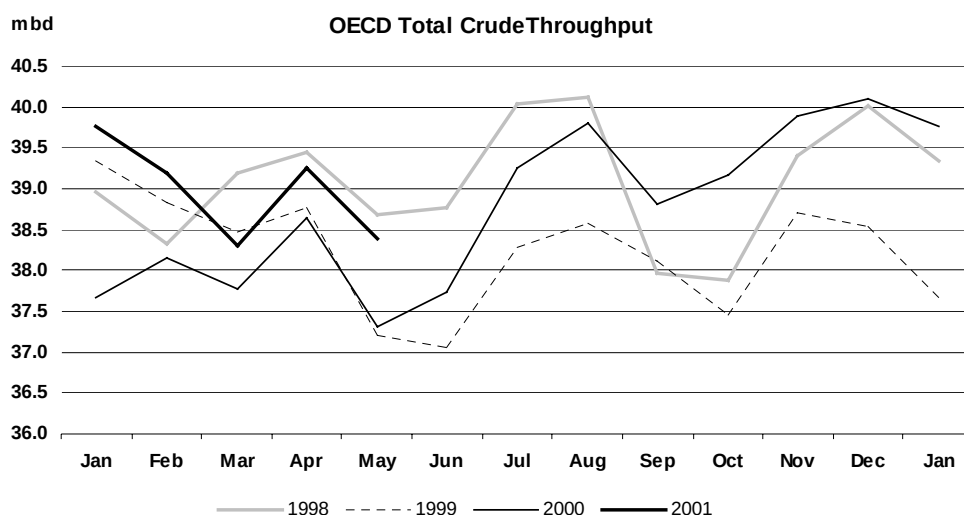
	million barrels per day						Change from May 00		Utilisation rate ²	
	Dec 00	Jan 01	Feb 01	Mar 01	Apr 01	May 01 ¹	mb/d	%	May 01	May 00
OECD North America										
US ³	15.24	14.80	14.81	14.64	15.54	15.70	0.192	1.2	94.6	94.0
Canada	1.71	1.85	1.85	1.88	1.74	1.70	0.105	6.6	92.0	86.3
Mexico	1.16	1.12	1.16	1.18	1.16	1.11	0.025	2.3	71.3	73.6
Total	18.12	17.77	17.82	17.70	18.44	18.51	0.323	1.8	92.6	91.4
OECD Europe										
France	1.78	1.90	1.81	1.57	1.73	1.81	0.271	17.7	103.9	88.2
Germany	2.21	2.28	2.19	2.06	2.20	2.23	0.169	8.2	98.7	91.2
Italy	1.83	1.86	1.68	1.76	1.89	1.70	0.012	0.7	83.7	83.1
Netherlands	1.14	1.19	1.14	1.10	1.18	1.14	0.194	20.5	93.9	77.9
Spain	1.26	1.16	1.10	1.06	1.14	1.12	-0.001	-0.1	87.7	87.8
UK	1.73	1.68	1.55	1.54	1.40	1.42	-0.199	-12.3	81.4	92.9
Other OECD Europe	4.06	3.84	3.81	3.70	3.70	3.86	0.270	7.5	88.5	82.3
Total	14.02	13.92	13.29	12.79	13.24	13.27	0.717	5.7	90.8	85.9
OECD Pacific										
Japan	4.50	4.56	4.69	4.46	4.23	3.63	0.029	0.8	71.1	68.2
Korea	2.60	2.64	2.58	2.54	2.55	2.20	0.018	0.8	89.0	88.3
Other OECD Pacific	0.86	0.86	0.81	0.82	0.80	0.80	-0.010	-1.2	96.4	97.7
Total	7.96	8.06	8.09	7.82	7.58	6.62	0.036	0.6	78.8	76.8
OECD Total	40.10	39.76	39.19	38.31	39.26	38.39	1.076	2.9	89.3	86.6

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$0

OECD refinery throughput in June was probably lower than in May. In the **US**, preliminary weekly statistics indicate that US runs in June were about the same as in May. Poor margins may have already had an impact in the US. The steady monthly averages mask a 600 kb/d fall in throughputs between the first and third weeks of the month. There was a 350 kb/d rebound in the fourth week. In **Japan**, where maintenance was planned to continue through June, preliminary figures point to a 150 kb/d decrease in throughputs. In **Europe**, no preliminary estimates are available at this writing, but run cuts were widely reported to have continued in June. As a result, European runs were probably flat or lower than in May. Looking ahead, both OECD and non-OECD refiners can be expected to be attentive to market signals regarding throughputs, and to cut runs if margins are poor.



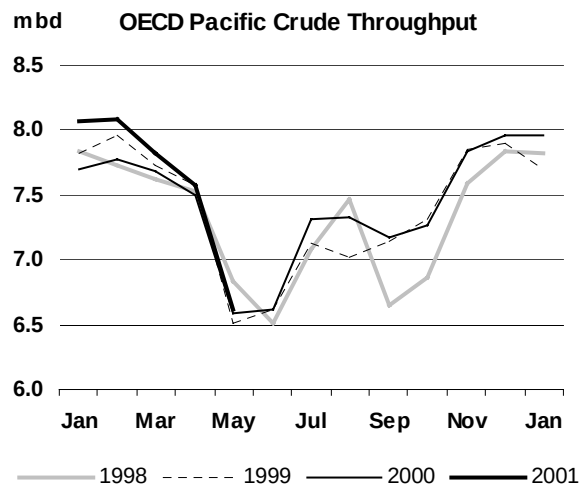
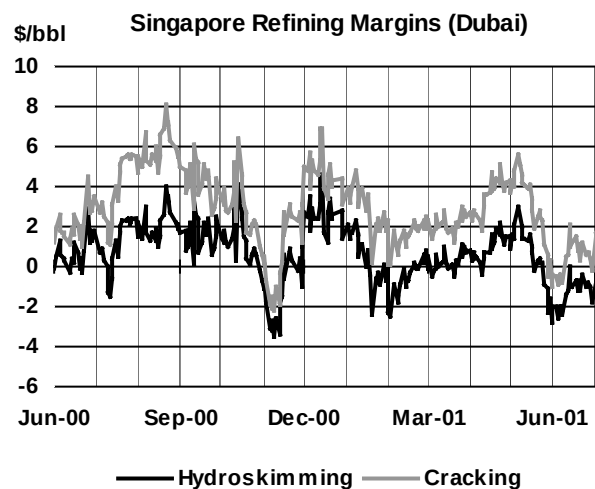
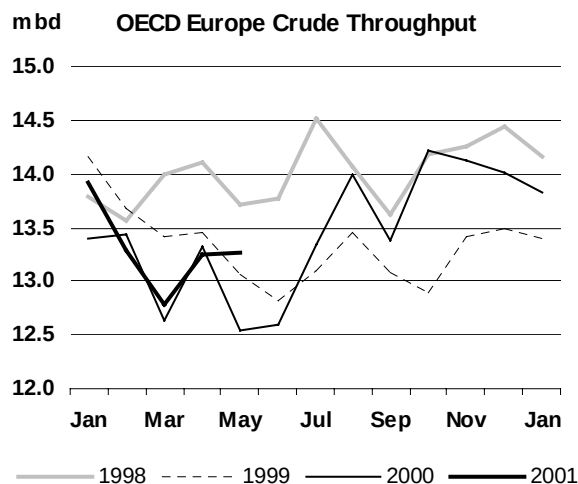
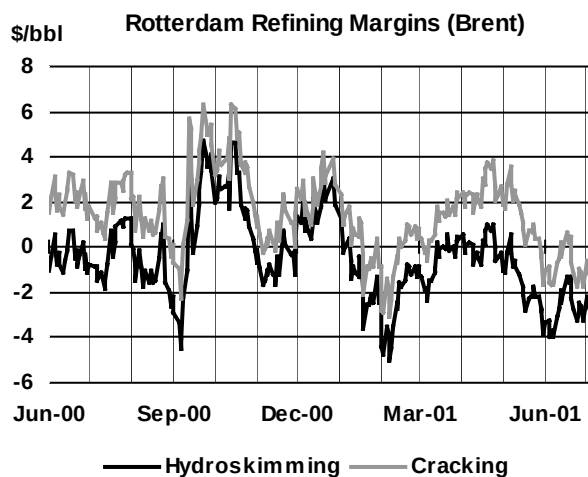
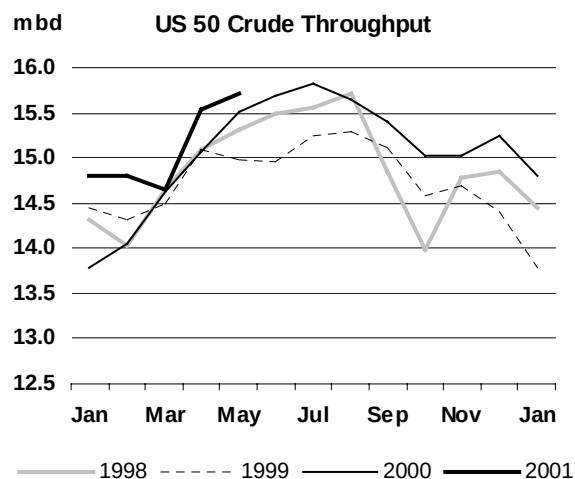
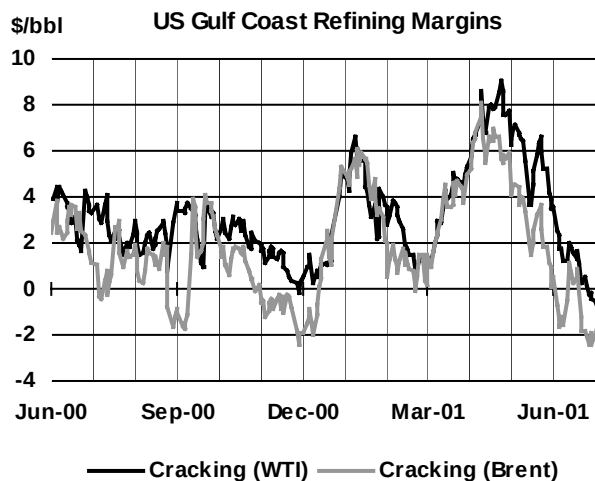


Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	23.1	23.8	23.7	23.8	24.5	24.4	24.1	24.2	23.7	24.4	24.5	24.2	24.3	23.8	24.7	24.9	24.4
Europe	15.3	15.2	15.2	14.6	15.2	15.4	15.1	15.1	14.6	15.0	15.4	15.0	15.1	14.7	15.2	15.6	15.1
Pacific	8.4	8.7	9.4	8.1	8.3	8.8	8.7	9.4	8.0	8.2	8.9	8.6	9.4	8.0	8.3	9.0	8.7
Total OECD	46.8	47.7	48.2	46.6	48.0	48.6	47.8	48.7	46.2	47.6	48.8	47.8	48.8	46.5	48.2	49.4	48.2
NON-OECD DEMAND																	
FSU	3.7	3.5	3.5	3.4	3.4	3.6	3.5	3.6	3.4	3.4	3.6	3.5	3.7	3.5	3.4	3.6	3.5
Europe	0.8	0.7	0.8	0.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	4.2	4.5	4.7	4.5	5.1	4.8	4.8	4.7	5.0	5.1	5.2	5.0	4.9	5.0	5.2	5.3	5.1
Other Asia	6.7	7.1	7.1	7.3	7.2	7.1	7.2	7.2	7.3	7.2	7.1	7.2	7.2	7.3	7.2	7.2	7.2
Latin America	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.7	4.9	5.0	4.9	4.9
Middle East	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5	4.5	4.7	4.8	4.6	4.7
Africa	2.3	2.3	2.4	2.3	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Total Non-OECD	26.7	27.2	27.4	27.5	28.1	27.8	27.7	27.8	28.3	28.3	28.3	28.2	28.3	28.5	28.7	28.8	28.6
Total Demand¹	73.5	74.9	75.6	74.1	76.1	76.5	75.6	76.5	74.5	75.9	77.1	76.0	77.0	75.0	76.9	78.2	76.8
OECD SUPPLY																	
North America	14.5	14.0	14.3	14.4	14.3	14.1	14.3	14.3	14.3	14.3	14.6	14.4	14.8	14.7	14.7	14.8	14.8
Europe	6.7	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.5	6.9	6.7	6.9	6.6	6.5	6.6	6.6
Pacific	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7
Total OECD	21.9	21.4	22.3	21.8	21.7	21.8	21.9	21.8	21.6	21.7	22.2	21.8	22.4	22.1	21.9	22.1	22.1
NON-OECD SUPPLY																	
FSU	7.3	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.4	8.5	8.5	8.4	8.6	8.7	8.9	9.1	8.8
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.2	3.3	3.2	3.3	3.3	3.3	3.3
Other Asia	2.2	2.2	2.2	2.3	2.3	2.4	2.3	2.3	2.3	2.3	2.4	2.3	2.3	2.3	2.3	2.3	2.3
Latin America	3.6	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Middle East	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	2.0
Africa	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	21.2	21.6	21.8	22.0	22.3	22.7	22.2	22.7	22.7	22.9	22.9	22.8	23.0	23.1	23.3	23.5	23.2
Processing Gains ²	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Non-OPEC	44.7	44.7	45.9	45.5	45.7	46.3	45.8	46.4	46.1	46.3	46.9	46.4	47.3	46.9	47.0	47.4	47.2
OPEC																	
Crude	28.0	26.6	26.5	27.8	28.4	29.0	27.9	28.4	26.9								
NGLs	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0	2.9	3.1	3.1	3.1	3.1	3.1
Total OPEC	30.8	29.4	29.3	30.7	31.3	31.9	30.8	31.3	29.9								
Total Supply³	75.5	74.1	75.2	76.2	77.0	78.2	76.6	77.7	76.0								
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.2	-0.7	-0.3	0.9	0.4	-0.2	0.2	-0.1									
Government	0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0									
Total	0.3	-0.8	-0.3	0.9	0.5	-0.5	0.1	-0.1									
Floating Storage/Oil in Transit	0.1	-0.1	0.0	0.1	0.0	0.4	0.1	0.1									
Miscellaneous to balance ⁴	1.6	0.0	-0.1	1.1	0.5	1.8	0.8	1.1									
Total Stock Ch. & Misc	2.0	-0.8	-0.4	2.1	0.9	1.7	1.1	1.2	1.5								
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	26.0	27.4	26.9	25.7	27.5	27.3	26.8	27.2	25.5	26.7	27.2	26.6	26.7	25.0	26.8	27.7	26.5
Total Demand ex. FSU	69.8	71.4	72.1	70.7	72.6	72.8	72.1	72.9	71.1	72.5	73.6	72.5	73.3	71.5	73.5	74.6	73.3
Total demand exc. FSU (% ch) ⁶	0.6	2.3	-0.2	1.4	2.8	-0.1	1.0	1.0	0.5	-0.2	1.1	0.6	0.7	0.7	1.4	1.4	1.0

¹ measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel and includes crude for direct burning,

oil from non-conventional sources and other sources of supply

² net of volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ includes changes in non-reported stocks in OECD and non-OECD areas

⁵ equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	-	-	-	-	-	-	-	-0.1	-0.3	-0.2	-0.2	-0.2					
Europe	-	-	-	-	-	-	-	-	-0.1	-0.2	-0.3	-0.2					
Pacific	-	-	-	-	-	-	-	-	0.1	-0.1	-0.1	-0.1					
Total OECD	-	-	-	-	-	-	-	-0.1	-0.4	-0.5	-0.5	-0.4					
NON-OECD DEMAND																	
FSU	-	-	-	-	-0.1	-0.1	-	-	-0.1	-	-	-					
Europe	-	-	-	-	-	-	-	-	-	-	-	-					
China	-	-	-	-	-	-	-	-	-	0.1	-0.1	-					
Other Asia	-	-	-	-	-	-	-	-	-	-0.1	-0.2	-0.1					
Latin America	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1					
Middle East	-	-	-	-	-	-	-	-	-	-	-	-					
Africa	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-					
Total Non-OECD	-	-	-0.1	-	-	-	-	-0.1	-	-0.2	-0.4	-0.1					
Total Demand	-	-	-	-	-	-	-	-0.2	-0.3	-0.7	-1.0	-0.5					
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	0.1	-	-0.1	-	-					
Europe	-	-	-	-	-	-	-	-	0.1	0.1	0.2	0.1					
Pacific	-	-	-	-	-	-	-	-	-	-	-	-					
Total OECD	-	-	-	-	-	-	-	-	0.2	0.2	0.1	0.1					
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-					
Europe	-	-	-	-	-	-	-	-	-	-	-	-					
China	-	-	-	-	-	-	-	-	-	-	-0.1	-					
Other Asia	-	-	-	-	-	0.1	-	-	-	-	0.1	-					
Latin America	-	-	-	-	-	-	-	-	-0.1	-	-	-					
Middle East	-	-	-	-	-	-	-	-	-	-	-	-					
Africa	-0.1	-	-0.1	-0.1	-	-0.1	-0.1	-0.1	-0.1	-	-0.1	-					
Total Non-OECD	-	-	-0.1	-	-0.1	-0.1	-	-0.1	-0.2	-0.2	-0.3	-0.2					
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-					
Total Non-OPEC	-	-	-	-	-0.1	-	-0.1	0.1	-	-0.1	-0.2	-0.1					
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1					
NGLs	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1					
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-					
Total Supply	-	-	-	-	-0.1	-	-0.1	0.1									
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	-									
Government	-	-	-	-	-	-	-	-									
Total	-	-	-	-	-	-	-	-									
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	0.1									
Miscellaneous to balance	-0.1	-	-	-0.1	-	-0.4	-0.2	0.1									
Total Stock Ch. & Misc	-	-0.1	-	-	-0.1	-	-	0.3									
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	0.1	0.1	-	-	-0.3	-0.3	-0.5	-0.7	-0.5					
Total Demand ex. FSU	-	-	-	-	-0.1	-	-	-0.2	-0.3	-0.7	-0.9	-0.5					

When submitting their monthly oil statistics, OECD Member countries periodically update data for prior periods. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	Fourth Quarter			January			February			March			First Quarter		
	1999	2000	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
North America															
LPG	3.10	3.12	0.7	3.54	2.94	-17.1	3.42	2.78	-18.7	3.05	2.85	-6.7	3.34	2.86	-14.4
Naphtha	0.37	0.43	17.6	0.37	0.43	14.0	0.37	0.37	-0.3	0.52	0.34	-34.5	0.42	0.38	-10.3
Motor Gasoline	9.81	9.77	-0.4	8.82	9.29	5.4	9.53	9.46	-0.7	9.55	9.75	2.1	9.29	9.50	2.3
Jet/Kerosene	2.00	2.07	3.3	1.95	2.07	5.9	1.98	2.04	3.2	1.95	2.04	4.7	1.96	2.05	4.6
Gasoil	4.64	4.84	4.3	4.68	5.21	11.3	4.73	5.15	8.7	4.60	5.05	9.7	4.67	5.14	9.9
Residual Fuel Oil	1.53	1.86	22.0	1.55	1.95	25.7	1.59	1.76	10.8	1.50	1.78	19.0	1.55	1.83	18.7
Other Products	2.66	2.34	-12.1	2.28	2.34	2.5	2.48	2.40	-3.2	2.52	2.49	-1.1	2.42	2.41	-0.7
Total	24.11	24.43	1.4	23.20	24.22	4.4	24.11	23.97	-0.6	23.68	24.30	2.6	23.65	24.17	2.2
Europe															
LPG	1.03	0.95	-8.1	1.09	1.02	-6.5	1.08	1.05	-2.9	1.05	1.00	-4.5	1.08	1.03	-4.7
Naphtha	1.21	1.24	2.0	1.20	1.28	7.1	1.30	1.20	-7.4	1.25	1.17	-6.9	1.25	1.22	-2.5
Motor Gasoline	3.11	2.99	-4.1	2.69	2.69	0.0	2.99	2.82	-5.4	3.07	2.88	-6.1	2.91	2.80	-4.0
Jet/Kerosene	1.08	1.09	0.5	1.02	1.07	4.8	1.06	1.11	4.8	1.09	1.12	3.1	1.06	1.10	4.2
Gasoil	5.97	5.84	-2.1	5.41	5.98	10.5	5.89	5.82	-1.1	5.66	5.77	1.9	5.65	5.86	3.7
Residual Fuel Oil	2.06	1.93	-6.7	2.10	2.00	-4.5	2.13	2.03	-4.8	2.05	1.90	-7.1	2.09	1.98	-5.5
Other Products	1.28	1.37	7.5	1.06	1.10	3.9	1.13	1.11	-1.8	1.22	1.14	-7.2	1.14	1.12	-2.0
Total	15.74	15.39	-2.2	14.57	15.14	4.0	15.57	15.15	-2.7	15.39	14.98	-2.7	15.17	15.09	-0.5
Pacific															
LPG	0.94	0.96	1.9	0.93	1.03	11.6	1.04	1.09	4.5	1.08	1.00	-7.6	1.02	1.04	2.3
Naphtha	1.47	1.44	-1.8	1.41	1.53	8.6	1.45	1.56	7.3	1.51	1.48	-1.8	1.46	1.52	4.5
Motor Gasoline	1.54	1.52	-1.1	1.35	1.45	7.5	1.51	1.47	-2.8	1.52	1.53	0.8	1.46	1.48	1.8
Jet/Kerosene	1.30	1.22	-5.8	1.52	1.80	18.9	1.76	1.69	-3.9	1.39	1.32	-5.3	1.55	1.60	3.2
Gasoil	2.00	1.92	-4.1	1.77	1.84	3.7	2.11	2.06	-2.6	2.12	2.04	-3.8	2.00	1.97	-1.2
Residual Fuel Oil	1.26	1.17	-7.4	1.19	1.25	4.5	1.28	1.29	1.0	1.24	1.18	-4.9	1.24	1.24	0.1
Other Products	0.65	0.58	-10.2	0.55	0.57	2.8	0.65	0.55	-15.6	0.69	0.61	-12.0	0.63	0.58	-8.7
Total	9.15	8.81	-3.7	8.72	9.47	8.6	9.81	9.71	-1.0	9.56	9.16	-4.1	9.35	9.44	0.9
OECD															
LPG	5.07	5.02	-0.9	5.56	4.99	-10.2	5.55	4.93	-11.2	5.19	4.85	-6.5	5.43	4.92	-9.3
Naphtha	3.05	3.11	2.1	2.98	3.24	8.7	3.13	3.14	0.3	3.28	2.99	-8.9	3.13	3.12	-0.3
Motor Gasoline	14.46	14.28	-1.3	12.86	13.44	4.5	14.02	13.76	-1.9	14.14	14.16	0.2	13.67	13.79	0.9
Jet/Kerosene	4.38	4.38	-0.1	4.48	4.94	10.1	4.80	4.85	0.9	4.43	4.48	1.1	4.57	4.75	4.0
Gasoil	12.62	12.60	-0.1	11.86	13.03	9.8	12.73	13.02	2.3	12.38	12.85	3.8	12.32	12.97	5.3
Residual Fuel Oil	4.85	4.95	2.2	4.85	5.20	7.4	5.00	5.08	1.7	4.79	4.87	1.7	4.87	5.05	3.6
Other Products	4.58	4.29	-6.4	3.89	4.00	2.9	4.26	4.06	-4.7	4.43	4.23	-4.5	4.19	4.10	-2.2
Total	49.01	48.64	-0.7	46.49	48.84	5.1	49.49	48.83	-1.3	48.63	48.44	-0.4	48.17	48.70	1.1

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	January			February			March			First Quarter			April		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
LPG	2.75	2.19	-20.4	2.56	2.06	-19.7	2.23	2.15	-3.6	2.51	2.13	-15.1	2.12	2.05	-3.2
Naphtha	0.27	0.34	27.7	0.29	0.29	0.7	0.42	0.26	-37.3	0.32	0.30	-8.3	0.23	0.26	11.3
Motor Gasoline	7.65	8.06	5.4	8.29	8.20	-1.0	8.31	8.48	2.1	8.08	8.25	2.1	8.38	8.55	2.0
Jet/Kerosene	1.75	1.86	6.3	1.77	1.83	3.2	1.74	1.83	5.2	1.75	1.84	4.9	1.73	1.71	-1.2
Gasoil	3.82	4.28	12.1	3.79	4.21	11.2	3.69	4.12	11.6	3.77	4.20	11.7	3.46	3.81	10.3
Residual Fuel Oil	0.83	1.15	38.8	0.85	0.95	11.2	0.69	0.93	36.2	0.79	1.01	28.6	0.78	1.01	28.4
Other Products	1.92	2.02	5.0	2.09	2.06	-1.1	2.14	2.11	-1.3	2.05	2.06	0.8	2.13	2.21	4.0
Total	18.99	19.90	4.8	19.63	19.60	-0.2	19.21	19.89	3.5	19.27	19.80	2.8	18.82	19.59	4.1
Japan³															
LPG	0.58	0.68	17.2	0.69	0.74	7.4	0.75	0.66	-12.5	0.67	0.69	2.6	0.60	0.58	-4.0
Naphtha	0.77	0.85	10.3	0.80	0.88	9.7	0.85	0.83	-3.0	0.81	0.85	5.3	0.85	0.81	-3.8
Motor Gasoline	0.85	0.89	4.1	0.97	0.98	1.2	0.97	0.99	1.4	0.93	0.95	2.1	0.94	0.97	3.1
Jet/Kerosene	0.96	1.21	26.8	1.21	1.23	1.2	0.97	0.93	-4.6	1.04	1.12	7.3	0.60	0.57	-6.0
Diesel	0.59	0.59	-0.1	0.72	0.70	-2.5	0.75	0.72	-3.6	0.68	0.67	-2.3	0.68	0.67	-1.8
Other Gasoil	0.57	0.64	12.4	0.73	0.72	-0.1	0.69	0.64	-7.7	0.66	0.67	0.8	0.53	0.51	-2.7
Residual Fuel Oil	0.64	0.70	9.8	0.71	0.70	-1.2	0.67	0.62	-7.8	0.67	0.67	0.1	0.62	0.58	-6.9
Direct use of Crude Oil	0.15	0.13	-16.7	0.19	0.10	-46.6	0.19	0.08	-57.5	0.18	0.10	-42.1	0.07	0.07	7.4
Other Products	0.33	0.38	14.3	0.37	0.35	-4.4	0.39	0.42	7.8	0.36	0.39	5.9	0.34	0.36	8.3
Total	5.43	6.06	11.5	6.38	6.40	0.3	6.24	5.88	-5.8	6.01	6.10	1.5	5.23	5.13	-1.9
Germany															
LPG	0.09	0.09	-1.7	0.09	0.09	-4.6	0.10	0.09	-6.6	0.09	0.09	-4.4	0.09	0.10	6.7
Naphtha	0.41	0.41	0.6	0.42	0.40	-3.6	0.42	0.34	-19.9	0.41	0.38	-7.9	0.39	0.39	-0.2
Motor Gasoline	0.55	0.52	-4.8	0.65	0.59	-8.7	0.68	0.63	-6.0	0.62	0.58	-6.5	0.69	0.66	-4.4
Jet/Kerosene	0.13	0.13	3.7	0.14	0.14	2.6	0.15	0.14	-2.8	0.14	0.14	1.0	0.15	0.15	-2.6
Diesel	0.37	0.41	12.9	0.48	0.47	-1.5	0.54	0.52	-2.2	0.46	0.47	2.2	0.50	0.50	-0.9
Other Gasoil	0.61	0.83	36.9	0.66	0.65	-1.5	0.59	0.77	30.2	0.62	0.75	21.9	0.54	0.60	10.2
Residual Fuel Oil	0.18	0.19	8.0	0.18	0.19	9.1	0.17	0.19	11.8	0.17	0.19	9.6	0.17	0.19	12.3
Other Products	0.08	0.09	7.6	0.11	0.09	-21.9	0.12	0.09	-24.2	0.10	0.09	-14.7	0.12	0.12	7.0
Total	2.41	2.68	11.3	2.72	2.63	-3.6	2.75	2.78	0.9	2.63	2.70	2.7	2.66	2.71	1.9
Italy															
LPG	0.18	0.17	-6.5	0.18	0.18	-3.0	0.15	0.14	-6.3	0.17	0.16	-5.3	0.13	0.13	1.2
Naphtha	0.09	0.10	11.6	0.13	0.14	5.3	0.13	0.13	-2.4	0.12	0.12	3.9	0.11	0.12	7.2
Motor Gasoline	0.37	0.37	0.9	0.40	0.38	-3.3	0.38	0.36	-4.2	0.38	0.37	-2.3	0.41	0.40	-2.1
Jet/Kerosene	0.07	0.08	13.0	0.07	0.08	12.7	0.07	0.07	3.7	0.07	0.08	9.8	0.07	0.07	-5.1
Diesel	0.31	0.38	21.8	0.39	0.40	2.6	0.39	0.40	2.5	0.37	0.40	8.2	0.35	0.39	9.6
Other Gasoil	0.24	0.20	-19.5	0.24	0.23	-2.0	0.19	0.18	-1.5	0.22	0.20	-8.5	0.16	0.17	5.7
Residual Fuel Oil	0.46	0.38	-18.0	0.47	0.40	-14.7	0.47	0.37	-22.0	0.47	0.38	-18.4	0.40	0.35	-12.1
Other Products	0.09	0.15	69.1	0.12	0.12	6.2	0.11	0.11	-8.4	0.11	0.13	19.0	0.13	0.14	3.7
Total	1.83	1.84	0.6	1.99	1.93	-3.0	1.90	1.76	-7.0	1.90	1.84	-3.2	1.78	1.77	-0.2
France															
LPG	0.17	0.15	-7.2	0.16	0.15	-5.1	0.14	0.13	-4.9	0.16	0.15	-5.9	0.11	0.11	1.1
Naphtha	0.20	0.20	0.4	0.18	0.19	3.9	0.21	0.21	0.4	0.20	0.20	1.5	0.21	0.21	0.4
Motor Gasoline	0.29	0.28	-3.4	0.31	0.29	-4.6	0.33	0.30	-8.3	0.31	0.29	-5.6	0.32	0.32	0.0
Jet/Kerosene	0.13	0.14	6.6	0.13	0.13	-0.6	0.15	0.13	-12.5	0.14	0.13	-2.6	0.14	0.14	-3.5
Diesel	0.51	0.54	7.4	0.56	0.57	1.8	0.58	0.58	-0.6	0.55	0.57	2.7	0.54	0.58	7.9
Other Gasoil	0.53	0.58	10.0	0.47	0.48	2.2	0.39	0.37	-6.5	0.46	0.48	2.7	0.32	0.33	4.6
Residual Fuel Oil	0.18	0.13	-27.1	0.17	0.13	-21.9	0.14	0.12	-18.3	0.16	0.13	-22.8	0.12	0.11	-11.9
Other Products	0.16	0.14	-13.0	0.15	0.15	-0.8	0.17	0.17	0.2	0.16	0.15	-4.5	0.18	0.22	17.4
Total	2.16	2.17	0.4	2.14	2.10	-1.6	2.12	2.01	-5.0	2.14	2.09	-2.1	1.94	2.01	3.7
United Kingdom															
LPG	0.14	0.11	-22.6	0.14	0.13	-9.9	0.15	0.14	-10.6	0.15	0.13	-14.4	0.14	0.15	11.0
Naphtha	0.08	0.08	-4.8	0.09	0.05	-47.6	0.07	0.05	-33.5	0.08	0.06	-28.5	0.07	0.06	-16.6
Motor Gasoline	0.47	0.50	5.9	0.48	0.49	0.7	0.53	0.47	-11.1	0.49	0.48	-1.9	0.46	0.45	-1.5
Jet/Kerosene	0.31	0.32	5.4	0.31	0.33	6.0	0.32	0.37	13.0	0.32	0.34	8.2	0.29	0.34	16.4
Diesel	0.28	0.31	10.0	0.32	0.32	-1.0	0.35	0.34	-3.1	0.32	0.32	1.5	0.29	0.35	20.6
Other Gasoil	0.19	0.18	-4.7	0.20	0.17	-14.6	0.20	0.17	-16.5	0.20	0.17	-12.0	0.17	0.16	-9.8
Residual Fuel Oil	0.10	0.09	-5.0	0.08	0.10	18.0	0.09	0.09	7.3	0.09	0.10	5.9	0.08	0.08	1.3
Other Products	0.13	0.13	3.2	0.15	0.14	-9.5	0.17	0.15	-11.3	0.15	0.14	-6.4	0.15	0.14	-4.5
Total	1.70	1.73	1.6	1.79	1.72	-3.8	1.89	1.77	-6.1	1.79	1.74	-2.9	1.64	1.73	4.9
Canada															
LPG	0.31	0.30	-3.4	0.43	0.30	-29.3	0.39	0.27	-30.2	0.37	0.29	-22.4	0.39	0.38	-0.2
Naphtha	0.08	0.08	10.9	0.07	0.08	10.3	0.08	0.07	-10.8	0.08	0.08	2.7	0.07	0.08	5.0
Motor Gasoline	0.59	0.62	4.6	0.64	0.64	0.5	0.62	0.63	1.8	0.61	0.63	2.3	0.62	0.63	2.9
Jet/Kerosene	0.11	0.10	-5.2	0.12	0.11	-1.4	0.10	0.09	-3.9	0.11	0.10	-3.6	0.10	0.09	-7.2
Diesel	0.16	0.16	0.0	0.16	0.19	19.3	0.16	0.17	4.9	0.16	0.17	7.6	0.16	0.17	2.6
Other Gasoil	0.36	0.40	12.3	0.41	0.37	-9.6	0.34	0.35	3.7	0.37	0.37	1.8	0.27	0.28	3.9
Residual Fuel Oil	0.11	0.15	42.4	0.14	0.16	16.2	0.11	0.15	34.5	0.12	0.15	30.3	0.10	0.15	54.6
Other Products	0.24	0.27	15.8	0.25	0.26	5.6	0.23	0.26	11.7	0.24	0.26	11.0	0.22	0.24	6.1
Total	1.94	2.09	7.5	2.21	2.12	-4.0	2.03	2.00	-1.7	2.06	2.07	0.4	1.92	2.02	5.0

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	2000	2001	2002	1Q01	2Q01	3Q01	4Q01	1Q02	Apr 01	May 01	Jun 01
OPEC											
Crude Oil											
Saudi Arabia	8.00			8.03	7.67				7.62	7.68	7.70
Iran	3.69			3.92	3.69				3.75	3.65	3.68
Iraq	2.57			2.18	2.23				2.93	2.86	0.88
UAE	2.24			2.41	2.08				2.25	2.00	1.99
Kuwait	1.77			1.82	1.71				1.69	1.73	1.72
Neutral Zone	0.63			0.68	0.62				0.64	0.63	0.58
Qatar	0.69			0.71	0.69				0.68	0.69	0.71
Nigeria	2.04			2.15	2.01				2.06	2.00	1.98
Libya	1.41			1.41	1.38				1.38	1.36	1.39
Algeria	0.81			0.82	0.83				0.80	0.84	0.85
Venezuela	2.89			3.00	2.82				2.88	2.78	2.81
Indonesia	1.20			1.25	1.21				1.22	1.16	1.24
Total Crude Oil	27.92			28.38	26.94				27.90	27.38	25.54
Total NGLs ¹	2.88	2.94	3.10	2.93	2.91	2.93	2.98	3.08	2.90	2.92	2.92
Total OPEC	30.80			31.31	29.86				30.80	30.30	28.45
NON-OPEC²											
OECD											
North America	14.30	14.37	14.77	14.25	14.34	14.33	14.55	14.80	14.28	14.33	14.39
United States	8.11	8.05	8.14	7.90	8.10	8.04	8.15	8.20	8.08	8.12	8.11
Mexico	3.45	3.52	3.64	3.56	3.46	3.50	3.56	3.63	3.45	3.45	3.49
Canada	2.74	2.80	3.00	2.79	2.77	2.79	2.85	2.97	2.76	2.77	2.79
Europe	6.78	6.67	6.61	6.79	6.51	6.53	6.86	6.86	6.82	6.46	6.25
UK	2.70	2.61	2.59	2.58	2.48	2.60	2.76	2.74	2.59	2.53	2.31
Norway	3.32	3.35	3.30	3.44	3.33	3.24	3.40	3.37	3.46	3.22	3.30
Others	0.75	0.71	0.73	0.76	0.71	0.69	0.70	0.76	0.77	0.71	0.64
Pacific	0.84	0.80	0.74	0.80	0.78	0.82	0.81	0.79	0.76	0.76	0.82
Australia	0.78	0.74	0.69	0.74	0.72	0.76	0.75	0.73	0.70	0.70	0.76
Others	0.06	0.06	0.05	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.92	21.84	22.13	21.84	21.62	21.67	22.22	22.44	21.86	21.55	21.45
NON-OECD											
Former USSR	7.92	8.41	8.82	8.26	8.39	8.47	8.51	8.58	8.36	8.40	8.41
Russia	6.50	6.87	7.22	6.74	6.85	6.92	6.96	7.01	6.82	6.86	6.87
Others	1.42	1.54	1.61	1.52	1.54	1.55	1.55	1.57	1.54	1.54	1.54
Asia	5.51	5.61	5.58	5.63	5.62	5.61	5.57	5.56	5.61	5.61	5.65
China	3.23	3.27	3.28	3.30	3.30	3.26	3.22	3.24	3.30	3.31	3.30
Malaysia	0.71	0.71	0.70	0.71	0.71	0.71	0.71	0.70	0.71	0.71	0.71
India	0.73	0.73	0.71	0.74	0.72	0.74	0.73	0.73	0.71	0.70	0.75
Others	0.84	0.90	0.89	0.89	0.89	0.90	0.91	0.90	0.89	0.89	0.89
Europe	0.18	0.18	0.17	0.18	0.18	0.18	0.18	0.17	0.18	0.18	0.18
Latin America	3.77	3.76	3.80	3.81	3.71	3.76	3.76	3.77	3.71	3.71	3.71
Brazil	1.50	1.57	1.69	1.57	1.54	1.57	1.60	1.63	1.53	1.54	1.55
Argentina	0.81	0.80	0.77	0.81	0.80	0.79	0.78	0.78	0.81	0.80	0.80
Colombia	0.70	0.60	0.56	0.64	0.57	0.61	0.59	0.58	0.58	0.57	0.57
Ecuador	0.39	0.43	0.44	0.43	0.43	0.43	0.43	0.44	0.43	0.43	0.43
Others	0.36	0.36	0.34	0.36	0.36	0.36	0.36	0.35	0.36	0.36	0.36
Middle East³	1.99	2.00	1.96	2.01	2.00	1.99	1.99	1.98	1.99	2.01	2.00
Oman	0.96	0.98	0.97	0.97	0.98	0.98	0.98	0.98	0.96	0.99	0.98
Syria	0.54	0.52	0.49	0.53	0.52	0.51	0.51	0.50	0.52	0.52	0.52
Yemen	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.83	2.87	2.90	2.84	2.85	2.89	2.90	2.91	2.85	2.85	2.85
Egypt	0.81	0.78	0.76	0.78	0.77	0.80	0.79	0.78	0.78	0.77	0.76
Angola	0.75	0.74	0.77	0.74	0.74	0.73	0.73	0.75	0.74	0.74	0.73
Gabon	0.31	0.30	0.29	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Others	0.97	1.05	1.08	1.02	1.04	1.06	1.08	1.09	1.03	1.04	1.05
Total Non-OECD	22.21	22.83	23.21	22.73	22.75	22.91	22.91	22.97	22.70	22.76	22.79
Processing Gains ⁴	1.72	1.77	1.82	1.79	1.75	1.75	1.79	1.84	1.75	1.75	1.75
TOTAL NON-OPEC	45.84	46.43	47.15	46.36	46.11	46.32	46.91	47.25	46.31	46.05	45.99
TOTAL SUPPLY	76.64			77.67	75.97				77.11	76.35	74.44

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	2000	2001	2002	1Q01	2Q01	3Q01	4Q01	1Q02	Apr-01	May-01	Jun-01
United States											
Alaska	970	960	958	1005	972	902	961	987	1001	965	949
California	836	805	783	812	806	803	797	792	803	806	808
Texas	1234	1204	1166	1227	1211	1196	1181	1175	1217	1211	1206
Federal Gulf of Mexico ²	1398	1552	1644	1491	1543	1565	1608	1648	1531	1543	1555
Other US Lower 48	1375	1323	1274	1347	1331	1315	1299	1289	1339	1331	1324
NGLs ³	1908	1833	1939	1643	1871	1887	1929	1939	1836	1884	1892
Other Hydrocarbons	389	371	376	370	368	372	373	374	352	377	375
Total	8110	8047	8139	7896	8102	8040	8148	8203	8078	8117	8109
Canada											
Alberta Light/Medium/Heavy	764	748	740	743	756	749	743	742	784	739	746
Alberta Bitumen	271	310	322	312	308	310	311	318	308	305	310
Saskatchewan	416	422	426	425	420	421	422	424	426	412	422
Other Crude	227	220	300	221	221	217	220	260	221	222	220
NGLs	738	734	745	741	724	730	740	750	713	730	730
Synthetic Crudes	322	366	466	352	342	360	410	470	306	360	360
Total	2739	2800	2998	2794	2771	2787	2847	2965	2759	2768	2788
Mexico											
Crude	3012	3082	3186	3124	3030	3057	3116	3180	3008	3031	3050
NGLs	438	437	450	437	432	440	440	450	438	418	440
Total	3450	3519	3636	3562	3462	3497	3556	3630	3446	3449	3490
UK Offshore⁴											
Brent Fields	339	287	241	304	280	277	287	270	314	298	226
Forties Fields	775	776	877	742	700	800	861	901	747	741	610
Ninian Fields	140	132	108	137	135	130	125	117	130	137	138
Flotta Fields	177	149	124	162	142	148	142	135	150	142	135
Other Fields	984	965	936	900	934	994	1029	1013	910	948	943
NGLs	224	234	248	266	221	189	262	247	271	206	188
Total	2639	2542	2534	2511	2412	2538	2705	2684	2522	2472	2240
Norway⁴											
Ekofisk-Ula Area	461	454	427	489	484	395	451	440	491	491	469
Oseberg-Troll Area	731	742	729	748	735	731	756	748	761	758	686
Statfjord-Gullfaks Area	926	925	932	937	899	911	952	942	970	813	916
Haltenbanken Area	766	738	723	760	727	712	755	751	771	682	728
Sleipner-Frigg Area	316	288	264	300	284	289	281	273	286	267	298
NGLs	121	204	220	211	197	203	207	212	177	208	206
Total	3320	3353	3296	3444	3325	3242	3400	3365	3456	3219	3304
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	403	353	390	403	341	330	340	403	392	352	279
UK Onshore	66	63	52	70	64	61	58	56	69	58	66
Italy	74	78	77	71	81	81	80	79	84	78	82
Turkey	53	51	47	51	53	51	50	48	55	52	51
Other	163	172	160	174	174	171	168	165	178	174	171
NGLs (excl. North Sea)	29	31	31	38	28	27	33	33	28	28	27
Non-Conventional Oils	32	26	24	23	28	27	26	25	32	26	26
Total	820	776	781	831	769	748	756	810	838	767	702
Australia											
Gippsland Basin	178	157	143	158	158	156	154	149	157	159	157
Cooper-Eromanga Basin	25	24	21	25	24	23	23	22	24	24	24
Carnarvon Basin	320	361	351	345	358	369	371	361	357	351	368
Other Crude	183	131	108	146	109	137	131	123	93	92	138
NGLs	73	70	75	67	70	72	72	75	66	72	72
Total	780	742	698	741	719	757	751	730	699	699	759
Other OECD Pacific											
New Zealand	36	32	29	33	33	32	31	30	34	33	32
Japan	7	6	5	6	6	6	6	5	6	6	6
NGLs	16	18	16	20	18	18	18	17	18	19	18
Synthetic Fuels	3	3	2	2	3	3	3	3	3	3	3
Total	62	59	53	61	60	58	57	55	61	60	59
OECD											
Crude Oil	17619	17500	17534	17662	17308	17332	17700	17839	17610	17213	17105
NGLs	3555	3572	3733	3431	3570	3575	3709	3731	3556	3573	3583
Non-Conventional Oils	746	766	869	747	741	761	812	872	693	765	764
Total	21919	21838	22135	21840	21620	21669	22221	22442	21859	21551	21452

¹ subcategories refer to crude oil only unless otherwise noted

² only production from Federal waters is included

³ to the extent possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ² in Million Barrels					PRIOR YEARS' STOCKS ² in Million Barrels			STOCK CHANGES in mb/d			
	Jan2001	Feb2001	Mar2001	Apr2001	May2001*	May1998	May1999	May2000	2Q2000	3Q2000	4Q2000	1Q2001
North America												
Crude	402	386	407	428	433	449	444	398	-0.03	0.00	0.04	0.16
Motor Gasoline	236	238	227	234	245	251	256	237	0.03	-0.14	0.02	0.00
Middle Distillate	196	194	178	179	184	217	215	177	0.14	0.08	0.08	-0.19
Residual Fuel Oil	46	47	49	51	51	48	49	46	0.01	0.00	-0.01	0.05
Total Products ³	616	623	603	622	659	696	702	619	0.54	0.09	-0.25	-0.14
Total ⁴	1147	1142	1149	1188	1228	1299	1301	1157	0.63	0.16	-0.37	0.04
Europe												
Crude	324	321	346	337	338	378	375	327	-0.05	-0.05	-0.07	0.18
Motor Gasoline	125	124	123	118	113	139	135	118	-0.09	0.03	0.00	0.01
Middle Distillate	230	236	221	228	232	267	274	221	0.02	0.11	0.07	-0.16
Residual Fuel Oil	85	83	84	85	86	88	81	79	-0.03	0.02	0.09	-0.02
Total Products ³	545	550	533	538	538	588	577	511	-0.07	0.21	0.22	-0.20
Total ⁴	934	939	945	940	942	1031	1014	899	-0.11	0.17	0.16	-0.03
Pacific												
Crude	166	176	182	181	188	190	175	181	0.17	-0.19	0.04	0.11
Motor Gasoline	25	25	26	26	25	26	28	27	-0.01	0.00	-0.02	0.03
Middle Distillate	73	68	66	75	72	71	68	68	0.14	0.13	0.01	-0.20
Residual Fuel Oil	24	26	25	23	23	24	24	23	0.00	0.02	-0.01	0.02
Total Products ³	189	181	183	193	190	187	179	182	0.20	0.25	-0.01	-0.21
Total ⁴	438	439	448	461	463	469	437	444	0.39	0.08	0.02	-0.08
Total												
Crude	892	883	935	946	960	1016	994	906	0.08	-0.24	0.01	0.45
Motor Gasoline	385	387	376	378	382	416	419	382	-0.07	-0.11	-0.01	0.04
Middle Distillate	500	499	464	482	488	555	557	466	0.30	0.32	0.16	-0.55
Residual Fuel Oil	154	156	158	159	161	160	154	148	-0.02	0.05	0.07	0.04
Total Products ³	1350	1353	1319	1353	1387	1471	1458	1312	0.67	0.55	-0.04	-0.54
Total ⁴	2519	2520	2542	2590	2633	2799	2752	2500	0.91	0.42	-0.19	-0.06

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ² in Million Barrels					PRIOR YEARS' STOCKS ² in Million Barrels			STOCK CHANGES in mb/d			
	Jan2001	Feb2001	Mar2001	Apr2001	May2001*	May1998	May1999	May2000	2Q2000	3Q2000	4Q2000	1Q2001
North America												
Crude	542	542	542	542	543	563	574	569	-0.01	0.02	-0.32	0.02
Products ⁷	2	2	2	2	2	0	0	0	0.00	0.02	0.01	0.00
Europe												
Crude	138	139	137	140	140	129	149	141	-0.05	-0.03	-0.01	-0.01
Products	215	215	213	211	211	208	210	203	0.05	0.07	0.03	-0.03
Pacific												
Crude	314	314	314	314	314	315	315	315	-0.01	-0.02	0.01	0.01
Total												
Crude	995	995	994	997	997	1008	1037	1026	-0.06	-0.04	-0.32	0.02
Products	217	217	215	213	213	208	210	203	0.05	0.09	0.03	-0.03
Total ⁴	1213	1213	1210	1210	1211	1215	1249	1230	-0.02	0.05	-0.29	0.00

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 US government-controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	December			January			February			March			April		
	1999	2000	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States															
Crude	284.5	289.8	1.9	285.0	294.2	3.2	287.6	280.4	-2.5	296.2	304.5	2.8	302.1	325.4	7.7
Motor Gasoline	193.3	195.9	1.3	208.0	205.6	-1.2	201.3	205.8	2.2	203.8	193.6	-5.0	206.3	200.7	-2.7
Middle Distillate	170.8	166.5	-2.5	153.9	166.5	8.2	150.5	164.3	9.2	139.7	147.7	5.7	143.8	148.6	3.3
Residual Fuel Oil	35.8	36.2	1.1	36.1	37.1	2.8	34.4	38.4	11.6	36.4	39.1	7.4	35.3	40.7	15.3
Other Products	117.7	122.7	4.2	106.5	112.0	5.2	101.9	114.8	12.7	105.7	119.2	12.8	119.1	128.4	7.8
Total Products	517.6	521.3	0.7	504.5	521.2	3.3	488.1	523.3	7.2	485.6	499.6	2.9	504.5	518.4	2.8
Other ²	123.6	121.1	-2.0	121.8	120.5	-1.1	123.7	125.4	1.4	125.2	131.0	4.6	128.6	130.7	1.6
Total	925.7	932.2	0.7	911.3	935.9	2.7	899.4	929.1	3.3	907.0	935.1	3.1	935.2	974.5	4.2
Japan															
Crude	125.1	125.1	0.0	117.9	120.2	2.0	123.7	125.3	1.3	126.0	135.4	7.5	121.1	135.7	12.1
Motor Gasoline	13.2	12.6	-4.5	14.4	14.5	0.7	14.0	14.6	4.3	14.7	15.2	3.4	16.1	15.0	-6.8
Middle Distillate	50.7	49.7	-2.0	51.1	45.6	-10.8	37.6	40.9	8.8	33.2	40.2	21.1	39.9	43.7	9.5
Residual Fuel Oil	9.8	10.5	7.1	9.7	10.4	7.2	9.3	10.7	15.1	9.9	10.7	8.1	10.0	10.8	8.0
Other Products	49.1	52.4	6.7	44.9	50.6	12.7	43.3	43.7	0.9	41.1	48.2	17.3	45.3	50.8	12.1
Total Products	122.8	125.2	2.0	120.1	121.1	0.8	104.2	109.9	5.5	98.9	114.3	15.6	111.3	120.3	8.1
Other ²	65.8	70.5	7.1	68.9	72.3	4.9	70.2	70.6	0.6	66.0	71.5	8.3	70.7	75.9	7.4
Total	313.7	320.8	2.3	306.9	313.6	2.2	298.1	305.8	2.6	290.9	321.2	10.4	303.1	331.9	9.5
Germany															
Crude	19.7	16.8	-14.7	20.8	17.4	-16.3	20.5	21.4	4.4	20.2	22.4	10.9	19.9	21.2	6.5
Motor Gasoline	11.0	11.1	0.9	14.0	13.1	-6.4	13.1	12.0	-8.4	11.6	13.2	13.8	11.9	12.1	1.7
Middle Distillate	19.2	17.1	-10.9	23.8	17.8	-25.2	21.4	18.5	-13.6	18.3	13.8	-24.6	19.5	17.8	-8.7
Residual Fuel Oil	9.0	9.4	4.4	10.1	8.6	-14.9	9.4	8.7	-7.4	8.3	9.6	15.7	8.6	9.8	14.0
Other Products	12.1	13.4	10.7	12.4	12.7	2.4	11.9	13.2	10.9	12.0	12.5	4.2	12.2	12.5	2.5
Total Products	51.3	51.0	-0.6	60.3	52.2	-13.4	55.8	52.4	-6.1	50.2	49.1	-2.2	52.2	52.2	0.0
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	71.0	67.8	-4.5	81.1	69.6	-14.2	76.3	73.8	-3.3	70.4	71.5	1.6	72.1	73.4	1.8
Italy															
Crude	34.5	36.9	7.0	38.1	39.2	2.9	34.6	39.2	13.3	39.3	39.2	-0.3	34.2	39.2	14.6
Motor Gasoline	30.4	22.9	-24.7	30.8	21.4	-30.5	31.0	21.4	-31.0	30.5	21.4	-29.8	27.9	21.4	-23.3
Middle Distillate	28.2	35.8	27.0	28.3	37.7	33.2	27.6	37.7	36.6	25.9	37.7	45.6	31.2	37.7	20.8
Residual Fuel Oil	17.4	18.5	6.3	18.1	19.3	6.6	18.5	19.3	4.3	19.5	19.3	-1.0	19.3	19.3	0.0
Other Products	9.3	14.8	59.1	10.3	16.3	58.3	10.8	16.3	50.9	10.8	16.3	50.9	11.2	16.3	45.5
Total Products	85.3	92.0	7.9	87.5	94.7	8.2	87.9	94.7	7.7	86.7	94.7	9.2	89.6	94.7	5.7
Other ²	10.6	11.2	5.7	10.3	11.7	13.6	9.3	11.7	25.8	10.3	11.7	13.6	10.5	11.7	11.4
Total	130.4	140.1	7.4	135.9	145.6	7.1	131.8	145.6	10.5	136.3	145.6	6.8	134.3	145.6	8.4
France															
Crude	37.6	38.3	1.9	35.1	36.9	5.1	34.8	39.4	13.2	39.7	42.3	6.5	39.2	39.7	1.3
Motor Gasoline	15.4	13.5	-12.3	15.6	14.2	-9.0	15.4	13.8	-10.4	14.4	13.2	-8.3	13.0	11.4	-12.3
Middle Distillate	32.8	33.2	1.2	36.9	27.6	-25.2	35.2	30.1	-14.5	34.1	27.1	-20.5	36.1	29.5	-18.3
Residual Fuel Oil	6.1	7.8	27.9	8.0	7.8	-2.5	8.4	7.2	-14.3	7.5	7.5	0.0	6.8	7.9	16.2
Other Products	8.8	10.2	15.9	8.8	9.7	10.2	8.7	8.6	-1.1	9.0	8.6	-4.4	8.6	9.6	11.6
Total Products	63.1	64.7	2.5	69.3	59.3	-14.4	67.7	59.7	-11.8	65.0	56.4	-13.2	64.5	58.4	-9.5
Other ²	11.7	12.5	6.8	11.0	12.9	17.3	12.0	13.3	10.8	11.9	12.2	2.5	12.5	12.5	0.0
Total	112.4	115.5	2.8	115.4	109.1	-5.5	114.5	112.4	-1.8	116.6	110.9	-4.9	116.2	110.6	-4.8
United Kingdom															
Crude	39.3	34.7	-11.7	37.5	32.1	-14.4	40.1	31.7	-20.9	39.1	39.1	0.0	34.4	37.6	9.3
Motor Gasoline	10.4	8.2	-21.2	11.4	9.1	-20.2	10.6	8.7	-17.9	10.3	8.4	-18.4	9.9	7.5	-24.2
Middle Distillate	20.0	21.2	6.0	20.9	20.3	-2.9	21.0	22.6	7.6	20.5	18.8	-8.3	22.4	20.4	-8.9
Residual Fuel Oil	6.0	5.0	-16.7	5.5	6.2	12.7	5.3	5.3	0.0	5.4	4.9	-9.3	5.5	4.7	-14.5
Other Products	12.6	17.6	39.7	12.8	17.5	36.7	13.3	17.3	30.1	13.5	16.6	23.0	14.5	16.3	12.4
Total Products	49.0	52.0	6.1	50.6	53.1	4.9	50.2	53.9	7.4	49.7	48.7	-2.0	52.3	48.9	-6.5
Other ²	12.8	13.3	3.9	13.0	11.4	-12.3	12.8	12.3	-3.9	14.2	12.2	-14.1	14.4	11.9	-17.4
Total	101.1	100.0	-1.1	101.1	96.6	-4.5	103.1	97.9	-5.0	103.0	100.0	-2.9	101.1	98.4	-2.7
Canada³															
Crude	68.9	71.1	3.2	69.3	75.5	8.9	69.3	73.4	5.9	69.3	72.2	4.2	69.8	72.2	3.4
Motor Gasoline	16.5	15.8	-4.2	18.1	17.4	-3.9	18.5	18.2	-1.6	19.1	18.6	-2.6	18.5	18.6	0.5
Middle Distillate	19.9	18.6	-6.5	19.6	19.8	1.0	19.4	19.8	2.1	19.4	20.5	5.7	20.2	20.5	1.5
Residual Fuel Oil	2.7	3.8	40.7	3.0	3.7	23.3	3.8	3.9	2.6	3.9	4.2	7.7	3.9	4.2	7.7
Other Products	18.3	18.7	2.2	19.5	18.9	-3.1	19.2	20.7	7.8	20.1	22.9	13.9	21.3	22.9	7.5
Total Products	57.4	56.9	-0.9	60.2	59.8	-0.7	60.9	62.6	2.8	62.5	66.2	5.9	63.9	66.2	3.6
Other ²	15.3	15.5	1.3	9.7	9.1	-6.2	9.3	7.6	-18.3	9.4	7.6	-19.1	10.1	7.6	-24.8
Total	141.6	143.5	1.3	139.2	144.4	3.7	139.5	143.6	2.9	141.2	146.0	3.4	143.8	146.0	1.5

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following countries are estimated: Canada for April 2001; Italy for February to April 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End March 2000		End June 2000		End September 2000		End December 2000		End March 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	141.3	68	143.1	67	148.4	68	143.4	69	145.9	-
Mexico	37.3	19	38.3	19	47.2	24	47.6	24	45.7	-
United States	1476.4	76	1530.1	76	1533.8	77	1474.9	74	1479.4	-
Total⁴	1677.1	70	1733.6	71	1751.6	72	1688.1	70	1693.1	72
Pacific										
Australia	37.6	42	41.2	49	43.9	51	40.9	47	41.0	-
Japan	606.0	121	631.6	117	626.8	111	634.0	104	635.6	-
Korea ⁵	71.6	35	77.4	40	83.0	38	82.5	36	74.8	-
New Zealand	9.7	74	10.2	76	11.6	84	10.6	77	10.8	-
Total	724.9	90	760.4	91	765.4	87	768.0	81	762.2	96
Europe⁶										
Austria	19.2	82	17.5	66	17.9	77	18.7	77	18.7	-
Belgium	27.7	51	27.4	51	27.7	42	26.4	45	29.8	-
Czech Republic	14.6	82	14.6	90	14.9	87	15.2	102	16.9	-
Denmark	18.0	84	17.7	85	17.2	83	17.6	83	17.6	-
Finland	22.0	112	20.4	102	23.4	115	27.0	124	26.4	-
France	165.8	86	169.7	89	168.4	81	169.7	81	166.9	-
Germany	286.9	107	281.1	96	277.7	98	273.6	101	272.8	-
Greece	22.7	61	24.6	66	26.7	65	26.7	61	26.7	-
Hungary	23.5	163	21.1	139	21.5	150	21.6	158	20.8	-
Ireland	9.4	56	8.5	53	8.2	48	9.2	49	9.5	-
Italy	136.3	75	134.6	73	138.6	73	139.9	76	145.6	-
Luxembourg	0.9	19	0.9	18	0.7	15	1.1	20	0.8	-
Netherlands	94.2	109	106.4	123	110.0	127	112.3	126	120.3	-
Norway	57.1	289	45.5	219	49.0	261	52.4	265	41.6	-
Poland	24.9	59	22.7	49	24.5	53	27.8	68	24.6	-
Portugal	21.7	68	21.1	62	23.3	70	23.4	74	21.6	-
Spain	107.6	76	110.1	78	112.7	78	114.1	77	113.9	-
Sweden	32.5	99	33.8	103	37.8	135	34.4	119	32.8	-
Switzerland	39.1	155	39.1	138	39.2	135	37.3	128	37.3	-
Turkey	49.6	79	52.7	74	50.5	71	53.7	87	52.2	-
United Kingdom	103.0	62	96.4	56	95.7	55	100.0	57	100.0	-
Total	1276.8	87	1265.9	83	1285.6	84	1302.0	86	1296.7	89
Total OECD	3678.8	79	3759.9	78	3802.6	78	3758.1	77	3752.0	81
DAYS OF IEA Net Imports⁷	-	108	-	111	-	112	-	112	-	112

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net

imports used for the calculation of IEA Emergency Reserves

3 end March 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
1Q1998	3840	1205	2635	85	27	58
2Q1998	3997	1228	2769	86	26	59
3Q1998	4031	1238	2793	84	26	58
4Q1998	3974	1249	2725	81	26	56
1Q1999	3913	1248	2665	85	27	58
2Q1999	3954	1250	2704	84	27	57
3Q1999	3927	1240	2687	80	25	55
4Q1999	3700	1228	2471	77	26	51
1Q2000	3679	1234	2445	79	27	53
2Q2000	3760	1232	2528	78	26	53
3Q2000	3803	1237	2566	78	25	53
4Q2000	3758	1210	2548	77	25	52
1Q2001	3752	1210	2542	81	26	55

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 1Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	3Q00	4Q00	1Q01	2Q01	Jan 01	Feb 01	Mar 01	Apr 01	May 01	Jun 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>	12.52	17.26	28.00	29.20	29.46	25.03		24.85	25.89	24.41	24.10		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	30.43	29.67	25.79	27.38	25.66	27.45	24.42	25.66	28.51	27.83
Brent (1st month)	13.40	18.09	28.47	30.31	30.09	26.26	27.69	25.85	27.54	25.50	26.54	28.71	27.70
Brent (2st month)	13.86	17.51	28.01	29.86	30.12	26.56	27.25	24.65	28.12	26.63	25.47	28.09	28.07
WTI (1st month)	14.39	19.31	30.37	31.66	31.96	28.72	27.88	29.56	29.56	27.18	27.40	28.61	27.57
WTI (2st month)	14.68	19.14	29.64	31.13	31.45	28.40	28.35	28.20	29.62	27.47	27.72	29.11	28.12
Urals (del. Med.)	11.79	17.30	26.63	27.28	27.89	23.68	25.39	24.58	24.87	21.69	23.91	26.63	25.50
Es Sider	12.48	17.81	28.29	29.86	29.35	25.44	26.65	25.33	27.35	23.80	24.86	27.91	27.02
Iranian Light	12.02	17.23	26.66	28.14	27.48	23.60	23.10	22.16	24.97	23.65	23.10	26.10	25.32
Iranian Heavy	11.52	16.92	26.05	27.43	26.70	23.11	22.75	21.60	24.47	23.24	22.75	25.68	24.95
Dubai (1st month)	12.16	17.30	26.24	27.66	27.68	23.67	25.17	22.85	24.80	23.45	24.18	25.60	25.65
Oman	12.06	17.00	26.56	28.11	27.59	23.77	25.42	21.98	25.43	23.72	23.59	25.36	26.98
Minas (1st month)	12.29	17.94	28.88	31.31	29.75	25.07	28.02	24.10	25.48	25.62	27.91	28.23	27.91
Tapis (1st month)	13.77	18.99	29.85	32.41	31.22	26.92	28.36	26.03	27.86	26.86	27.94	28.98	28.13
Forcados	12.62	18.00	28.42	29.83	29.62	25.36	27.06	25.57	27.04	23.63	25.04	28.40	27.59
Bonny Light	12.78	18.13	28.51	30.02	29.62	25.72	27.55	25.62	27.46	24.24	25.71	28.83	27.97
OPEC Basket	12.28	17.47	28.87	29.18	29.18	24.49	25.65	24.30	25.51	23.65	24.50	26.21	26.04
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	37.84	33.31	31.77	36.98	30.39	33.20	31.84	38.03	40.84	32.17
Unleaded	16.53	20.86	34.41	36.21	32.22	30.66	35.44	29.70	31.99	30.39	36.59	39.25	30.60
Naphtha	14.33	18.34	29.09	30.05	30.35	27.54	27.99	27.99	28.78	25.97	27.15	29.80	26.96
Jet/Kerosene	17.09	22.04	36.98	39.67	41.83	32.46	33.55	32.10	33.64	31.75	32.49	34.22	33.85
Gasoil .2 %	16.17	20.12	34.38	37.76	39.06	30.54	31.31	30.69	31.27	29.74	30.75	31.56	31.56
LSFO 1%	11.96	15.05	23.74	24.19	26.40	21.63	20.72	21.72	21.60	21.55	21.17	21.08	19.95
HSFO 3.5%	10.12	14.37	21.42	21.71	22.45	17.73	18.46	16.07	18.78	18.44	17.66	18.88	18.77
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	39.50	34.55	32.34	37.50	31.39	33.42	32.32	38.89	41.10	32.63
Premium Unleaded	17.34	22.23	36.43	38.78	33.83	31.63	36.78	30.67	32.70	31.60	38.18	40.38	31.91
Naphtha	13.56	17.76	28.16	29.11	28.96	25.40	26.53	25.74	26.48	24.08	25.46	28.14	25.89
Jet/Kerosene	14.93	20.55	34.82	37.64	38.70	28.32	29.89	27.57	28.92	28.53	28.81	30.56	30.19
Gasoil .2 %	14.82	19.12	33.87	37.56	38.89	28.29	28.94	27.29	30.99	26.83	27.96	28.54	30.24
LSFO 1%	11.16	14.41	23.77	23.89	26.16	20.21	19.54	21.16	19.72	19.71	20.27	19.92	18.50
HSFO 3.5%	8.85	12.78	18.92	18.39	20.12	14.66	15.55	13.16	15.61	15.29	14.58	15.77	16.22
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	41.14	37.37	36.52	41.26	37.89	37.31	34.53	45.03	44.71	34.06
Unleaded	17.80	22.76	36.10	37.60	36.52	34.04	36.16	34.84	34.66	32.74	39.37	38.81	30.33
Jet/Kerosene	18.00	21.78	38.05	39.20	42.91	34.66	34.16	35.96	35.21	32.94	33.81	35.58	33.01
No. 2 (Heating Oil)	16.41	20.50	36.37	37.28	41.15	33.11	32.21	35.37	32.98	31.08	32.53	32.38	31.73
LSFO 1%	12.33	15.51	25.05	26.06	27.90	24.01	22.07	25.35	23.32	23.32	22.86	23.12	20.21
HSFO 6 3%	10.24	13.99	20.68	21.18	20.89	18.55	17.56	18.39	18.16	19.03	16.75	18.36	17.48
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	36.50	31.97	30.43	30.72	30.01	31.51	29.81	32.80	32.59	26.87
Naphtha	14.77	19.54	28.38	30.85	28.54	26.19	27.24	24.87	27.15	26.55	27.00	28.08	26.63
Jet/Kerosene	16.31	21.59	34.39	37.82	38.44	29.46	30.54	29.05	30.59	28.77	30.06	30.66	30.86
Gasoil .5%	15.40	19.25	32.58	36.50	34.59	27.56	30.23	28.41	27.51	26.81	29.78	30.91	30.00
LSWR Cracked	10.95	15.61	25.83	26.99	26.48	22.24	25.67	21.88	22.53	22.32	25.71	25.96	25.35
HSFO 180 CST	10.60	15.71	24.43	24.21	25.02	20.73	22.23	19.60	21.21	21.35	21.89	23.33	21.46
HSFO 4%	10.34	15.60	24.21	23.95	24.78	20.16	21.92	18.74	20.69	21.00	21.62	23.06	21.07

* IEA CIF Average Import price for April is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
June 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	7.250	4.952	-1.8	-4.6	-2.7	-2.6	0.967	0.307	-1.8	-4.6	-10.4	-10.3
Germany	2.044	1.442	-3.6	-9.9	-0.8	-10.9	0.914	0.269	-3.6	-9.9	-8.6	-18.0
Italy	2159	1367	-0.2	-0.5	1.0	2.3	0.975	0.358	-0.2	-0.5	-7.0	-5.8
Spain	145.7	81.9	0.7	1.3	4.2	8.7	0.766	0.335	0.7	1.3	-4.1	0.0
UK	0.789	0.576	0.6	2.4	-4.2	-6.6	1.126	0.305	0.6	2.4	-9.6	-11.7
Japan	107.1	58.9	-1.0	-2.0	0.9	2.1	0.879	0.395	-1.0	-2.0	-12.0	-10.9
Canada	0.699	0.302	-9.3	-14.3	-6.4	-10.0	0.454	0.258	-9.3	-14.3	-10.3	-13.7
USA	0.427	0.101	-6.6	-8.4	-	0.3	0.427	0.326	-6.6	-8.4	-	0.3
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.519	2.469	0.7	1.5	0.2	5.7	0.602	0.273	0.7	1.5	-7.8	-2.7
Germany	1.595	0.740	-1.3	-2.4	22.5	52.1	0.713	0.382	-1.3	-2.4	12.8	40.1
Italy	1415	739	0.5	1.1	0.6	1.2	0.639	0.305	0.5	1.1	-7.4	-6.8
Spain	101.08	44.90	0.8	1.5	3.9	7.2	0.531	0.295	0.8	1.5	-4.4	-1.3
UK	0.666	0.458	0.4	1.4	-7.8	-5.6	0.950	0.296	0.4	1.4	-12.9	-10.9
Japan	87.2	36.3	-	-	2.5	4.1	0.715	0.418	-	-	-10.6	-9.2
Canada	0.694	0.241	-0.7	-0.9	5.8	7.3	0.450	0.294	-0.7	-0.9	1.4	2.9
USA	0.379	0.118	-0.3	-0.4	0.5	0.8	0.379	0.261	-0.3	-0.4	0.5	0.8
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2820.0	741.0	2.5	2.9	-4.1	7.7	375.9	277.2	2.5	2.9	-11.7	-0.8
Germany	793.4	229.4	2.4	3.0	10.0	12.4	354.8	252.2	2.4	3.0	1.3	3.5
Italy	1605000	964898	1.3	2.8	0.9	9.2	724.9	289.1	1.3	2.8	-7.0	0.6
Spain	69392	22668	4.7	6.1	4.8	6.2	364.6	245.5	4.7	6.1	-3.6	-2.2
UK	204.05	41.02	-0.7	-0.9	2.8	2.7	291.1	232.6	-0.7	-0.9	-2.9	-3.0
Japan ⁴	50085	2385	-0.2	-0.2	7.9	7.9	410.9	391.3	-0.2	-0.2	-5.9	-5.9
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	354.8	-	-1.7	-	6.4	-	354.8	-	-1.7	-	6.4	-
HFO FOR INDUSTRY^{3,6} (Price per Metric Ton)												
France	1199.8	121.8	-0.6	-0.6	-7.5	-8.3	160.0	143.7	-0.6	-0.6	-14.8	-15.5
Germany	330.0	35.0	2.0	2.3	-7.4	-8.2	147.6	131.9	2.0	2.3	-14.8	-15.5
Italy	407273	60777	-2.6	-3.1	-8.0	-9.3	184.0	156.5	-2.6	-3.1	-15.3	-16.5
Spain	31699	2235	5.5	5.9	-2.9	-3.1	166.6	154.8	5.5	5.9	-10.6	-10.8
UK	126.16	26.77	3.8	4.9	4.0	5.2	180.0	141.8	3.8	4.9	-1.7	-0.7
Japan	26526	1263	-	-	11.6	11.6	217.6	207.2	-	-	-2.7	-2.7
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	2000	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Year Earlier	
											Apr 00	change
OECD North America												
Venezuela	1.57	1.63		1.56	1.64	1.74	1.74	1.54	1.87	1.67	1.54	0.13
Other Central & South America	0.78	0.60		0.59	0.60	0.53	0.51	0.49	0.41	0.53	0.65	-0.12
North Sea	0.99	1.11		1.20	1.30	0.94	1.15	1.22	1.12	1.03	1.18	-0.16
Other OECD Europe	-	0.01		-	0.01	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.01	0.00	0.00	-	-	-	-	0.03	-
Saudi Arabia	1.51	1.62		1.59	1.66	1.74	1.77	1.75	1.83	1.72	1.57	0.15
Kuwait	0.25	0.27		0.21	0.33	0.30	0.26	0.26	0.31	0.23	0.25	-0.03
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.69	0.89	0.66	0.52	0.32	0.77	0.93	0.66	0.27
Oman	-	0.00		0.01	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	0.00	-	0.03	-	-	0.07	-	-
Other Middle East	0.00	0.03		0.05	0.03	0.02	0.05	0.08	0.07	-	-	-
West Africa	1.38	1.55		1.74	1.64	1.50	1.63	1.76	1.69	1.86	1.82	0.05
Other Africa	0.11	0.07		0.06	0.05	0.11	0.08	0.10	0.03	-	0.02	-
Asia	0.20	0.17		0.18	0.17	0.17	0.14	0.10	0.18	0.22	0.21	0.01
Other	0.03	0.05		0.07	0.04	0.06	0.05	0.00	0.04	0.05	0.05	0.00
Total	7.62	7.77		7.97	8.36	7.79	7.92	7.62	8.32	8.30	7.96	0.33
of which Non-OECD	6.63	6.66		6.71	7.01	6.82	6.74	6.38	7.18	7.21	6.71	0.49
OECD Europe												
Canada	-	0.00		-	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.20	0.21	0.20	0.19	0.17	0.24	0.14	0.17	-0.02
Venezuela	0.17	0.14		0.18	0.16	0.12	0.11	0.10	0.07	0.14	0.22	-0.09
Other Central & South America	0.00	0.01		0.01	0.00	0.02	0.05	0.04	0.06	0.03	-	-
Non-OECD Europe	0.01	0.01		0.01	0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.00
Former Soviet Union	2.18	2.40		2.35	2.47	2.42	2.44	2.39	2.47	2.50	2.35	0.15
Saudi Arabia	1.31	1.39		1.35	1.45	1.61	1.36	1.33	1.28	1.24	1.24	0.00
Kuwait	0.17	0.20		0.20	0.26	0.21	0.24	0.15	0.30	0.16	0.24	-0.08
Iran	0.94	0.79		0.72	0.93	0.81	0.81	0.66	0.82	0.63	0.58	0.04
Iraq	0.80	0.74		0.83	0.74	0.69	0.35	0.45	0.44	0.67	0.68	-0.01
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	0.00	0.01	0.01	-	-	0.00	-	-
Other Middle East	0.35	0.31		0.36	0.30	0.32	0.40	0.36	0.39	0.26	0.30	-0.04
West Africa	0.59	0.64		0.40	0.51	0.79	0.85	0.79	0.74	0.57	0.45	0.12
Other Africa	1.54	1.58		1.52	1.61	1.62	1.54	1.68	1.47	1.65	1.51	0.15
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.00	0.10	0.04	0.07	0.06	0.08	0.00	0.00	0.00
Total	8.25	8.45		8.13	8.75	8.86	8.43	8.17	8.35	7.99	7.74	0.25
of which Non-OECD	8.06	8.26		7.93	8.54	8.66	8.24	8.00	8.11	7.85	7.57	0.28
OECD Pacific												
Canada	-	-		-	-	-	0.01	-	-	0.02	-	-
Mexico + USA	0.10	0.07		0.08	0.03	0.03	0.04	0.06	0.06	0.06	0.13	-0.07
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.04	0.05	0.05	0.07	0.09	0.09	0.02	0.07	-0.04
North Sea	0.04	0.02		0.06	0.01	-	-	-	-	-	-	-
Other OECD Europe	-	-		-	-	-	-	-	-	0.01	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		0.01	0.06	0.05	-	-	-	-	-	-
Saudi Arabia	1.65	1.83		1.77	1.76	1.92	2.08	2.12	2.02	1.84	1.83	0.01
Kuwait	0.56	0.60		0.58	0.55	0.71	0.76	0.87	0.70	0.52	0.55	-0.03
Iran	0.73	0.72		0.66	0.70	0.72	0.83	0.79	0.76	0.84	0.78	0.05
Iraq	0.13	0.13		0.08	0.13	0.23	0.01	0.04	-	0.07	0.05	0.02
Oman	0.45	0.36		0.40	0.38	0.31	0.42	0.46	0.47	0.52	0.50	0.02
United Arab Emirates	1.39	1.46		1.46	1.42	1.54	1.67	1.81	1.65	1.45	1.70	-0.25
Other Middle East	0.57	0.59		0.56	0.58	0.64	0.72	0.77	0.69	0.79	0.64	0.15
West Africa	0.28	0.17		0.14	0.13	0.17	0.07	-	-	0.03	0.06	-0.03
Other Africa	0.07	0.06		0.04	0.06	0.04	0.04	-	0.07	0.02	0.04	-0.02
Non-OECD Asia	1.03	0.87		0.90	0.85	0.81	1.02	0.87	1.05	0.78	0.80	-0.01
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		6.78	6.71	7.22	7.71	7.89	7.55	6.98	7.16	-0.18
of which Non-OECD	6.93	6.87		6.64	6.67	7.19	7.67	7.83	7.49	6.89	7.03	-0.14
Total OECD Trade	22.93	23.19		22.88	23.82	23.87	24.07	23.68	24.21	23.27	22.86	0.41
of which Non-OECD	21.62	21.78		21.29	22.22	22.67	22.65	22.22	22.78	21.95	21.32	0.63

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Year Earlier	
											Apr 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.51	0.33	0.57	0.58	0.56	0.65	0.66	0.54	0.13
Europe	1.01	1.01		0.98	1.04	1.12	0.95	0.95	0.79	0.62	0.86	-0.24
Pacific	0.53	0.64		0.61	0.60	0.70	0.88	0.82	0.98	0.67	0.66	0.01
Saudi Medium												
North America	0.65	0.68		0.65	0.65	0.83	0.73	0.91	0.68	0.81	0.56	0.26
Europe	0.21	0.23		0.22	0.25	0.25	0.18	0.17	0.15	0.09	0.21	-0.12
Pacific	0.15	0.13		0.15	0.11	0.11	0.08	0.10	0.08	0.11	0.19	-0.08
Saudi Heavy												
North America	0.31	0.31		0.33	0.34	0.25	0.27	0.26	0.29	0.24	0.33	-0.09
Europe	0.09	0.14		0.10	0.14	0.23	0.16	0.23	0.12	0.10	0.09	0.01
Pacific	0.09	0.12		0.10	0.13	0.13	0.12	0.13	0.10	0.06	0.13	-0.07
Iraqi Basrah Light ²												
North America	0.71	0.61		0.70	0.75	0.57	0.34	0.21	0.49	0.80	0.70	0.10
Europe	0.15	0.16		0.17	0.21	0.10	0.13	0.18	0.22	0.27	0.21	0.06
Pacific	0.11	0.08		0.04	0.06	0.17	-	-	-	-	-	-
Iraqi Kirkuk												
North America	0.01	-		-	-	-	-	-	-	0.10	-	-
Europe	0.65	0.55		0.59	0.53	0.58	0.16	0.21	0.16	0.31	0.35	-0.04
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.26	0.29	0.17	0.17	0.17	0.11	0.07	0.24	-0.17
Pacific	0.12	0.13		0.10	0.12	0.11	0.15	0.17	0.10	0.11	0.16	-0.05
Iranian Heavy ³												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.44	0.58	0.55	0.59	0.36	0.67	0.32	0.38	-0.06
Pacific	0.38	0.37		0.36	0.36	0.38	0.44	0.42	0.43	0.48	0.41	0.07
Venezuelan Light & Medium												
North America	0.76	0.72		0.71	0.68	0.73	0.69	0.55	0.73	0.46	0.66	-0.21
Europe	0.08	0.04		0.06	0.03	0.05	0.03	0.02	-	0.03	0.10	-0.06
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.43	0.49	0.62	0.70	0.69	0.70	0.67	0.43	0.24
Europe	0.05	0.06		0.06	0.09	0.05	0.05	0.06	0.04	0.06	0.06	0.01
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.70	0.76	0.69	0.76	0.65	0.84	0.72	0.70	0.02
Europe	0.14	0.17		0.15	0.19	0.16	0.09	0.01	0.20	0.11	0.15	-0.04
Pacific	0.02	0.02		0.02	0.02	0.02	0.02	0.03	0.03	0.02	0.02	0.00
Mexican Isthmus												
North America	0.11	0.07		0.09	0.05	0.04	0.08	0.05	0.07	0.07	0.09	-0.02
Europe	0.04	0.01		0.01	0.02	0.01	0.08	0.09	0.01	0.02	0.00	0.02
Pacific	0.01	0.02		0.02	0.01	0.01	0.02	0.03	0.03	0.04	0.04	0.00
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.77	0.77	0.61	0.75	0.79	0.84	1.14	0.87	0.27
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light ⁴												
North America	0.40	0.65		0.71	0.81	0.53	0.55	0.48	0.64	0.71	0.76	-0.05
Europe	0.32	0.38		0.25	0.33	0.49	0.36	0.33	0.35	0.15	0.22	-0.07
Pacific	0.03	0.01		-	0.00	0.03	-	-	-	-	-	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.01	0.03	0.03	0.02	-	-	-
Europe	0.08	0.06		0.01	0.01	0.15	0.07	0.13	0.07	0.08	0.03	0.05
Pacific	-	0.00		-	-	0.01	-	-	-	-	-	-

1. Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the report.

IEA North America includes United States and Canada.

IEA Europe includes OECD Europe but excludes Hungary and Poland.

IEA Pacific includes OECD Pacific but excludes Korea.

2. Iraq Basrah Light includes other Iraq.

3. Iranian Heavy includes other Iranian.

4. 33 API and lighter (Bonny Light, Escravos, Qua Iboe, Oso Condensate)

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1999	2000	2001	2000	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Year Earlier Apr 00	change
OECD North America												
Venezuela	0.13	0.10		0.09	0.10	0.13	0.09	0.06	0.09	0.13	0.11	0.02
Other Central & South America	0.05	0.06		0.06	0.08	0.06	0.08	0.09	0.08	0.09	0.05	0.04
ARA (Belgium Germany Netherlands)	0.06	0.04		0.02	0.03	0.06	0.07	0.09	0.05	0.07	0.02	0.05
Other Europe	0.15	0.12		0.11	0.10	0.12	0.20	0.23	0.16	0.19	0.11	0.07
FSU	0.02	0.03		0.04	0.04	0.01	0.05	0.04	0.06	0.07	0.01	0.05
Saudi Arabia	0.11	0.06		0.07	0.07	0.06	0.05	0.05	0.05	0.05	0.03	0.01
Algeria	0.00	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.03		0.04	0.03	0.04	0.02	0.02	0.02	0.04	0.03	0.01
Singapore	0.01	0.01		0.00	0.01	0.01	0.01	0.01	0.02	0.01	0.00	0.01
OECD Pacific	0.02	0.00		0.01	0.00	0.00	0.01	0.02	0.01	0.02	0.00	0.02
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.02	0.01	0.00	0.02	0.01	0.03	0.02	0.04	-0.02
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.47		0.45	0.45	0.49	0.61	0.62	0.58	0.68	0.41	0.27
of which Non-OECD	0.35	0.31		0.32	0.33	0.32	0.33	0.28	0.37	0.42	0.28	0.13
OECD Europe												
OECD North America	0.00	0.00		0.00	0.01	0.00	0.00	0.00	-	0.00	0.00	0.00
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.00
Non-OECD Europe	0.02	0.02		0.02	0.02	0.02	0.02	0.02	0.03	0.01	0.02	-0.02
FSU	0.01	0.02		0.04	0.03	0.02	0.01	0.01	0.01	0.02	0.09	-0.07
Saudi Arabia	0.00	0.00		0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Algeria	0.01	0.01		0.01	0.00	0.01	0.00	0.00	-	0.01	0.01	0.00
Other Middle East & Africa	0.00	0.01		0.00	0.01	0.00	0.01	0.02	0.00	0.01	0.00	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	-	-	-	-	-	-
Other	0.07	0.08		0.05	0.07	0.05	0.11	0.14	0.11	0.07	-0.04	0.11
Total²	0.11	0.14		0.14	0.16	0.10	0.16	0.19	0.16	0.13	0.10	0.04
of which Non-OECD	0.11	0.14		0.15	0.15	0.11	0.16	0.19	0.16	0.15	0.10	0.05
OECD Pacific												
OECD North America	0.00	0.00		0.00	-	-	0.01	-	0.01	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	0.00	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	-	0.00	-	0.00	-	-	-
Saudi Arabia	0.00	0.01		0.00	0.01	0.01	0.00	-	0.01	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		-	0.01	-	-	-	-	-	-	-
Singapore	0.02	0.02		0.04	0.02	0.01	0.02	0.02	0.02	0.02	0.05	-0.03
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.01	0.00	0.01	0.00	0.01	0.01	0.01	0.00
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.06	0.04	0.02	0.04	0.02	0.05	0.02	0.06	-0.03
of which Non-OECD	0.03	0.04		0.06	0.04	0.02	0.03	0.02	0.04	0.02	0.06	-0.03
Total OECD Trade²	0.70	0.65		0.66	0.65	0.62	0.81	0.84	0.79	0.84	0.56	0.27
of which Non-OECD	0.49	0.49		0.53	0.53	0.45	0.51	0.50	0.57	0.59	0.44	0.15

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Year Earlier Apr 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.05	0.07	0.08	0.07	0.08	0.07	0.05	0.02
Other Central & South America	0.01	0.01		0.01	0.00	0.02	0.07	0.09	0.06	0.03	-	-
ARA (Belgium Germany Netherlands)	0.00	0.01		-	0.00	0.00	0.01	0.02	-	-	-	-
Other Europe	0.00	0.01		0.01	-	0.00	0.06	0.07	0.03	0.01	-	-
FSU	0.02	0.02		0.02	0.01	0.03	0.11	0.13	0.01	0.04	0.02	0.02
Saudi Arabia	0.01	0.00		-	-	-	0.01	-	-	-	-	-
Algeria	0.00	0.00		-	-	0.00	0.00	0.01	-	0.02	-	-
Other Middle East & Africa	-	0.00		-	-	0.00	0.02	0.04	-	-	-	-
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.01	0.00		0.01	0.00	0.01	0.01	0.01	0.01	-	0.01	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	-	0.01	0.02	0.02	0.01	-	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.09	0.08	0.16	0.39	0.48	0.20	0.16	0.08	0.08
of which Non-OECD	0.10	0.11		0.07	0.07	0.15	0.32	0.40	0.16	0.15	0.07	0.08
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.02	0.00	-	0.01	0.01	0.04	-0.03
Venezuela	0.00	0.00		-	-	-	0.00	0.00	-	-	-	-
Other Central & South America	0.00	0.00		0.00	-	0.00	0.00	0.00	0.00	0.01	-	-
Non-OECD Europe	0.04	0.05		0.04	0.05	0.05	0.04	0.04	0.05	0.02	0.04	-0.02
FSU	0.32	0.29		0.31	0.29	0.24	0.33	0.40	0.43	0.35	0.31	0.04
Saudi Arabia	0.01	0.00		0.01	0.00	0.00	0.00	0.00	0.01	0.00	0.01	-0.01
Algeria	0.04	0.03		0.03	0.03	0.02	0.04	0.04	0.05	0.03	0.04	-0.01
Other Middle East & Africa	0.03	0.02		0.02	0.03	0.02	0.02	0.02	0.01	0.00	0.01	-0.01
Singapore	-	0.00		-	-	0.00	-	-	-	-	-	-
OECD Pacific	0.00	0.00		0.00	-	-	-	-	-	0.00	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.01	0.00	0.00	0.01	-	0.00	-	-
Other	0.07	0.08		0.06	0.09	0.08	0.12	0.12	0.09	0.06	-0.05	0.12
Total²	0.52	0.50		0.49	0.51	0.44	0.57	0.64	0.64	0.49	0.40	0.09
of which Non-OECD	0.51	0.48		0.47	0.49	0.42	0.56	0.64	0.63	0.51	0.36	0.15
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	0.00	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		-	0.00	-	0.00	0.00	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.01	0.00	0.00	0.01	0.00	0.01	0.00	0.01	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	0.00	-	-	-	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.02	0.02	0.01	0.01	0.01	0.01	0.02	0.02	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	0.00	0.01	0.01	0.01	0.00	0.01	-0.01
Other	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Total²	0.03	0.02		0.04	0.02	0.02	0.02	0.03	0.02	0.03	0.04	-0.01
of which Non-OECD	0.03	0.02		0.04	0.02	0.02	0.02	0.03	0.02	0.03	0.04	-0.01
Total OECD Trade²	0.67	0.65		0.61	0.60	0.62	0.98	1.15	0.86	0.68	0.52	0.16
of which Non-OECD	0.64	0.61		0.58	0.59	0.59	0.91	1.07	0.81	0.69	0.47	0.22

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	2000	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Year Earlier Apr 00	change
OECD North America												
Venezuela	0.03	0.03		0.03	0.01	0.04	0.03	0.02	0.05	0.05	0.05	0.01
Other Central & South America	0.02	0.01		0.00	0.02	0.02	0.03	0.03	0.03	0.02	0.01	0.02
ARA (Belgium Germany Netherlands)	0.00	0.00		-	-	-	0.00	0.00	0.00	-	-	-
Other Europe	-	0.00		-	-	0.00	0.00	-	0.00	-	-	-
FSU	0.00	-		-	-	-	0.00	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.01	0.00	0.02	0.03	-	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	0.00	-	-	0.01	-	-
Other Middle East & Africa	0.00	0.01		0.00	-	0.01	0.03	0.03	-	0.02	0.01	0.01
Singapore	0.02	0.01		0.00	0.00	0.01	0.01	0.01	0.01	0.00	0.00	0.00
OECD Pacific	0.03	0.05		0.06	0.08	0.05	0.02	0.04	0.01	0.03	0.03	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.00	0.01	0.02	0.02	0.02	0.02	0.00	0.02
Other	-	-		-	-	-	0.00	-	-	-	-	-
Total²	0.11	0.12		0.12	0.14	0.14	0.18	0.19	0.12	0.16	0.10	0.06
of which Non-OECD	0.08	0.07		0.06	0.06	0.09	0.16	0.15	0.10	0.13	0.07	0.06
OECD Europe												
OECD North America	0.00	0.00		0.01	0.00	0.00	-	-	-	0.00	0.01	-0.01
Venezuela	0.01	0.01		0.01	0.02	0.01	-	-	-	0.00	0.00	0.00
Other Central & South America	-	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	0.00	-	0.00	-	0.00	-
FSU	0.03	0.02		0.02	0.03	0.02	0.02	0.02	0.03	0.04	0.03	0.00
Saudi Arabia	0.01	0.02		0.03	0.01	0.01	0.02	0.03	0.02	0.02	0.03	-0.01
Algeria	0.01	0.01		0.01	0.02	0.01	0.01	0.01	0.02	0.01	0.01	0.00
Other Middle East & Africa	0.03	0.07		0.07	0.08	0.07	0.09	0.12	0.05	0.14	0.03	0.11
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.02	0.05	0.05	0.02	0.01	0.04	0.02	0.02	0.01
Total²	0.12	0.17		0.17	0.22	0.18	0.17	0.19	0.16	0.24	0.14	0.10
of which Non-OECD	0.11	0.17		0.16	0.22	0.18	0.17	0.19	0.17	0.24	0.13	0.11
OECD Pacific												
OECD North America	-	0.00		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		-	-	0.00	0.00	0.01	0.00	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		-	0.00	0.01	0.02	0.02	0.01	-	-	-
Singapore	0.03	0.01		0.01	0.01	0.00	0.01	0.01	0.02	0.00	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.01	0.00	0.03	0.05	0.08	0.02	-	0.01	-
Other	-	0.03		0.04	0.03	0.05	0.06	0.07	0.06	0.02	0.05	-0.03
Total²	0.07	0.07		0.05	0.04	0.10	0.15	0.19	0.12	0.02	0.06	-0.04
of which Non-OECD	0.07	0.07		0.05	0.04	0.10	0.15	0.19	0.12	0.02	0.06	-0.04
Total OECD Trade²	0.30	0.37		0.33	0.41	0.42	0.50	0.57	0.40	0.43	0.30	0.13
of which Non-OECD	0.26	0.31		0.27	0.32	0.37	0.48	0.52	0.39	0.40	0.26	0.14

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Feb 01	Mar 01	Apr 01	Year Earlier Apr 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.04	0.09	0.07	0.07	0.08	0.07	0.04	0.04
Other Central & South America	0.05	0.07		0.05	0.08	0.11	0.10	0.06	0.09	0.15	0.06	0.10
ARA (Belgium Germany Netherlands)	0.01	0.01		0.01	-	0.03	0.04	0.06	0.04	0.06	-	-
Other Europe	0.01	0.03		0.02	0.05	0.05	0.06	0.09	0.02	0.05	0.00	0.04
FSU	0.02	0.01		0.01	0.02	0.02	0.01	0.02	0.00	0.01	0.01	0.00
Saudi Arabia	0.00	0.00		-	0.00	-	0.01	-	0.03	-	-	-
Algeria	0.04	0.05		0.05	0.05	0.05	0.05	0.02	0.06	0.06	0.04	0.02
Other Middle East & Africa	0.01	0.02		0.01	0.01	0.03	0.03	0.03	0.02	0.02	-	-
Singapore	0.00	0.00		0.01	0.00	0.00	0.00	0.01	0.01	0.01	0.01	0.00
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.00	0.02	0.02	0.02	0.01	0.01	0.00	0.01
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.21	0.26		0.20	0.27	0.39	0.40	0.39	0.35	0.44	0.16	0.28
of which Non-OECD	0.19	0.22		0.17	0.22	0.32	0.33	0.27	0.33	0.36	0.16	0.20
OECD Europe												
OECD North America	0.02	0.01		0.01	0.01	0.01	0.02	0.01	0.05	0.02	0.02	0.01
Venezuela	0.01	0.01		0.01	0.00	0.02	0.03	0.02	0.03	0.02	0.04	-0.02
Other Central & South America	0.01	0.02		0.02	0.01	0.01	0.04	0.06	0.05	0.03	0.03	-0.01
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.00
FSU	0.17	0.19		0.21	0.24	0.17	0.18	0.16	0.22	0.21	0.19	0.02
Saudi Arabia	0.00	0.00		-	-	0.00	0.01	-	0.02	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	-	-	-	-	-	-
Other Middle East & Africa	0.08	0.07		0.07	0.07	0.08	0.06	0.05	0.05	0.05	0.04	0.01
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Other	0.02	0.08		0.07	0.09	0.07	0.11	0.09	0.11	0.04	0.06	-0.02
Total²	0.32	0.39		0.40	0.44	0.37	0.45	0.41	0.52	0.37	0.38	-0.01
of which Non-OECD	0.31	0.38		0.39	0.43	0.35	0.43	0.40	0.47	0.35	0.37	-0.02
OECD Pacific												
OECD North America	0.00	0.00		-	0.00	0.00	0.00	-	0.00	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		0.01	-	-	-	-	-	-	-	-
Singapore	0.01	0.01		0.02	0.01	0.00	0.01	0.01	0.03	-	-	-
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.07	0.06	0.04	0.04	0.04	0.05	0.07	0.08	-0.02
Other	0.01	0.01		0.01	0.01	0.02	0.01	0.03	0.00	0.01	0.02	0.00
Total²	0.08	0.09		0.11	0.09	0.07	0.07	0.08	0.08	0.08	0.10	-0.02
of which Non-OECD	0.08	0.09		0.11	0.09	0.06	0.07	0.08	0.08	0.08	0.10	-0.02
Total OECD Trade²	0.61	0.74		0.71	0.80	0.82	0.92	0.88	0.95	0.89	0.65	0.25
of which Non-OECD	0.57	0.69		0.67	0.74	0.74	0.83	0.76	0.89	0.79	0.63	0.17

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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10 August 2001

HIGHLIGHTS

- OECD demand fell by 0.5% in May on a year-on-year basis and preliminary data point to a slightly faster drop in June. With little change to the economic outlook, global oil demand growth remains at 0.5 mb/d for 2001 and 0.8 mb/d for 2002. However, upward revisions to non-OECD demand for 1999 and earlier have been carried through into 2000-2002. Thus, in absolute terms, the oil demand forecast in 2001 and 2002 has been raised by 0.4 mb/d in each year.
- After the UN Security Council approved a five-month extension of the oil-for-food programme, Iraq resumed oil exports on 10 July. Exports quickly reached "normal" volumes of over 2 mb/d. Iraq's crude production last month rose by 1.1 mb/d from June, to 2.0 mb/d. This accounted for the bulk of the July global supply increase of 1.4 mb/d.
- Due to the upward adjustments to historical and forecast world oil demand, the "call on OPEC crude plus stock change" has been raised by 0.4 mb/d in 2001 and 0.3 mb/d in 2002.
- Crude oil prices fell by \$1-3 in July. The decline was steep mid-month, due to the return of Iraqi exports, downgrades to economic and oil demand forecasts and lower refinery runs. In response, on 25 July, OPEC announced a 1 mb/d output cut, with effect from 1 September. The decision prompted a partial recovery of the mid-month losses and has so far put a floor under crude prices.
- OECD crude oil stocks fell by 0.68 mb/d in June while product stocks grew by 1.10 mb/d. The draw on crude reflects reduced supply availability, while the surge in products, mostly gasoline and middle distillates, reflects weakness in demand.

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LOOKING FORWARD, LOOKING BACK

Last month's Report projected our oil supply and demand balances forward 18 months to the end of 2002. This Report looks back and updates our baseline figures to reflect data collected for the IEA's soon-to-be published *Energy Statistics of Non-OECD Countries*, known as the Green Book. The data compilation exercise underlying the annual Green Book's publication is a major undertaking representing significant effort on the part of the many parties concerned, including non-OECD governments and industry. This year's Green Book, which includes data through 1999, has been enhanced by revisions to long-standing time series. The result is more reliable and transparent information.

For OECD countries, the IEA receives data on supply, demand, trade, prices and stocks through monthly submissions from member governments. The data are revised as Member countries receive more complete and accurate filings. These changes are normally quite small and decrease over time. No comparable submission system exists for non-OECD data. Thus information is gathered from a variety of sources, the quality of which varies significantly.

Data for over 40% of non-OECD demand become available only about 20 months after the end of the year in question and non-OECD supply data are similarly delayed in many cases. When data are not available, the IEA makes estimates based on growth rates and historical trends. With such substantial time lags, non-OECD balances are imprecise and revisions follow more slowly.

Revisions to supply estimates in this Report are limited, with the most striking being an upward adjustment of 68 kb/d in 1999 Malaysian production, mostly in NGLs. The revisions to baseline demand are larger and more encompassing. The FSU, Indonesia, Brazil, Algeria, the Philippines, Iraq and Singapore account for the bulk of the upward revisions. In total, demand estimates in *the Oil Market Report* (OMR) for 1999 have been revised upwards by 380 kb/d. Chinese, FSU and Middle East data, while improving, need interpretation and not all figures have been adopted in the OMR. Smuggling, unreported petrochemical feedstocks, unrecognised refineries and direct burn all tend to be undercounted in the official figures (on which most of the Green Book figures were based).

Revisions to Baseline Non-OECD Data

(thousand barrels per day)

	1999	2000
Supply Revisions:		
Malaysia	68	68
Demand Revisions:		
FSU	159	122
Indonesia	91	92
Philippines	30	28
Singapore	45	47
Brazil	44	37
Iraq	27	27
Algeria	41	42
Net Other	-54	-69
	383	326
Effect on "Miscellaneous-to-Balance"	-315	-258

The effect of these supply and demand adjustments is a downward revision to the historical "miscellaneous-to-balance". The IEA balances are necessarily imprecise given uncertainties surrounding non-OECD supply and demand, global stock developments and reporting lags. Rather than forcing supply and demand to balance, the OMR shows this statistical difference as "miscellaneous-to-balance". No interpretation of this balancing item is made, although it includes non-reported OECD and non-OECD stocks.

Two OECD data revisions have also been incorporated in this Report. The first involves an upward adjustment of more than 400 kb/d to preliminary US May 2001 demand estimates. The effect is to increase our 2001 demand forecast slightly from 0.46 mb/d to 0.51 mb/d. The second reflects a methodological change in stock calculations: Norwegian stocks generally have been overstated. Norway has adopted new definitions and a new reporting system. They should yield more accurate and timely figures. Norwegian stocks have been recalculated back to January 2000 and adjusted back to January 1990.

DEMAND

Summary

- The assessment of baseline global oil demand has been raised by 380 kb/d for 2001, to 76.39 mb/d, and by 390 kb/d for 2002, to 77.18 mb/d. The changes stem from revisions to historical data for the years up to 1999 in the IEA's soon-to-be-published *Energy Statistics of Non-OECD Countries*, the "Green Book", which have been carried forward.
- Of the various adjustments to baseline demand introduced in this year's Green Book, the largest regional impacts are in the FSU and Asian countries. The assessment of FSU demand for 1999 has been increased by about 160 kb/d, while 1999 Asian demand, excluding China and OECD member countries, has been raised by 150 kb/d. Latin American demand (minus Mexico) has been adjusted upwards by close to 65 kb/d, and African demand has gained 40 kb/d.

Global Oil Demand from 2000 to 2002

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q00	75.9	-0.4	-0.3	0.3
2Q00	74.4	1.4	1.1	0.3
3Q00	76.4	2.5	1.9	0.3
4Q00	76.8	-0.2	-0.1	0.3
1Q01	76.9	1.3	1.0	0.4
2Q01	75.1	0.9	0.7	0.6
3Q01	76.3	-0.2	-0.1	0.4
4Q01	77.3	0.7	0.5	0.2
1Q02	77.4	0.7	0.5	0.4
2Q02	75.6	0.7	0.5	0.6
3Q02	77.3	1.3	1.0	0.4
4Q02	78.4	1.4	1.1	0.2
2000	75.9	0.8	0.6	0.3
2001	76.4	0.7	0.5	0.4
2002	77.2	1.0	0.8	0.4

* year-on-year change

- Although demand in absolute terms has been adjusted upwards in this Report, the forecast of demand growth remains broadly unchanged, averaging 0.5 mb/d for this year and 0.8 mb/d for 2002. Dramatic upward revisions to US preliminary data for May helped raise the assessment of OECD demand growth for the whole year by 100 kb/d, but overall OECD demand for oil products still contracted that month, by 0.5%. A continuing decline in industrial production caused OECD oil demand to fall even faster in June, based on preliminary data.

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2001	2000	2001	2002	2000	2001	2002
North America	24.22	0.33	0.13	0.24	1.4	0.5	1.0
Europe	15.81	-0.12	0.00	0.10	-0.7	0.0	0.6
OECD Pacific	8.64	-0.04	-0.01	0.04	-0.4	-0.1	0.5
China	4.95	0.30	0.16	0.15	6.7	3.3	2.9
Other Asia	7.34	0.10	0.03	0.02	1.4	0.4	0.2
Subtotal Asia	20.93	0.36	0.18	0.20	1.8	0.9	1.0
FSU	3.62	-0.05	0.00	0.03	-1.2	0.1	0.9
Middle East	4.54	0.09	0.16	0.13	2.1	3.6	3.0
Africa	2.40	0.01	0.03	0.03	0.3	1.3	1.2
Latin America	4.87	0.01	0.01	0.05	0.3	0.1	1.1
World	76.39	0.64	0.51	0.79	0.8	0.7	1.0

- This Report trims the assessment of non-OECD demand growth for 2001 by 50 kb/d, as countries from Latin America to Singapore face worsening economic situations. The drop in non-OECD demand partly offsets the upward adjustment in 2001 OECD demand estimates. Robust Chinese imports in April and May caused apparent demand to rebound sharply from a 1.4% contraction in the first quarter; however, they are expected to taper off, as product stocks remain stubbornly high. Gains in FSU exports will likely continue to match production increases, leaving implied domestic demand only marginally higher versus last year.

OECD

Early Indications of Current Demand

As in previous months, preliminary estimates of OECD demand for May have been substantially revised, resulting in an overall upward adjustment of 590 kb/d. This compares with upward revisions to preliminary data of more than 800 kb/d for April and of 180 kb/d for March. In line with the recent trend, US revisions make up the bulk of the gains: more than 400 kb/d for May, compared with roughly 575 kb/d for April and more than 400 kb/d for March.

Estimated Annual World Oil Demand Growth 1997-2002

	(million barrels per day)					
	97-96	98-97	99-98	00-99	01-00	1 Feb
North America	0.48	0.38	0.68	0.33	0.13	0.24
Latin America	0.34	0.05	0.00	0.01	0.01	0.05
FSU	-0.16	-0.06	-0.07	-0.05	0.00	0.03
Europe	0.15	0.27	-0.13	-0.12	0.00	0.10
OECD Pacific	0.13	-0.54	0.27	-0.04	-0.01	0.04
China	0.47	-0.02	0.30	0.30	0.16	0.15
Other Asia	0.33	0.06	0.39	0.10	0.03	0.02
Subtotal, Asia	0.93	-0.50	0.96	0.36	0.18	0.20
Middle East	0.16	0.17	0.12	0.09	0.16	0.13
Africa	0.07	0.06	0.05	0.01	0.03	0.03
World	1.98	0.36	1.62	0.64	0.51	0.79

Although the revisions are large, the adjusted data still point to weak demand growth - if any - in the second quarter. OECD oil demand now appears to have declined 0.5% in May, after growing by 1.7% in April. Upwardly revised March data reflect flat demand rather than a previously reported decline, but demand still fell by 1.2% in February. Sluggish demand is consistent not only with the protracted slowdown in OECD economic growth and the even steeper downturn in manufacturing, but also with lower product prices and refining margins, and a concomitant surge in product inventories

Preliminary Inland Deliveries – June 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.69	-1.3	1.68	-1.9	2.30	-8.7	1.29	25.2	0.95	0.8	4.36	-13.2	19.27	-3.8
Canada	0.70	1.3	0.11	-4.5	0.40	-3.4	0.03	-15.0	0.14	10.4	0.23	-11.8	1.61	-2.1
Mexico	0.56	3.5	0.05	0.0	0.29	-5.0	0.00	-100.0	0.52	5.0	0.34	-4.7	1.76	0.6
Japan	0.98	-0.1	0.32	2.2	0.69	-4.2	0.44	1.4	0.47	-13.5	1.54	-0.1	4.45	-2.0
Korea	0.16	-4.9	0.05	-9.1	0.41	18.4	0.09	68.6	0.32	1.9	0.93	1.5	1.95	5.3
France	0.33	-3.9	0.14	1.8	0.60	3.3	0.23	9.1	0.04	-10.0	0.49	0.6	1.82	0.9
Germany	0.67	-2.2	0.16	-1.6	0.58	-2.0	0.63	24.9	0.12	19.1	0.51	4.1	2.67	5.4
Italy	0.40	-3.7	0.08	-4.2	0.43	7.9	0.08	1.6	0.25	-17.8	0.48	-0.6	1.72	-2.7
Total	12.48	-1.1	2.60	-1.5	5.69	-3.0	2.80	18.7	2.81	-2.1	8.88	-10.7	35.26	-1.9

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, Italy/ Ministry of Industry, Statistics Canada, Mexico Pemex, Korea PEDCO

Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Based on revised data for May 2000

Preliminary US data, as well as data from other large OECD economies, point to even weaker demand in June and July. Early reports suggest that oil demand fell in June by 3.8% and 2% in the two largest OECD markets, the US and Japan. The drops were only partly offset by sharp rebounds in German and Korean demand. Overall, inland deliveries fell in June by an aggregate 1.9% year-on-year in the eight OECD economies for which preliminary data are available (see table above). Based on more conservative estimates of US deliveries, overall OECD demand now appears to have contracted by an average of 1.3% in June, translating into a slight decline in the second-quarter average.

Broken down by product, June preliminary delivery data show demand contraction across the board, except for “other gasoil,” predominantly heating oil, which continued to benefit from vigorous consumer buying in Germany and, to a lesser extent, France. Korean deliveries of “other gasoil” were up by almost 70%, but that followed several months of double-digit decline rates. In addition, reflecting definitional differences, a much lower growth rate has been used in this Report for Korean deliveries, though a higher one has been used for diesel. In general, lower prices have triggered a rash of end-user buying ahead of winter. Whether such demand growth rates are sustainable seems doubtful.

By contrast, deliveries of diesel and jet fuel, two products for which the rate of demand growth is often seen as a leading economic indicator, declined in June. Steep contraction in North America led the trend. Gasoline deliveries also declined in all seven economies represented except Canada and Mexico, extending previous declines in Europe and Asia.

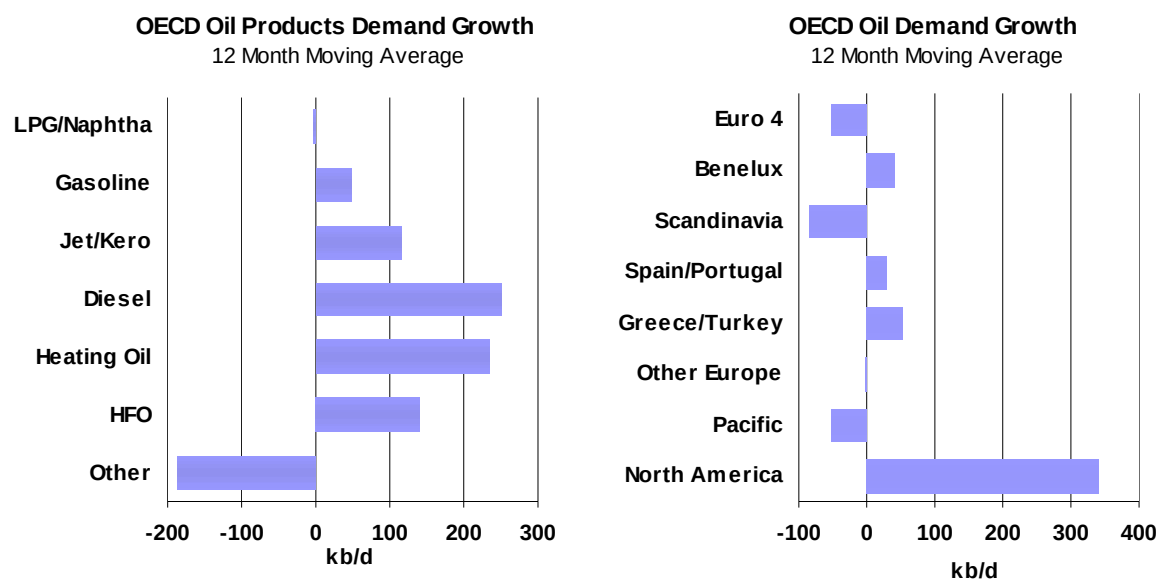
The regularity with which recent US preliminary data have been revised upwards, raises concerns that those early estimates systematically understate demand, and that large upward adjustments should thus be applied to provisional data in expectation of future revisions. But even if 400 kb/d, or slightly more, were added to US preliminary demand estimates for June, overall OECD demand would still show a decline in that month, albeit of only 0.7%. Most of the recent US adjustments offset estimated or actual understatements of product imports and LPG production in the preliminary data, and revisions for June might well exceed the adjustment of roughly 110 kb/d made in this Report. Overall, however, US adjustments should start to decline, as lower prices render imports less economical, while stabilising natural gas prices make it easier to predict how much LPG remains in the gas stream.

Moving Annual Average Change in Oil Demand – June 2001

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-7.2%	7.5%	0.8%	3.6%	5.7%	7.6%	22.9%	-7.6%	1.2%	240
Canada	1.9%	2.4%	0.8%	-1.3%	1.0%	3.7%	27.2%	2.1%	3.1%	63
Mexico*	-1.1%	-50.7%	4.0%	4.3%	1.4%	1.6%	1.4%	-48.4%	-0.7%	-14
Japan	1.7%	1.4%	1.5%	2.9%	-2.7%	0.1%	-4.9%	-5.8%	-0.4%	-24
Korea	2.0%	1.3%	-5.6%	-12.2%	8.9%	-11.9%	1.0%	-16.8%	-1.3%	-29
France	-4.6%	0.9%	-5.8%	1.9%	0.6%	2.1%	-16.8%	1.7%	-1.4%	-29
Germany	0.8%	-1.7%	-5.3%	1.7%	3.9%	9.5%	16.4%	-9.6%	1.9%	52
Italy	2.9%	-1.3%	-3.2%	1.7%	7.5%	-8.0%	-10.7%	11.6%	-1.5%	-29
UK*	-11.3%	-12.4%	0.0%	8.0%	1.8%	1.8%	-3.3%	-2.1%	-0.5%	-9
Total	-3.8%	0.8%	0.2%	2.3%	3.7%	3.4%	4.7%	-6.4%	0.5%	209
Kb/d	-166	20	30	82	203	123	163	-247	209	

* near-month data are estimated

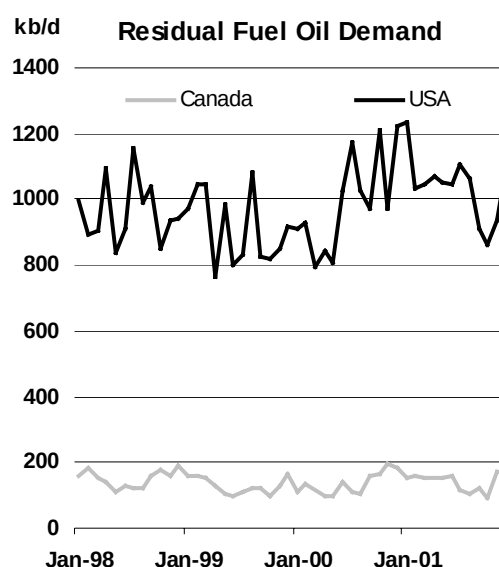
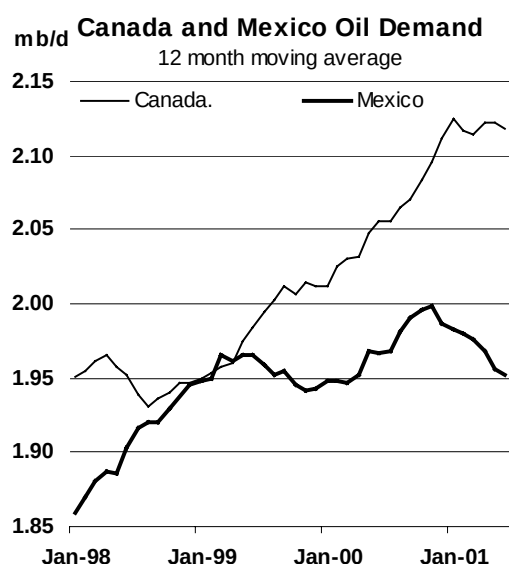
The twelve-month moving-average change in aggregate oil demand growth for the nine largest OECD markets continued to edge lower in June, down one tenth of a percentage point, to just 0.5%. The slight drop reflected slowing demand growth in two of the group's stronger markets, the United States and Canada. While still positive, the moving average change of US demand growth fell by two tenths of a percentage point, to 1.2%, while the Canadian index shed half a point, the biggest loss of all country averages in the mix. All other countries except Germany continued to show contractions. Italy, Korea and Mexico sank deeper into decline. French, Japanese and UK demand also continued to contract, but at a slower pace.



North America

The economic underpinnings of North American demand growth have yet to show any clear sign of improvement. In prepared remarks to the US Senate Banking Committee, Federal Reserve Chairman Alan Greenspan last month noted that “the period of sub-par economic performance...is not yet over, and we are not free of the risk that economic weakness will be greater than currently anticipated...” That weakness, he added, “could arise from softer demand abroad as well as from domestic developments”.

Not all market signals were negative. US unemployment continued to rise in July, but at a slower rate, suggesting that the US labour market may be stabilising. Most of the job reductions occurred in the manufacturing industry, but the drop in employment was the smallest for that sector this year. US consumer spending grew by a robust 0.4% in June, and there were signs that the Bush Administration’s tax rebate kept the trend alive in July.



Yet despite Government reports of higher personal consumption, a closely watched index of US consumer confidence fell in June. And belying the apparent slowdown in job losses, a report showed that job cut announcements jumped to a record high in July. US construction spending fell 0.7% in June, and a slight gain initially reported for May was revised down to a 0.2% contraction. June factory orders fell 2.4%, according to the Commerce Department, while the National Association of

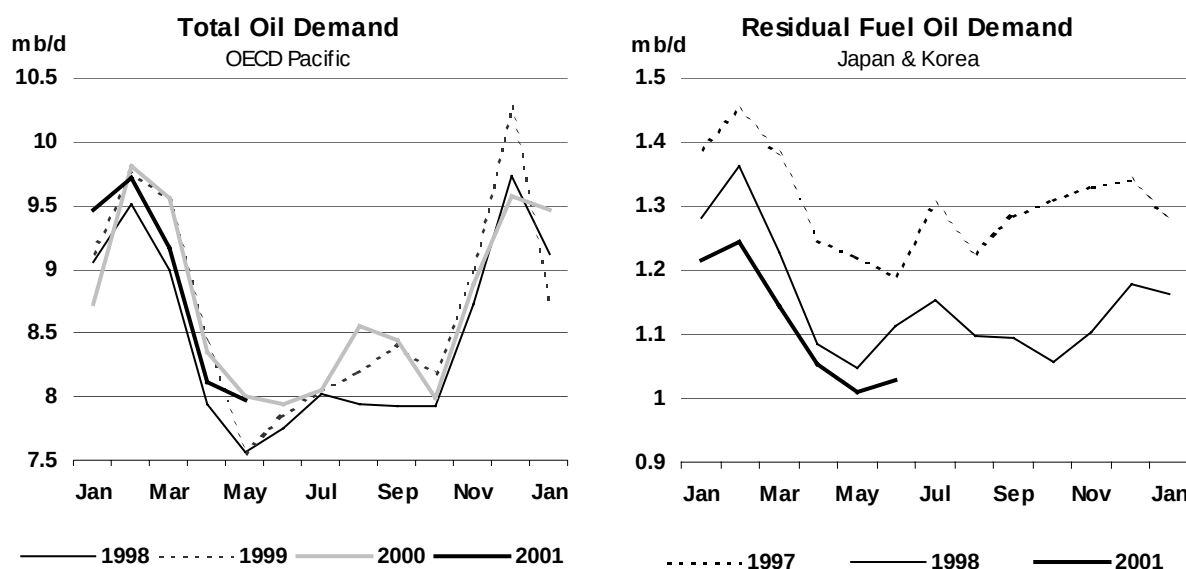
Purchasing Management said its July Manufacturing Business Index slipped to 43.6 from 44.7 in June, below expectations. Its non-manufacturing index also fell below 50 in July, signalling a contraction. Overall, the US economy slumped to its slowest rate of growth in almost 10 years in the second quarter. Across the border, Mexico faces an outright recession.

While the repeated pattern of large corrections by the US Department of Energy shows that initial data should be treated with caution, preliminary reports of lower oil demand in the US and Canada in June, and weekly US reports showing nearly flat demand growth in July, seem consistent both with broader economic indicators and with anecdotal evidence from industry. Several US Gulf Coast refiners reportedly resorted to the unusual step of shutting down refining units for maintenance in mid-July as lower product prices eroded refining margins. Faced with a sharp downturn in demand, US airlines are taking steps to rationalise their fleets. One major airline decided to retire seven large aircraft and ground three others for spare parts this year. Nine more are due to be retired next year.

Pacific

Second-quarter demand appears to have contracted in the two largest OECD markets in Asia-Pacific. A 5.3% rebound in Korean demand in June, indicated by preliminary data, failed to offset steep declines in April and May. Overall, second-quarter Korean demand contracted by 2.2%, extending the first quarter's 0.7% drop. The strength of June deliveries suggests a one-off correction rather than the start of a sustainable rebound.

Despite weak overall Korean demand in the first half of the year, both household and industrial demand for diesel have been robust. Diesel deliveries soared by 14% in the first quarter and 18% in the second, as an increase in the excise tax caused transportation demand for the fuel to surge. Demand for diesel as fuel for power generation also increased dramatically in the first half. By contrast, demand for gasoline and jet fuel fell at a quickening pace in the first half. Gasoline demand contracted by 2% in the first quarter and 7% in the second, while jet fuel and kerosene demand fell by 7% and 20%. Petrochemical demand is undermined by a dramatic drop of more than 40% in first-half petrochemical exports.



Economically beleaguered Japan saw oil product demand fall more than expected in June, by 2.2%, based on preliminary data. The drop brings the year-on-year fall in Japanese demand to 1.2% for the second quarter, offsetting a first-quarter gain of 1.5%. Japanese demand would have contracted in the first quarter too if not for the abnormal strength of January deliveries compared with the previous year, when heavy Y2K-related precautionary buying led to weak January demand. Second quarter demand contracted across the product mix except for gasoline, for which demand inched up by half a percentage point, and LPGs, whose deliveries rose 4.7%. For the first half as a whole, demand contracted most for "other products", residual fuel oil and diesel.

Not only do Japan's economic travails make a prompt recovery in domestic oil demand unlikely, but the country's role as regional powerhouse and key trading partner clouds the entire region's prospects of economic recovery. A recent plunge in the Japanese stock market to a 16-year low offered little

cause for cheer. Weakness in Japan is “creating a drag on prospects for global recovery,” said John Taylor, head of international economic policy at the US Treasury.

Not all the drops in OECD Pacific demand can be blamed on the economic slowdown and reduced manufacturing output. Policy-driven shifts, hastened by high oil prices, are also cutting demand. This is particularly evident in the case of residual fuel oil demand, which, unlike overall oil demand, never recovered from the lows of the Asian financial crisis of 1998. As the tables above illustrate, current OECD-Pacific oil demand, while lower than last year, remains well above 1998 lows. Not so for residual fuel oil demand, which has come under sustained pressure not only from reduced industrial output, but also from a shift toward natural gas, coal, LNG and other fuels for power generation.

Europe

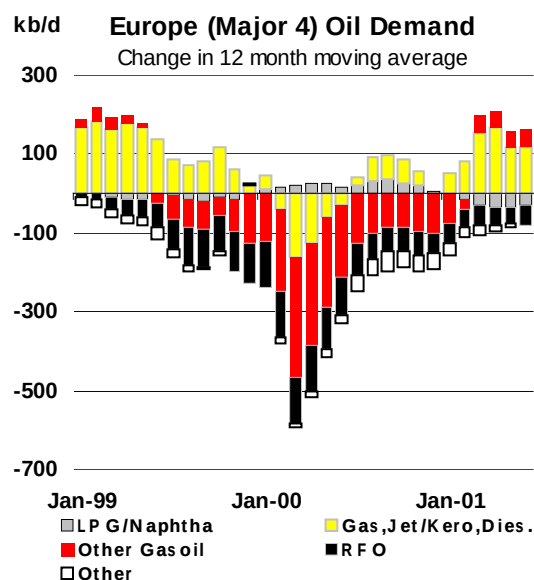
As in the US, economic indicators in OECD Europe have been sending mixed signals. Retail spending, household borrowing and the housing market are still comparatively robust, despite a 3.7% drop in French housing starts in July. French consumer spending was stronger than expected in June, while the Confederation of British Industry's survey of retailers showed sales volumes growing by their fastest in a year. In contrast with confident consumers, industrial output across the region is in a tailspin. Euro-area manufacturing contracted for the fourth straight month in July, fuelling fears that the economic slowdown still has some months to go before reaching a turning point. And the steady fall in euro-zone unemployment of the last four years has come to a halt.

Industrial production contracted in Germany and the UK in June, while the Reuters-NTC Euro-zone purchasing managers' index for July showed a reading below 50, signalling a contraction, for the fourth consecutive month. The Italian index fell to a four-year low. Business confidence reached a three-year low in Italy and a five-year low in Germany, where tax revenues fell sharply in June, further straining the budget.

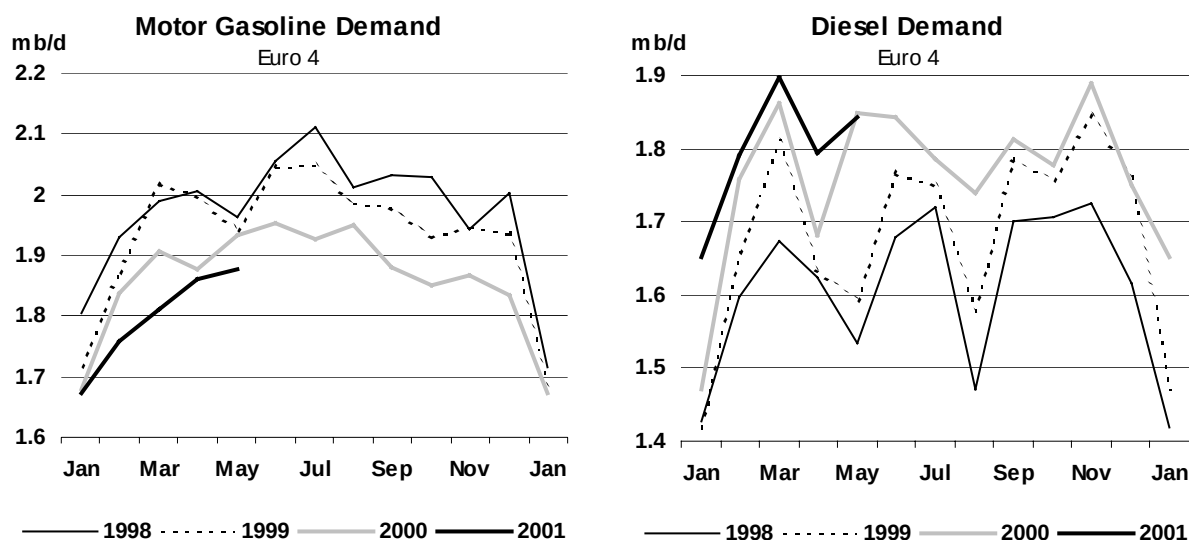
Several upward revisions to first-quarter data as well as to May preliminary estimates are slightly raising the prospects of oil demand growth this year. Belgian deliveries for February and March have been adjusted upwards by 61 kb/d and 113 kb/d. March demand gained another 100 kb/d from upward adjustments for Italy and the UK. As a result, OECD European demand is now estimated to have grown by 20 kb/d in the first quarter, rather than declined by 80 kb/d. May demand estimates were also raised by 190 kb/d, thanks to a boost of 110 kb/d in Germany and increases of roughly 50 kb/d each in France and the UK.

Germany and, to a lesser extent, France owed the greater-than-expected strength of May deliveries to robust gasoil buying as consumers apparently took advantage of lower prices. Anecdotal evidence suggests that German household tanks were 60% full by the end of July, two or three months earlier than normal, and homeowners were expected to keep stockpiling heating oil at a brisk pace this month. The forecast of German demand has been raised accordingly for the summer months. However, heavy price-opportunistic purchasing of heating oil early in the season is more likely to signal “borrowed” demand from the fall season than the start of an uptrend in overall demand. Revisions to full-year OECD European demand thus remain relatively limited, with 2001 demand now expected flat year-on-year rather than falling slightly.

Indeed, the possibility that European demand will still fall short of expectations cannot be ruled out in light of the region's worsening business climate and employment outlook. A faster-than-expected decline in euro-zone import and export activity is particularly worrisome given the greater role of trade in European GDP than in other key regional economies. Euro-zone imports fell 6% in value in the first five months of the year, while exports declined by 2%. The steep fall in imports was blamed on inflationary pressures caused by higher oil prices, which caused demand to falter.



As in the case of OECD Asia, the overall weakness of demand growth masks sharp contrasts between products. As shown in the tables below, gasoline demand in the four largest European economies so far this year has trailed lower than in any of the last three years, continuing a steady decline. By contrast, diesel demand extended a three-year growth pattern this year, though demand last May fell back to year-ago levels. The “dieselisation” of European economies, encouraged both by the fiscal policies of the region’s governments and by high oil product prices, translates into lower demand overall, as diesel-powered car engines are more fuel-efficient than gasoline-fuelled vehicles.



Non-OECD

The most significant changes to non-OECD demand estimates in this month’s Report stem less from a reassessment of current developments – though the deepening crisis in Argentina and recession in Singapore are concerns – than from revisions to historical demand assessments for the years 1993 to 1999. Those revisions reflect new estimates introduced by the IEA’s Energy Statistics Division in the soon-to-be-published *Energy Statistics of Non-OECD Countries*, better known as the Green Book. The revisions raise baseline demand for 1999 by an aggregate of 383 kb/d, which has been carried forward.

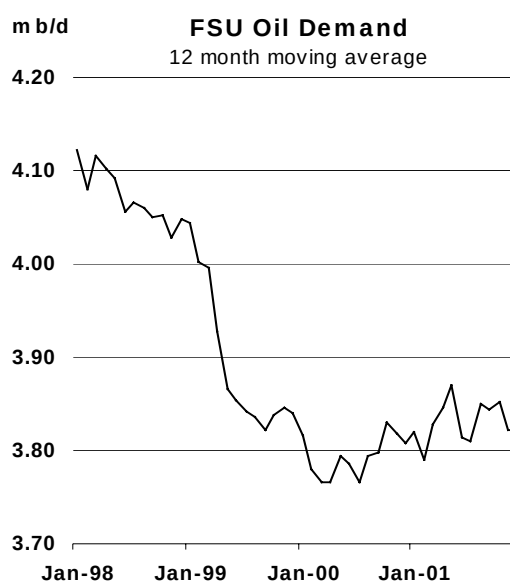
The largest revisions affect the assessment of FSU demand for 1999, which has been raised by 159 kb/d. The assessment for “other Asia”, excluding China, gained an aggregate 150 kb/d. Other revisions were smaller, including a 63 kb/d gain in Latin America and a 40 kb/d increase in Africa. These changes have little impact on the assessment of year-on-year growth for subsequent years, though they do raise the assessment of absolute demand by 326 kb/d for 2000 and help raise the 2001 forecast of global demand by 277 kb/d.

Not all Green Book adjustments to historical data have been adopted for the purposes of this Report. Green Book annual surveys represent a major undertaking, requiring extensive, sustained efforts on the part not only of the IEA’s Energy Statistics Division, but also of a great number of non-OECD governments and industry participants. As a compilation of official statistics, they are irreplaceable. By definition, however, they tend to miss those parts of the oil market that fall outside the scope of official accounting, such as smuggling. In some countries, they also understate deliveries to the petrochemical industry, production from unauthorised refineries, as well as direct burning of crude. For these reasons, *Oil Market Report* (OMR) estimates of historical non-OECD demand differ from Green Book assessments for several countries, including China, the FSU, Iran, Kuwait, Saudi Arabia and the UAE. Demand estimates for those countries will continue to be reviewed with particular care.

Former Soviet Union

This Report adopts the new Green Book figure for 1999 FSU demand, which raises the previous assessment by 159 kb/d, to 3.66 mb/d. The latest adjustment indicates growing convergence between Green Book and OMR estimates. This reflects encouraging progress in the assessment of both historical demand and current production and trade figures. As a result, the IEA expects that future OMR estimates of FSU demand will more closely track calculations of apparent demand, derived by subtracting net exports from crude production estimates, minus only a temporary adjustment for expected upward adjustments in net export data. For 2001, this Report currently estimates FSU demand at 3.62 mb/d, up from 3.51 mb/d last month.

Green Book revisions that cut prior assessments of FSU demand for the years 1992 to 1998 are not incorporated into the historical series of the OMR, however. Rather, the existence of a sizeable “black market” in oil products that escapes official accounting in Russia and elsewhere in the FSU suggests that historical demand after the collapse of the Soviet Union continues to be understated.



China

Chinese oil imports were very robust in May, and as a result, implied demand defied expectations, soaring by nearly 13% after April's 17.5% gain. The gains were a sharp reversal of the first-quarter's 1.4% decline. But the rebound does not appear to be sustainable. Chinese refiners reportedly have since been selling back crude and products bought on a term contract basis in a bid to carry out a government mandate to draw down brimming inventories. Refinery run cuts of 5% to 10% implemented in June were expected to be extended for several months. Thus, greater-than-expected implied demand in May is expected to be offset by lower growth later.

While extremely robust by international standards, China's economy is showing further signs that it is not immune from the global economic slowdown. Industrial output continued to grow at double-digit rates in May, up 10.2% year-on-year, but that was slightly slower than the 11.5% posted in April. The relative slowdown focused on heavy industry, with the output of cars down 16.4% on the month. Growth in exports of industrial products fell below 10%, year-on-year, in May for the first time in 16 months. In expectation of a further slowdown, the assessment of year-on-year oil demand growth has been trimmed slightly to a still robust 160 kb/d from 190 kb/d in last month's Report.

The assessment of Chinese demand for prior years is left unchanged, as this Report does not incorporate downward revisions applied by this year's Green Book to previously published Green Book data. The reason for the difference in Green Book and OMR data is that the latter attempt to account not only for oil products delivered through normal channels, but also for that part of the domestic trade that by definition tends to fall outside the scope of official statistics, such as smuggled oil, direct burn, and the output of outdated refineries officially set for mothballing or dismantling, but often still in operation.

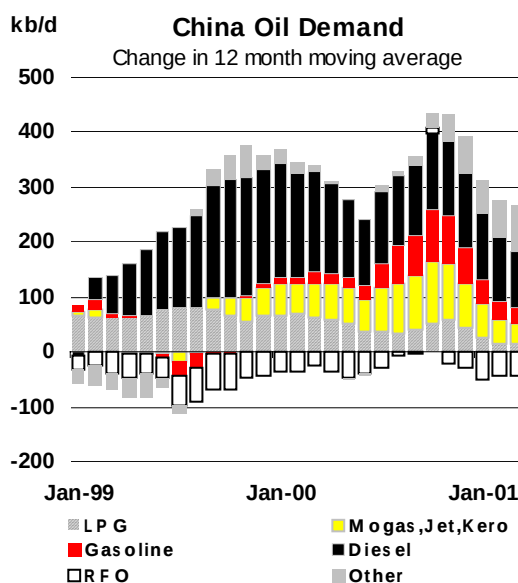
Other Non-OECD

Green Book revisions to Middle East data that in aggregate cut regional demand estimates by a combined 115 kb/d for 1999 have been partly adopted, leaving the prior overall assessment unchanged. Revisions to earlier data for Saudi Arabia and Iran have not been incorporated, due mostly to concerns that official Iranian data fail to capture smuggling. While regional data in general tend to understate the impact on demand of a fast-growing population and associated infrastructure developments. Consumption by the burgeoning petrochemical industry is also often believed to be understated. Middle East historical demand assessments will be further reviewed by the IEA.

All other changes to 1993-1999 demand estimates are in line with Green Book estimates. These include; the Asia-Pacific region, a 91 kb/d upward adjustment in Indonesian demand for 1999, which has been carried forward, as well as demand increases of 45 kb/d for Singapore, 30 kb/d for the Philippines, 25 kb/d for Thailand, and 15 kb/d each for Taiwan and Vietnam. North Korean demand has been cut by 28 kb/d, and a sharp increase in Hong Kong deliveries for 1999 has been trimmed by 67 kb/d as that oil appears to have been bound for the unofficial Chinese market. All in all the adjustments come to 150 kb/d for 1999. Because of fuel substitution away from oil across the region and also due to this year's economic slowdown, that increase is not fully carried forward in subsequent years. Estimates of 2001 demand in this month's Report are raised by only 120 kb/d.

In Latin America, Green Book estimates of Brazilian demand, which already had been revised upward last year, have been further increased, roughly by 15 kb/d-30 kb/d for 1993 to 1998, and by 44 kb/d for 1999. Dominican Republic baseline consumption has been raised by 28 kb/d, reflecting the growth in tourism. Ecuador demand has been trimmed by 16 kb/d and both Argentinean and Venezuelan demand by about 10 kb/d each. In total, revisions to base line non-OECD Latin American demand amount to an increase of 63 kb/d.

African baseline demand has been raised by an aggregate 40 kb/d, reflecting gains of 41 kb/d in Algeria and 14 kb/d in Morocco, as well as decreases of 24 kb/d in Libya and 14 kb/d in the Congo Republic.



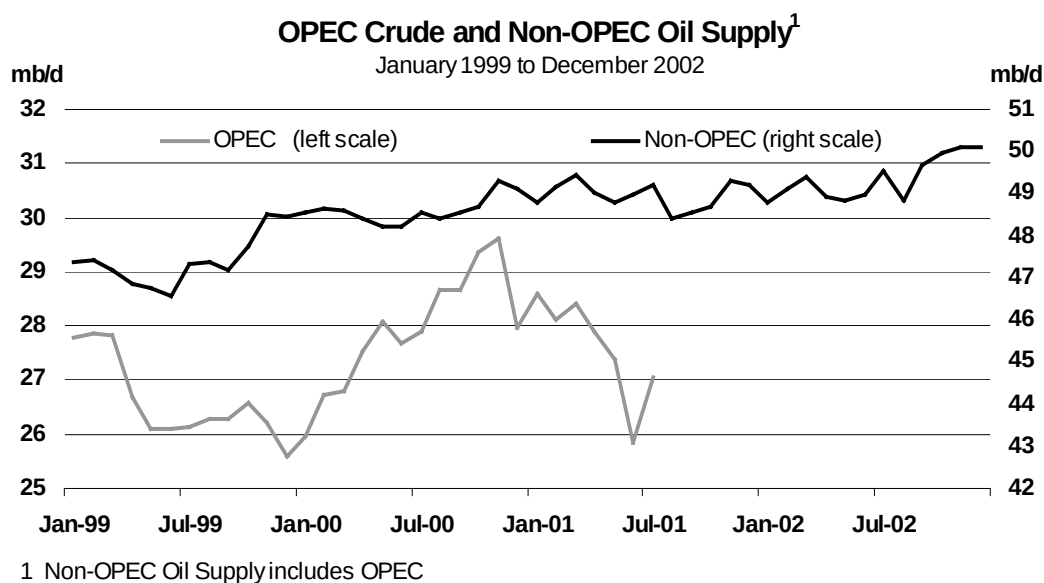
Summary of Global Oil Demand

	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
Demand (mb/d)																
North America	23.77	23.65	23.84	24.45	24.43	24.10	24.17	23.78	24.46	24.48	24.22	24.26	23.94	24.78	24.86	24.46
Europe	15.21	15.17	14.62	15.16	15.40	15.09	15.19	14.73	15.04	15.39	15.09	15.20	14.77	15.17	15.57	15.18
Pacific	8.69	9.35	8.09	8.35	8.81	8.65	9.44	8.01	8.23	8.90	8.64	9.40	8.05	8.29	8.98	8.68
Total OECD	47.68	48.17	46.56	47.96	48.64	47.84	48.79	46.52	47.72	48.77	47.95	48.86	46.76	48.25	49.40	48.32
FSU	3.66	3.65	3.49	3.55	3.77	3.61	3.75	3.56	3.49	3.68	3.62	3.79	3.59	3.51	3.70	3.65
Europe	0.71	0.77	0.72	0.67	0.72	0.72	0.77	0.73	0.67	0.73	0.73	0.78	0.74	0.68	0.74	0.73
China	4.49	4.73	4.55	5.05	4.82	4.79	4.67	5.00	5.04	5.09	4.95	4.90	5.01	5.22	5.24	5.10
Other Asia	7.21	7.23	7.40	7.35	7.26	7.31	7.34	7.44	7.32	7.26	7.34	7.33	7.44	7.36	7.30	7.36
Latin America	4.85	4.72	4.89	4.96	4.87	4.86	4.74	4.88	4.96	4.88	4.87	4.79	4.92	5.02	4.95	4.92
Middle East	4.29	4.27	4.41	4.52	4.32	4.38	4.41	4.57	4.69	4.48	4.54	4.54	4.71	4.83	4.61	4.67
Africa	2.37	2.40	2.34	2.36	2.41	2.37	2.42	2.36	2.39	2.44	2.40	2.44	2.40	2.42	2.48	2.43
Total Non-OECD	27.57	27.76	27.80	28.45	28.17	28.05	28.11	28.54	28.56	28.55	28.44	28.57	28.81	29.04	29.01	28.86
World	75.25	75.93	74.36	76.41	76.82	75.88	76.91	75.05	76.29	77.33	76.39	77.43	75.58	77.30	78.41	77.18
Of which:																
US	19.52	19.27	19.48	20.02	19.98	19.69	19.80	19.49	20.05	20.08	19.86	19.85	19.61	20.30	20.37	20.00
Euro 4	8.54	8.46	8.08	8.43	8.56	8.38	8.41	8.22	8.38	8.56	8.39	8.41	8.24	8.44	8.67	8.44
Japan	5.60	6.01	5.01	5.41	5.63	5.51	6.10	4.95	5.31	5.70	5.51	6.07	4.97	5.35	5.73	5.53
Korea	2.08	2.33	2.06	1.95	2.18	2.13	2.32	2.02	1.93	2.18	2.11	2.32	2.03	1.95	2.20	2.12
Mexico	1.94	2.00	2.00	2.00	1.94	1.99	1.96	1.90	1.95	1.94	1.94	1.96	1.92	1.98	1.98	1.96
Canada	2.01	2.06	2.07	2.14	2.19	2.11	2.07	2.08	2.15	2.14	2.11	2.09	2.10	2.18	2.16	2.13
Brazil	2.15	2.07	2.16	2.20	2.17	2.15	2.10	2.14	2.18	2.16	2.14	2.12	2.16	2.20	2.18	2.16
India	2.00	2.09	2.04	2.00	1.97	2.03	2.10	2.05	2.02	1.99	2.04	2.11	2.07	2.04	2.01	2.06
Annual Change (% per annum)																
North America	3.0	0.6	1.9	1.6	1.4	1.4	2.2	-0.3	0.0	0.2	0.5	0.4	0.7	1.3	1.5	1.0
Europe	-0.5	-4.4	1.1	2.6	-2.2	-0.8	0.1	0.8	-0.8	0.0	0.0	0.1	0.3	0.9	1.1	0.6
Pacific	3.2	-1.2	2.1	1.6	-3.7	-0.4	0.9	-1.1	-1.5	1.0	-0.1	-0.4	0.5	0.8	0.9	0.5
Total OECD	1.9	-1.4	1.7	1.9	-0.7	0.3	1.3	-0.1	-0.5	0.3	0.2	0.1	0.5	1.1	1.3	0.8
FSU	-1.9	-3.9	1.6	-1.1	-1.4	-1.2	2.9	1.8	-1.7	-2.4	0.1	1.1	1.0	0.7	0.7	0.9
Europe	-7.7	1.1	1.4	1.3	1.3	1.3	0.0	1.3	0.9	0.7	0.7	0.8	1.0	1.3	1.4	1.1
China	7.2	8.2	-1.4	16.7	3.9	6.7	-1.4	9.9	-0.2	5.5	3.3	5.1	0.3	3.6	3.0	2.9
Other Asia	5.7	1.4	2.3	1.9	0.1	1.4	1.7	0.5	-0.4	-0.1	0.4	-0.2	0.0	0.5	0.6	0.2
Latin America	0.1	0.5	1.0	0.5	-0.9	0.3	0.5	-0.2	0.1	0.2	0.1	1.0	1.0	1.2	1.3	1.1
Middle East	3.0	0.1	1.4	3.5	3.5	2.1	3.4	3.6	3.8	3.7	3.6	2.9	3.0	3.1	2.9	3.0
Africa	2.1	1.8	0.0	-0.1	-0.6	0.3	1.1	1.1	1.3	1.5	1.3	0.9	1.3	1.2	1.4	1.2
Total Non-OECD	2.8	1.4	1.0	3.7	0.8	1.7	1.3	2.6	0.4	1.3	1.4	1.6	1.0	1.7	1.6	1.5
World	2.2	-0.4	1.4	2.5	-0.2	0.8	1.3	0.9	-0.2	0.7	0.7	0.7	0.7	1.3	1.4	1.0
Annual Change (mb/d)																
North America	0.68	0.15	0.45	0.38	0.33	0.33	0.52	-0.06	0.00	0.05	0.13	0.09	0.16	0.33	0.37	0.24
Europe	-0.07	-0.70	0.15	0.38	-0.35	-0.13	0.02	0.11	-0.12	-0.01	0.00	0.01	0.04	0.13	0.18	0.09
Pacific	0.27	-0.12	0.17	0.13	-0.34	-0.04	0.09	-0.09	-0.12	0.09	-0.01	-0.03	0.04	0.07	0.08	0.04
Total OECD	0.88	-0.67	0.78	0.89	-0.36	0.16	0.62	-0.04	-0.24	0.13	0.11	0.06	0.25	0.53	0.63	0.37
FSU	-0.07	-0.15	0.06	-0.04	-0.05	-0.05	0.11	0.06	-0.06	-0.09	0.00	0.04	0.04	0.02	0.03	0.03
Europe	-0.06	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01
China	0.30	0.36	-0.06	0.72	0.18	0.30	-0.07	0.45	-0.01	0.27	0.16	0.24	0.01	0.18	0.15	0.15
Other Asia	0.39	0.10	0.16	0.14	0.01	0.10	0.12	0.04	-0.03	-0.01	0.03	-0.02	0.00	0.04	0.04	0.02
Latin America	0.00	0.02	0.05	0.02	-0.04	0.01	0.02	-0.01	0.00	0.01	0.01	0.05	0.05	0.06	0.06	0.05
Middle East	0.12	0.00	0.06	0.15	0.15	0.09	0.15	0.16	0.17	0.16	0.16	0.13	0.14	0.14	0.13	0.13
Africa	0.05	0.04	0.00	0.00	-0.02	0.01	0.03	0.03	0.03	0.04	0.03	0.02	0.03	0.03	0.03	0.03
Total Non-OECD	0.74	0.39	0.28	1.00	0.23	0.48	0.35	0.73	0.11	0.38	0.39	0.46	0.28	0.48	0.46	0.42
World	1.62	-0.28	1.05	1.89	-0.13	0.64	0.98	0.69	-0.13	0.51	0.51	0.52	0.53	1.01	1.08	0.79
Changes from Last Month's Report																
North America	-	-	-	-	-	-	-	0.12	0.09	-	0.05	-	0.12	0.09	-	0.05
Europe	-	-	0.00	-	-	-	0.10	0.10	0.01	-0.04	0.04	0.10	0.11	0.01	-0.04	0.05
Pacific	-	-	-	-	-	-	-	0.05	-0.01	-	0.01	-	0.05	-0.01	-	0.01
Total OECD	-	-	0.00	-	-	-	0.10	0.27	0.09	-0.04	0.10	0.10	0.28	0.09	-0.04	0.11
FSU	0.16	0.13	0.12	0.12	0.12	0.12	0.12	0.11	0.11	0.11	0.11	0.12	0.12	0.12	0.12	0.12
Europe	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03	-0.03
China	-	-	-	-	-	-	-	-	-0.02	-0.10	-0.03	-	-	-0.02	-0.10	-0.03
Other Asia	0.15	0.13	0.13	0.13	0.13	0.13	0.14	0.13	0.11	0.11	0.12	0.13	0.13	0.11	0.11	0.12
Latin America	0.06	0.05	0.04	0.06	0.08	0.06	0.07	0.04	0.06	0.08	0.07	0.08	0.05	0.07	0.08	0.07
Middle East	-	0.01	0.01	-	-0.01	-	-	-	-	-0.01	-	-	-	-	-0.01	-
Africa	0.04	0.03	0.02	0.04	0.06	0.04	0.03	0.02	0.04	0.06	0.04	0.03	0.02	0.04	0.06	0.04
Total Non-OECD	0.38	0.31	0.30	0.33	0.36	0.33	0.33	0.28	0.28	0.23	0.28	0.32	0.29	0.30	0.24	0.29
World	0.38	0.31	0.31	0.33	0.36	0.33	0.42	0.54	0.37	0.18	0.38	0.42	0.57	0.38	0.19	0.39

SUPPLY

Summary

- On 3 July the UN Security Council approved a five-month extension of the **Iraqi** oil-for-food programme. Iraq resumed oil exports on 10 July and the country's July crude production increased by 1.10 mb/d from the previous month, to 1.99 mb/d. Meanwhile, **OPEC** ministers met in Vienna on 3 July, and decided to leave the production target unchanged at 24.2 mb/d. To stem sliding prices, OPEC hastily approved on 25 July a target reduction of 1 mb/d with effect from 1 September.
- Preliminary estimates indicate that **world oil production** averaged 76.45 mb/d in July, an increase of 1.43 mb/d from the previous month (see Table 4). OPEC crude supply including Iraq's rose by 1.22 mb/d to 27.07 mb/d, compared to an upwardly revised 25.84 mb/d for June. OPEC output excluding Iraq's increased by 120 kb/d to 25.08 mb/d, which was 880 kb/d higher than the OPEC target of 24.2 mb/d.
- OECD** output is estimated to have increased by 260 kb/d, to 21.73 mb/d, in July (see Table 4A). North Sea production increased, due to a break in the summer maintenance programme. In contrast, Mexican output was lower. **Non-OECD** oil production is expected to have decreased by 60 kb/d, after strong growth in June. Output fell in the FSU and China.
- The "**call on OPEC crude plus stock change**" for the third and fourth quarters of 2001 stands at 27.0 mb/d and 27.4 mb/d (see Table 1). The "call" for the two quarters has been revised upwards by 0.3 mb/d and 0.2 mb/d, due to upward revisions in demand. The "call" for 2002 has also been revised upwards by 0.3 mb/d, to 26.8 mb/d.



All world oil supply figures for July discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary July crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 200 kb/d and 300 kb/d for non-OPEC supply each year.

Review of 2000

OPEC raised production targets four times in 2000 by a total of 3.7 mb/d, after reaching The Hague agreement in March 1999 and keeping the targets unchanged at 23.0 mb/d for the rest of the year. Iraq suspended its exports under the UN oil-for-food programme for 12 days at the beginning of December in a dispute over a surcharge issue. Loss of Iraqi exports did not have a significant physical impact on markets. Iraqi production averaged 2.57 mb/d in 2000.

Meanwhile, non-OPEC production responded to high oil prices more swiftly than expected. Non-OPEC supply grew by 1.16 mb/d in 2000, following a contraction of 60 kb/d in 1999. Oil prices started rising in March 1999 and remained strong throughout 2000. Oil companies spent more on exploration and development activities in 2000 and oil fields raised output.

Russia is a prime example; the country's production showed a strong turnaround in 2000, after many years of decline. Output rose by 350 kb/d year-on-year, accounting for 30% of non-OPEC growth. This turnaround was made possible by substantial upstream investment, which benefited from rouble devaluation in 1998 as well as high oil prices. More importantly, Russian oil companies overcame the non-payment issue with domestic customers and transformed themselves into more Western-style organisations based on commercial principles.

New fields also played an important role in 2000. The offshore Laminaria-Carollina field in Australia started production in November 1999 and output averaged 133 kb/d for the following year. A 1,600 km pipeline completed in Sudan in June 1999 allowed the inland Heglig and other fields to produce and export the new Nile Blend. As a result, Sudanese oil supply increased by 120 kb/d in 2000. Brazil's ill-fated production platform P-36 started production off Rio de Janeiro in May 2000, while three fields (Orsenberg South, Sygna and Asgard B) began operating in the Norwegian sector of the North Sea during the year.

In this Report, revisions are made to supply baseline figures to reflect data in the IEA's statistics book "Energy Statistics of Non-OECD Countries", which will be published in late August. Supply revisions are limited to a baseline increase in Malaysian production (mostly unreported NGLs ranging from 60 to 100 kb/d).

OPEC

On 3 July the UN Security Council voted unanimously for a five-month extension of the **Iraqi** oil-for-food programme. On 10 July, Iraq resumed oil exports under the new Phase X of the programme, which began on 4 July and will run through 30 November. Resumption of Iraqi exports was swift and put downward pressure on the market (see Price section). Between 10 and 13 July, two cargoes left the Mina al-Bakr terminal on the Gulf and one was shipped from the Ceyhan terminal on the Mediterranean. Iraqi oil-for-food exports averaged 1.29 mb/d for the month of July. With an estimated 700 kb/d of domestic consumption and border trade, Iraqi *production* is estimated to have averaged 1.99 mb/d, an increase of 1.10 mb/d over June.

OPEC ministers met in Vienna on 3 July, the same day on which the UN extended the Iraqi oil-for-food programme, and decided to leave the production target unchanged at 24.2 mb/d. However, in the face of a slide in oil prices which began on 7 July (see Price section), OPEC on 25 July agreed a further target reduction of 1 mb/d with effect from 1 September (see the table above). This arrangement was made over the phone, without ministers gathering. This was the third cut this year, following a 1.5 mb/d reduction that went into effect on 1 February and 1 mb/d from 1 April. The next OPEC meeting is scheduled for 26 September.

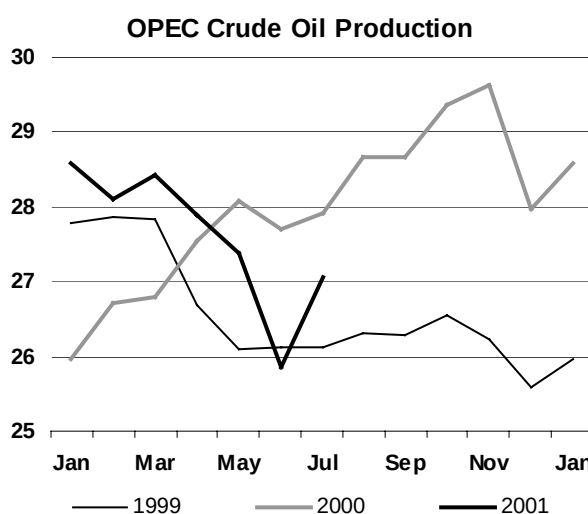
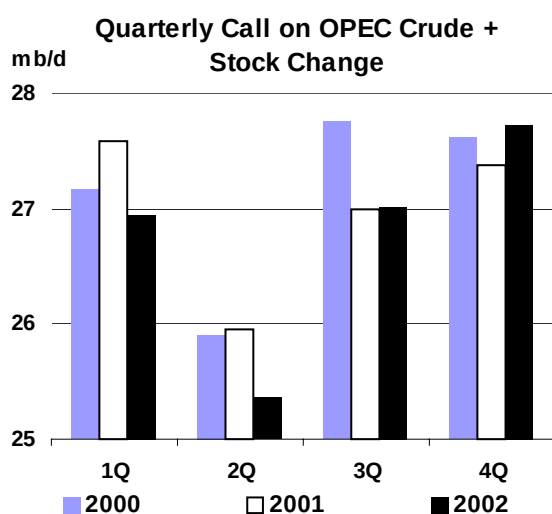
OPEC Crude Production

(million barrels per day)

	1 Apr 2001 Target	Cut	1 Sep 2001 Target	Jul 2001 Production	Sustainable Production Capacity ¹	Spare Capacity vs. 1 Sep 2001 target
Algeria	0.773	0.032	0.741	0.85	0.90	0.16
Indonesia	1.255	0.052	1.203	1.21	1.25	0.05
Iran	3.552	0.146	3.406	3.78	3.90	0.49
Kuwait ³	1.941	0.080	1.861	2.08	2.50	0.64
Libya	1.296	0.054	1.242	1.39	1.45	0.21
Nigeria	1.993	0.082	1.911	1.96	2.20	0.29
Qatar	0.627	0.026	0.601	0.70	0.75	0.15
Saudi Arabia ³	7.865	0.324	7.541	8.07	10.50	2.96
UAE	2.113	0.088	2.025	2.23	2.50	0.48
Venezuela	2.786	0.116	2.670	2.82	3.05	0.38
Subtotal	24.201	1.000	23.201	25.08	29.00	5.80
Iraq				1.99	2.80	0.81 ²
Total				27.07	31.80	6.61

¹ Capacity levels can be reached within three months and maintained for more than six months² Capacity versus July production³ Includes half of Neutral Zone production

The preliminary estimate is that July OPEC crude supply, excluding Iraq's, increased by 120 kb/d from the previous month, to 25.08 mb/d, some 880 kb/d above the July target. Iran overshot its target by 230 kb/d, while Saudi Arabia's output was 210 kb/d higher. Including Iraq, output averaged 27.07 mb/d, an increase of 1.22 mb/d. June OPEC crude production has been revised upwards by 310 kb/d from 25.54 mb/d in the last Report, to 25.84 mb/d. The UAE saw an upward revision of 240 kb/d.



Saudi Arabian crude supply (excluding the Neutral Zone, but including the Abu Safa field) is estimated to have increased by 40 kb/d to 7.73 mb/d in July, while production from **Kuwait** (excluding the Neutral Zone) remained unchanged at 1.74 mb/d. **Neutral Zone** production averaged 680 kb/d, rebounding from a loss in the previous month. Iranian supply was up 30 kb/d, while **UAE** output remained unchanged.

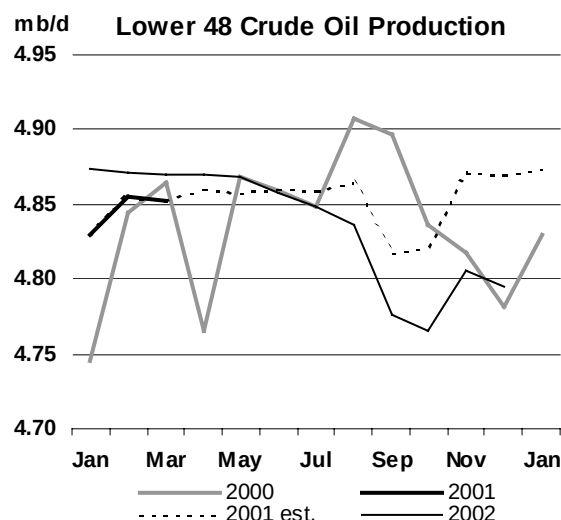
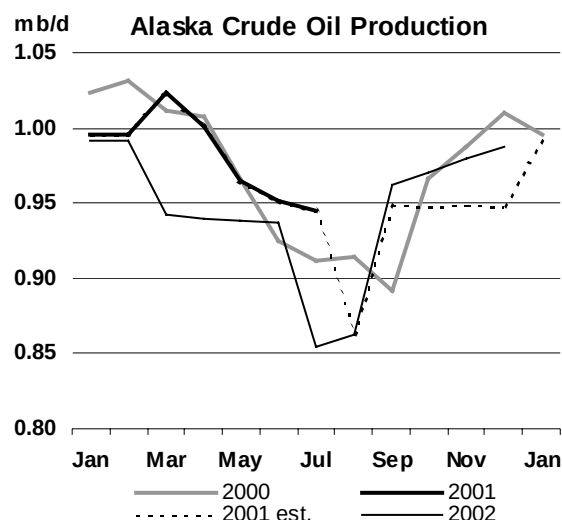
Indonesian crude output fell by 30 kb/d to 1.21 mb/d in July. ExxonMobil resumed operation at the Arun gas field in northern Sumatra in mid-July, after a four-month shutdown. According to reports, one of the four Arun LNG trains is back in operation. Indonesia's state-owned Pertamina reportedly offered LNG cargoes on the spot market and, at the same time, negotiated with Japanese utilities, aiming to resume LNG supplies under term contracts in mid-August. The IEA's projection on Indonesian NGL production has been raised, due to this development.

Venezuelan crude production is thought to have risen by 10 kb/d in July. Cerro Negro, one of Venezuela's four extra-heavy oil projects, is expected to ship its first cargo of upgraded synthetic crude in August. Construction of the project's upgrader near the port of Jose in eastern Venezuela was completed in July. The plant has a capacity of producing 120 kb/d of 16.5° API synthetic crude out of 8.5° API bitumen. Cerro Negro is a joint venture between ExxonMobil, Germany's Veba Oel and Venezuela's state-owned PDVSA. Meanwhile, Bitor, a subsidiary of PDVSA, signed two agreements to supply Orimulsion in July. Bitor will build a new plant at Jose and supply approximately 130 kb/d of Orimulsion to PetroChina beginning in 2004. Earlier this year, Bitor had agreed to supply PetroChina with 20 kb/d for three years until 2004. Another agreement was signed with Canada's New Brunswick Power. Bitor will start providing the Canadian utility with 30 kb/d of Orimulsion in late 2004.

OECD

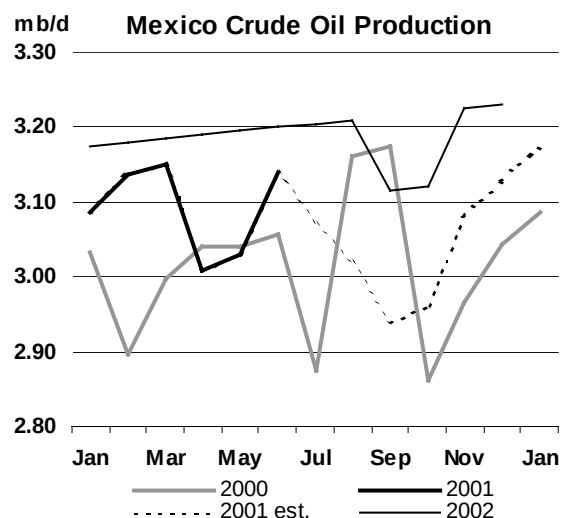
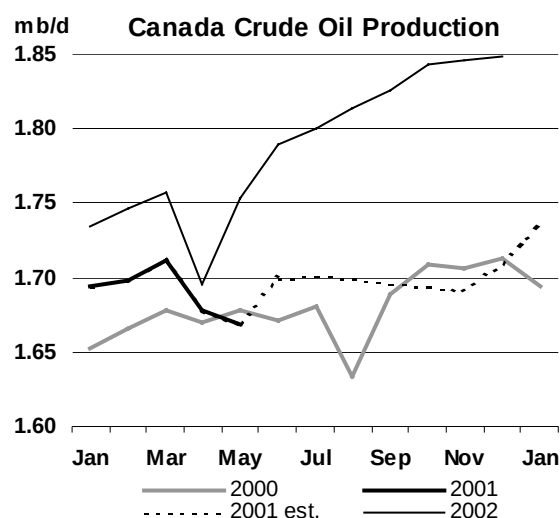
North America

US - July - Alaska actual, other estimate: US crude production is estimated to have averaged 5.80 mb/d in July, down 10 kb/d from the previous month. Alaskan production remained virtually unchanged at 950 kb/d. While production fell at the Prudhoe Bay, Kuparuk and Point McIntyre fields, supply from the Alpine field continued to grow, offsetting losses at the other fields. July crude production in the Gulf of Mexico is estimated to have increased by 10 kb/d, while supply remained unchanged in California. Crude output from other states is thought to have decreased by 10 kb/d. The latest data suggest that May NGL production increased by 90 kb/d from the previous month, to 1.92 mb/d.



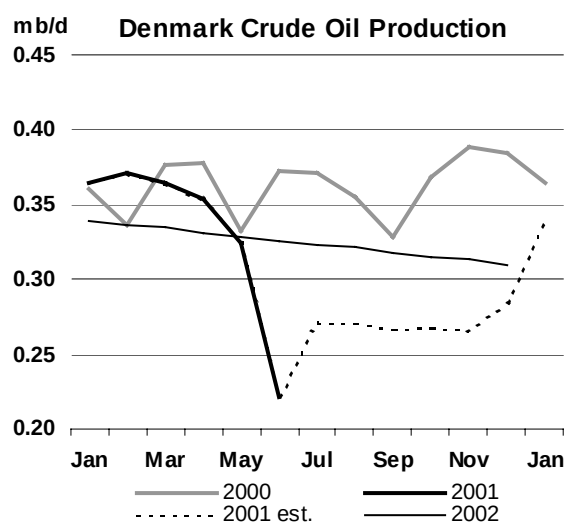
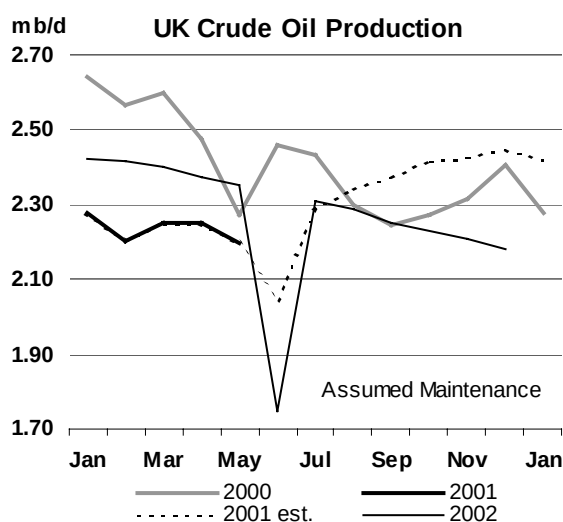
Canada - May actual, June and July estimates: Canadian crude production in May remained low for the second month in succession, averaging 1.67 mb/d, due to the spring thaw and unfavourable pricing relationships. Output in Alberta and Saskatchewan was affected. Production is estimated to have risen to 1.70 mb/d in June and July. Wide price differentials between light and heavy grades are hampering heavy crude production in Canada. The light-heavy differentials have been over \$10 per barrel this year, hurting heavy crude producers who use natural gas for steaming and diluent as a blending stock. Alberta heavy crude production stagnated around 240 kb/d for the first five months of this year. Synthetic crude production averaged 360 kb/d for May, rebounding from a loss resulting from regular maintenance in April. May NGL production was up 20 kb/d, to 730 kb/d.

Mexico - June actual, July estimate: Mexico's state-owned Pemex announced in early July that it would cut output of the heavy Maya grade by 70 kb/d from August to November. Earlier, the press had reported that Pemex had declared force majeure on its August deliveries of the grade. The Maya grade, which accounts for 60% of the country's crude output, is produced at the offshore Cantarell field complex, where a nitrogen enhanced oil recovery project is under way. Although the company cited a regular maintenance programme as the reason for the cutback, problems with infrastructure in the nitrogen injection programme are suspected. The latest data suggest that Mexican crude production rose by 110 kb/d to 3.14 mb/d in June, after two months of weak performance. The Maya grade output averaged 2.00 mb/d, an increase of 90 kb/d. The IEA's estimate of Mexican crude production for 2001 has been lowered by 20 kb/d to 3.06 mb/d.



North Sea

UK – May actual, June and July estimates: UK offshore crude and NGL production in May fell marginally by 50 kb/d to 2.2 mb/d. The largest production increases came from the ETAP and Magnus fields, both of which produced 12 kb/d more than in April, while the largest production decreases were from the Harding, the J-block and the Arbroath fields, which fell by 12 kb/d, 10 kb/d and 9 kb/d. UK offshore crude and NGL production is estimated to have averaged 2.3 mb/d for June and 2.52 mb/d for July.



On 29 June Shell restarted output from the Central North Sea Shearwater field, which had been shut down for almost eight months following a high-pressure problem in a production well. The first well brought back on stream was producing 20 kb/d of condensate and 115 MMcf/d of gas. In mid July a second well was brought on stream, raising the field's average daily output to 37 kb/d condensate and 190 MMcf/d of gas. The field is designed to produce peak rates of 90 kb/d of condensate and 425 MMcf/d of gas. During the last week of July, production from Talisman Energy's Ross field was also resumed. Production had been suspended in March to allow onshore modifications to the FPSO.

The only new field to come on stream in June was the BG-operated Blake field which came into operation on 27 June. Blake will initially produce at an average flow rate of 40 kb/d, with plans to increase production to

North Sea Oil Production Outlook

July - December 2001

(thousand barrels per day)

	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01
UK	2464	2523	2591	2658	2693	2732
Norway	3370	3207	3146	3406	3396	3399
Denmark	271	271	267	268	266	284
Other ¹	46	56	61	60	60	60
Total	6149	6057	6064	6392	6416	6474

¹ offshore Netherlands and offshore Germany

60 kb/d later this year. Enterprise Oil reported that its Nelson field would operate at reduced output until mid-August as a result of essential maintenance on its gas compressor. Following a scheduled shutdown of the platform in June and July, a fault was identified in the compressor on restart. In the interim, production is at reduced levels of around 25 kb/d. In May the Nelson field produced 71 kb/d.

Denmark – June actual, July estimate: Danish crude production in June fell by 103 kb/d to 222 kb/d in the wake of the gas explosion on the Gorm C platform. In late June, the Danish Energy Agency approved the resumption of oil production from the Maersk Oil-operated Halfdan field, which was one of the fields that had been shut in since 20 May following the gas explosion. Oil started flowing again from Halfdan on 28 June. Output from Gorm, as well as from Skjold, Rolf and Dagmar, remains shut-in. In April, production from the fields shut-in as a result of the explosion was 120 kb/d, of which 43 kb/d were produced from the Halfdan field. Danish crude production in July is estimated to have been 271 kb/d.

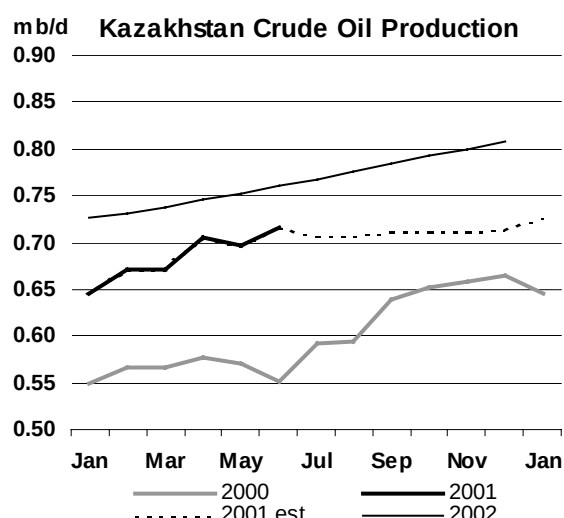
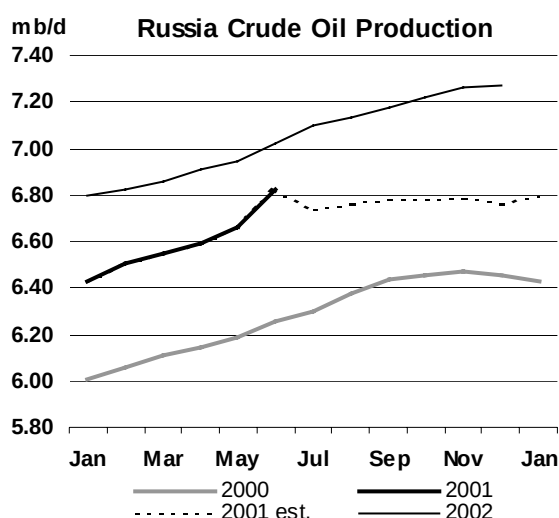
Pacific

Australia - May actual, June and July estimates: Australian crude supply in May decreased by 30 kb/d from the previous month, to 600 kb/d, due to the impact of storms and severe weather conditions. However, output is estimated to have increased to around 670 kb/d in June and July, as the 40 kb/d Legendre field began production in the Carnarvon basin in May. Meanwhile, NGL production remained unchanged at 70 kb/d in May.

Former Soviet Union (FSU)

Russia - June actual, July estimate: Russian crude output continued to rise in June, gaining as much as 160 kb/d over the previous month, to 6.82 mb/d. Crude plus NGL production exceeded 7 mb/d for the first time in the post-Soviet era. Russian production has been at record levels since February, resulting in exports of almost 5 mb/d (see Trade section). Output from the Sakhalin II project, which resumed production in May, increased by 70 kb/d to 90 kb/d in June. Yukos' output rose by 30 kb/d to 1.18 mb/d, while production from Sibneft gained 10 kb/d to 410 kb/d. Most other companies also increased production.

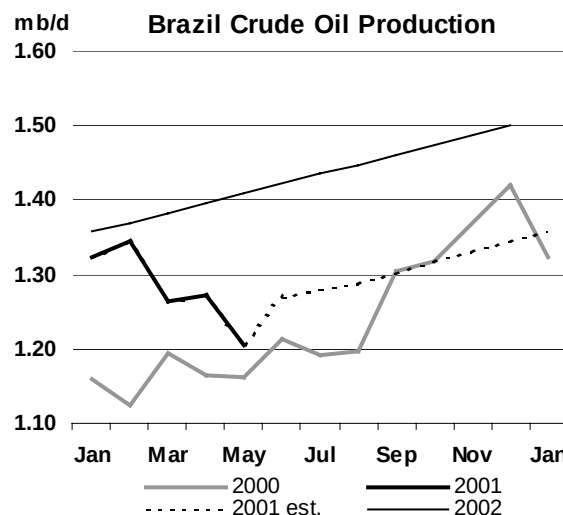
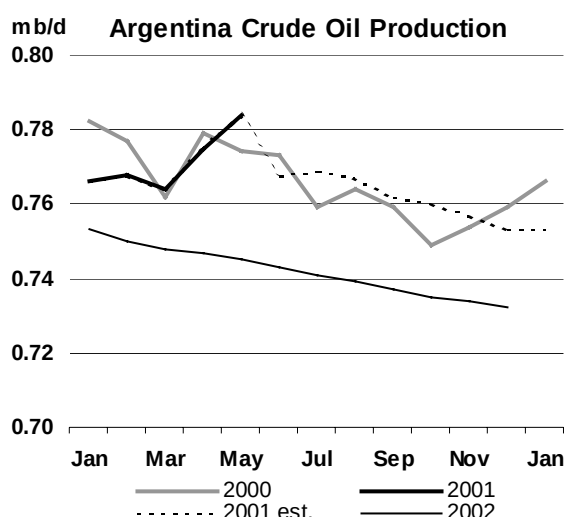
Kazakhstan - June actual, July estimate: Kazakhstan crude and NGL production rose by 20 kb/d to 820 kb/d in June. Although output from the Tengiz and Karachaganak fields remained unchanged, production increased at the other fields. Meanwhile, inauguration of the Caspian Pipeline Consortium (CPC) pipeline was delayed for several weeks for technical reasons. A ceremony had been scheduled for 6 August at the CPC terminal near Novorossiysk in the presence of the Russian and Kazakhstan presidents. The 1580 km pipeline connects the Tengiz field in Kazakhstan with the Russian port of Novorossiysk on the Black Sea, with a capacity of transporting 560 kb/d of crude.



Other Non-OPEC

Argentina - May actual, June and July estimates: The latest available Argentine production data are those for May. Crude output averaged 780 kb/d for the month. Output in June and July is estimated to have fallen slightly to 770 kb/d because of the country's long-term declining production from mature oil fields.

Brazil - May actual, June and July estimates: Following an accident at the offshore production platform P-36 located at the Roncador field in March, Brazil's state-owned Petrobras announced that it would raise output from the other fields to compensate for loss of the Roncador production. The subsequent oil spill in April at production platform P-7, operating at the Bicudo field, however, seems to have affected the company's offshore operations. The country's May crude supply averaged 1.21 mb/d, a decrease of 70 kb/d from the previous month. The reduction came entirely from the offshore Rio de Janeiro production. With these low May actual figures, Brazil's production is projected to average 1.30 mb/d for this year, revised downwards by 10 kb/d from the last Report.



Egypt - June actual, July estimate: Egyptian crude output in June rebounded from a loss in the previous month, averaging 630 kb/d. Production is estimated to have increased further by 40 kb/d in July, due to the startup of three fields in the Western Desert. Meanwhile, NGL production was up 30 kb/d year-on-year at 120 kb/d, in line with rising natural gas production.

Revisions to Non-OPEC Oil Supply

Estimated non-OPEC supply growth in 2002 has been revised upwards by 50 kb/d from the last Report, to 780 kb/d. The revision results from this month's latest data, which suggest stronger-than-expected performance in non-OECD countries, particularly Russia. Meanwhile, non-OPEC supply growth for 2001 has been reduced by 10 kb/d to 580 kb/d, due mainly to Mexico's announcement of lower output from its Cantarell field from August to November. (For details, see the relevant country sections.)

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2001	2002	02 vs. 01	2001	2002	02 vs. 01	2001	2002	02 vs. 01
North America	14.37	14.77	0.41	14.32	14.74	0.42	-0.05	-0.03	0.01
Europe	6.67	6.61	-0.06	6.66	6.59	-0.07	-0.01	-0.02	-0.01
Pacific	0.80	0.75	-0.05	0.79	0.73	-0.06	-0.01	-0.02	-0.01
Total OECD	21.84	22.14	0.30	21.76	22.06	0.30	-0.07	-0.07	0.00
Former USSR	8.41	8.82	0.41	8.46	8.90	0.44	0.05	0.08	0.02
Europe	0.18	0.17	-0.01	0.18	0.17	-0.01	0.00	0.00	0.00
China	3.27	3.28	0.01	3.27	3.28	0.01	0.00	0.00	0.00
Other Asia	2.34	2.30	-0.04	2.40	2.37	-0.04	0.07	0.07	0.00
Latin America	3.76	3.80	0.03	3.76	3.82	0.06	0.00	0.02	0.02
Middle East	2.00	1.96	-0.04	2.00	1.96	-0.04	0.00	0.00	0.00
Africa	2.87	2.90	0.02	2.86	2.88	0.02	-0.01	-0.01	0.00
Total Non-OECD	22.82	23.21	0.39	22.94	23.37	0.44	0.11	0.16	0.05
Processing Gains	1.76	1.81	0.05	1.76	1.81	0.05	0.00	0.00	0.00
Total Non-OPEC	46.43	47.16	0.74	46.46	47.25	0.78	0.04	0.09	0.05

OMR = Oil Market Report

TRADE

This month's section summarises recent developments and adds an overview of 2000. The data tables included in this issue bridge the gap by showing figures for last year by quarter as well as those for the three latest months.

Highlights of the Most Recent Data

- **North American** refiners, primarily in the US and its territories, imported a healthy net 8 mb/d of **crude** from outside the region from March through May of this year, 650 kb/d more than in 2000, as refiners chased Atlantic Basin gasoline margins. In the US 50 states, gross imports of crude (including those from Canada and Mexico) cooled to 9 mb/d in June and 9.4 mb/d in July, 150 kb/d and 20 kb/d less than last year. They peaked at 10 mb/d the week ending 13 July and by 27 July had slipped below 9 mb/d.
- North American **gasoline** followed roughly the same trend, with net imports softening only slightly in May to a level two-thirds higher than a year earlier. Weekly statistics for the US show the flood of gasoline imports continuing; preliminary figures for gasoline imports in June and July are 790 kb/d and 700 kb/d, each 50% higher on a year-on-year basis. Despite that pull, European gasoline exports remained constrained, by historic standards, from March through to May, as wide gasoline-to-crude price spreads in Europe in the wake of January's record 480 kb/d net exports held local supply close to home. In OECD Pacific countries, healthier refining margins pulled 1Q net imports of crude 575 kb/d (8%) higher than a year earlier. By May, runs had declined to their normal seasonal lows and net imports of crude had sagged to 50 kb/d short of those a year earlier.
- **OECD imports of West African crude** declined from April by 0.4 mb/d to 2.1 mb/d in May, with most of the drop in North America. With gasoline's premium to distillate eroding, Atlantic Basin refiners modified their refineries' "diets" of crude oil accordingly. Between April and May, **North American imports of North Sea crude** rose 300 kb/d as refiners turned their attention to heating oil and diesel production. Crude exports reported by Norway, the UK and Germany for the month of May suggest that North America's imports of North Sea crude dropped back again in June; May loadings of North Sea crude for North America, a three-week voyage, fell from 1.4 mb/d in April to 1 mb/d in May.
- In **Europe**, refiners cut their May **imports of North Sea and West African** crude to 10% below April, a normal seasonal decline. OECD Pacific imports of North Sea and West African crude, priced on a Brent-related basis, surged from virtually nothing for February through April to 190 kb/d in May, consistent with trade reports of strengthening Asian pull on light, sweet crudes. Export loadings of North Sea crude fell from 5.2 mb/d in April to 4.6 mb/d in May, with maintenance at North Sea fields the limiting factor. The export declarations show North Sea cargoes headed for Asia/Pacific dwindling from 230 kb/d in March (the May arrivals) to 130 kb/d in April and half that figure in May. All these cargoes were declared to be headed for China, but the imports data suggest that two half-million barrel cargoes of North Sea crude loaded in March were diverted to Japan instead. The trade press reports that Chinese refiners bought many June, July and August spot cargoes of crude, then turned those barrels back to the spot market in the face of mounting Chinese product surpluses.
- As July progressed, the spot **freight rates** for chartering crude tankers began to recover from recent seasonal lows; freight rates are highest in winter, when global refining runs (and the long-haul shipments of crude to supply them) peak. The spot rate for a VLCC from the Persian Gulf to Japan rose from \$5 per tonne the week of June 24 to just over \$7 by the last week of July, still only a third of last November's peak, pushed higher by the resumption of about 2 mb/d Iraqi oil-for-food exports on 10 July. With OPEC planning to cut its exports 1 mb/d from 1 September, VLCC rates are unlikely to increase much before October. Aframax rates firmed even more: a possible signal of Asian demand pull. During July, the spot charter rate from Nigeria to Philadelphia rose by two-thirds, to \$12.40 per tonne, 60% of last winter's peak rate. In contrast, rates for product tankers weakened as support from the gasoline market ebbed, with rates averaging 20% lower in July than in June.
- Preliminary statistics for the first three weeks of July suggest **net FSU exports** averaging 5 mb/d, 110 kb/d more than a year earlier. The exports are likely to total some 5.3 mb/d by the time final figures are available, four to five months from now. FSU exports are being swelled by continued growth in production and recently by the late-May return to production of the Sakhalin field. Participants in the Caspian Pipeline Consortium finalised the CPC Transportation Agreement on 3 August, and CPC's first "test cargo" may be loaded at Novorossiysk in early September.

Chinese import data have not yet been received, but one source reports that crude imports unexpectedly topped 1.6 mb/d in June; if confirmed, this would signal more crude stockpiling by Chinese refiners. **Singapore's** crude imports by June had slipped to 850 kb/d, nearly 300 kb/d less than a year earlier, as collapsing margins eroded the support for refinery runs.

Review of 2000

Net OECD Crude and Product Trade

OECD North America Crude & Product Trade

(million barrels per day)

	1999	2000	1Q00	2Q00	3Q00	4Q00	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	7.19	7.38	6.64	7.53	7.97	7.35	7.97	7.95	7.98	0.04	0.69
Products & Feedstocks	1.16	1.13	1.07	1.06	1.10	1.29	1.38	1.51	1.46	-0.05	0.25
Gasoil/Diesel	0.00	0.03	0.08	0.02	-0.03	0.05	0.15	0.08	0.07	-0.01	0.05
Gasoline	0.45	0.36	0.40	0.32	0.34	0.38	0.48	0.60	0.53	-0.07	0.21
Heavy Fuel Oil	0.13	0.18	0.09	0.14	0.19	0.31	0.30	0.31	0.27	-0.04	0.16
LPG	0.03	0.04	0.01	0.02	0.06	0.05	0.01	0.03	-0.01	-0.03	-0.06
Naphtha	0.04	0.08	0.08	0.04	0.08	0.10	0.06	0.07	0.03	-0.03	0.00
Jet & Kerosene	0.09	0.11	0.08	0.10	0.13	0.12	0.10	0.16	0.21	0.05	0.11
Other	0.41	0.34	0.33	0.41	0.33	0.28	0.29	0.27	0.34	0.07	-0.22
Total	8.34	8.50	7.71	8.59	9.07	8.64	9.35	9.46	9.44	-0.02	0.95

Source: IEA MOS imports and exports data for extra-regional trade

OECD Europe Crude & Product Trade

(million barrels per day)

	1999	2000	1Q00	2Q00	3Q00	4Q00	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	6.95	7.14	6.88	6.59	7.30	7.76	7.23	6.57	6.95	0.37	0.27
Products & Feedstocks	1.02	1.19	1.12	1.26	1.39	0.99	2.14	1.07	1.07	0.00	0.06
Gasoil/Diesel	0.28	0.32	0.30	0.31	0.38	0.28	0.81	0.29	0.35	0.06	0.08
Gasoline	-0.29	-0.23	-0.31	-0.18	-0.18	-0.27	-0.05	-0.27	-0.14	0.13	0.03
Heavy Fuel Oil	0.08	0.09	0.11	0.11	0.11	0.03	0.25	0.00	-0.03	-0.04	-0.07
LPG	0.17	0.19	0.23	0.14	0.16	0.22	0.16	0.16	0.14	-0.02	0.00
Naphtha	0.23	0.19	0.19	0.24	0.22	0.11	0.26	0.25	0.19	-0.06	-0.01
Jet & Kerosene	0.07	0.14	0.07	0.14	0.17	0.16	0.17	0.18	0.20	0.02	0.10
Other	0.47	0.50	0.53	0.49	0.51	0.46	0.54	0.47	0.36	-0.10	-0.08
Total	7.96	8.32	8.00	7.84	8.69	8.76	9.37	7.65	8.02	0.37	0.33

Source: IEA MOS imports and exports data for extra-regional trade

OECD Pacific Crude & Product Trade

(million barrels per day)

	1999	2000	1Q00	2Q00	3Q00	4Q00	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	6.90	6.71	6.92	6.51	6.45	6.94	7.35	6.73	6.24	-0.50	-0.05
Products & Feedstocks	1.01	1.05	1.06	1.22	0.98	0.94	1.17	0.95	0.92	-0.03	-0.51
Gasoil/Diesel	-0.20	-0.20	-0.21	-0.12	-0.24	-0.23	-0.22	-0.07	-0.23	-0.16	-0.12
Gasoline	-0.01	0.00	-0.02	0.03	0.02	-0.02	0.02	-0.02	0.00	0.02	-0.04
Heavy Fuel Oil	-0.16	-0.11	-0.13	-0.03	-0.11	-0.18	-0.16	-0.14	-0.09	0.05	-0.17
LPG	0.55	0.56	0.54	0.58	0.61	0.51	0.63	0.55	0.59	0.04	-0.05
Naphtha	0.65	0.66	0.63	0.64	0.66	0.70	0.70	0.60	0.62	0.01	0.01
Jet & Kerosene	-0.01	-0.03	0.06	-0.06	-0.12	0.01	0.07	-0.12	-0.11	0.01	-0.09
Other	0.19	0.16	0.19	0.19	0.15	0.13	0.14	0.16	0.16	0.00	-0.06
Total	7.91	7.75	7.98	7.73	7.43	7.88	8.52	7.68	7.16	-0.52	-0.56

Source: IEA MOS imports and exports data for extra-regional trade

OECD Crude Trades

The left-hand graph summarises the monthly pattern of **net crude imports** for each OECD region. In North America, the volumes typically peak in July or August, the high season for summer driving. The pattern in Europe and the Pacific is precisely the opposite, peaking with demand for light fuel oil and kerosene for heating during the Northern Hemisphere's winter. Adding up the figures for the three regions shows a low last year of 19.5 mb/d, in January. By November, the total had climbed to 22.5 mb/d, or 2.6 mb/d higher on a year-on-year basis. This dramatic increase resulted from changes in OPEC production, which started ramping up in earnest in May 2000.

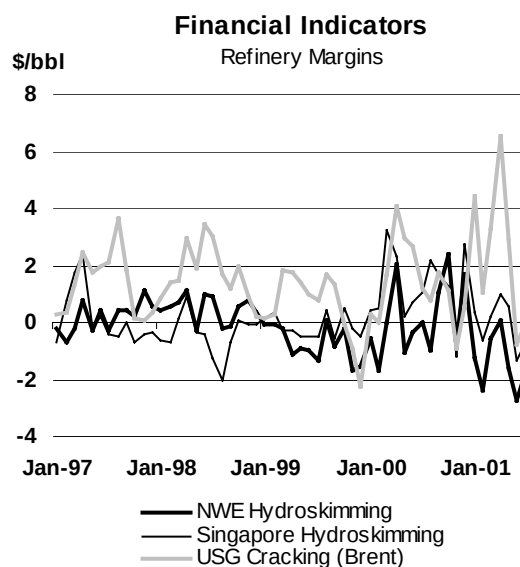
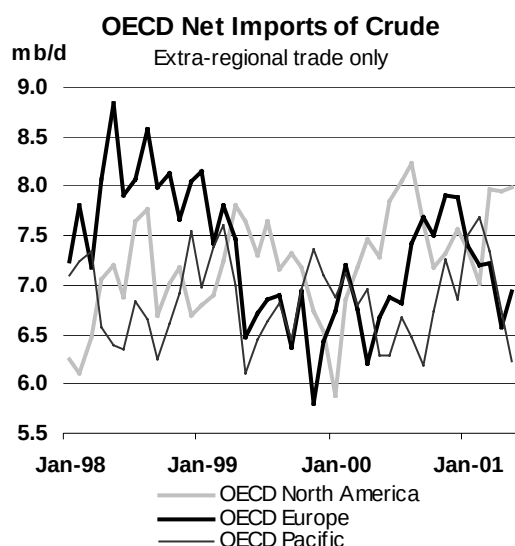
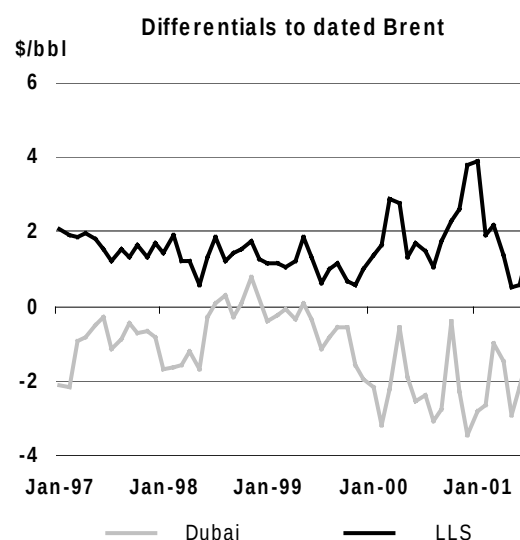
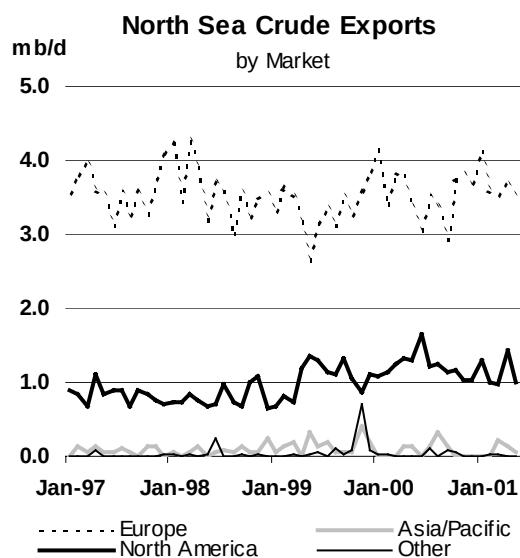


Table 10 appended to this Report gives volumes for each region's major crude suppliers. For net imports, crude exports from each region need to be subtracted: 0.4 kb/d for North America (to Europe, Latin America and Asia), 1.3 mb/d for Europe (North Sea exports beyond OECD Europe) and 250 kb/d for the Pacific, representing crude from Australia or New Zealand exported to Singapore, China, India and the West Coast of the Americas.

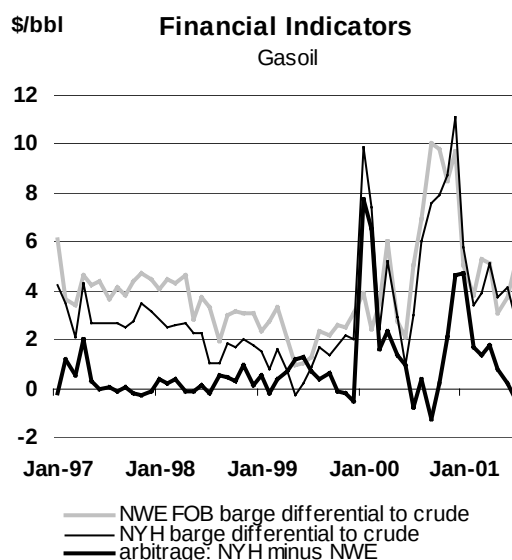
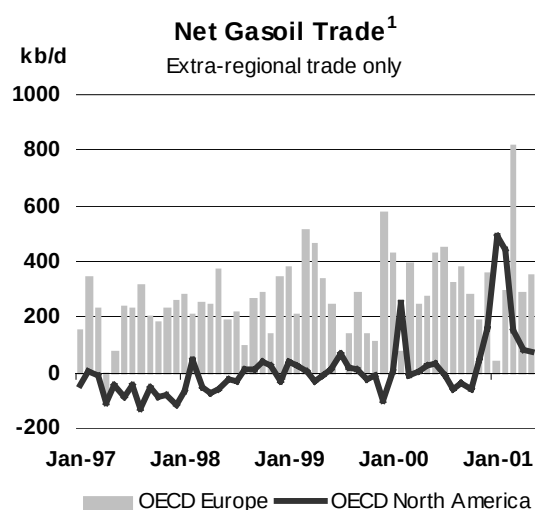
The graph below shows North Sea crude exports by declared destination. Last year, North Sea production averaged 6.2 mb/d and exports totalled 4.9 mb/d: 2.9 mb/d from Norway, 1.7 mb/d from the UK, 0.3 mb/d from Denmark and 0.1 mb/d from Germany's offshore fields. Most North Sea crude is processed in Europe, but sellers wishing to diversify between buyers last year sent an average 1.2 mb/d to North America and 75 kb/d to Asia as well. The Asian shipments included 35 kb/d for India, 20 kb/d for Korea, 15 kb/d for China and 5 kb/d for Singapore. Another 8 kb/d was sent to Latin America or Africa and 15 kb/d to unspecified destinations. In September 2000 alone, exports sent to Africa or Latin America totalled a noticeable 75 kb/d, equivalent to four cargoes of Brent.



The Atlantic Basin Gasoil Trade

The biggest story in product markets last year was Atlantic Basin gasoil, with winter prices spiking. The record set was \$55 per barrel on 4 February in New York. The backdrop to the story was OECD Europe's high and rising dependence on imports of heating oil and diesel from other regions, which reached an average 320 kb/d last year. The complications were precautionary stockpiling in late 1999 as physical insurance against possible Y2K disruptions, and the limited deliverability of natural gas in North America. The latter encouraged and sometimes even forced purchases of heating oil in preference to natural gas, particularly in winter.

The difficulty was the timing: a triple witching hour. Despite warmer-than-normal weather, OECD Europe's net imports of gasoil surged in December 1999 and January 2000 to 580 kb/d and 425 kb/d. In North America, January 2000 was colder than normal. With the cold weather, high residential demand for natural gas for heating left electric utilities and industrial customers with interruptible natural gas supply out in the cold. Utilities and industrial customers had to substitute oil, or reduce output, or both. They substituted oil, and the differential between the price of heating oil in New York Harbour and crude exploded from \$2 in December to an average \$10 in January and \$7.50 in February. North America managed to attract an unusually high 250 kb/d of supply in February at the expense of Europe, where net imports collapsed to 75 kb/d.

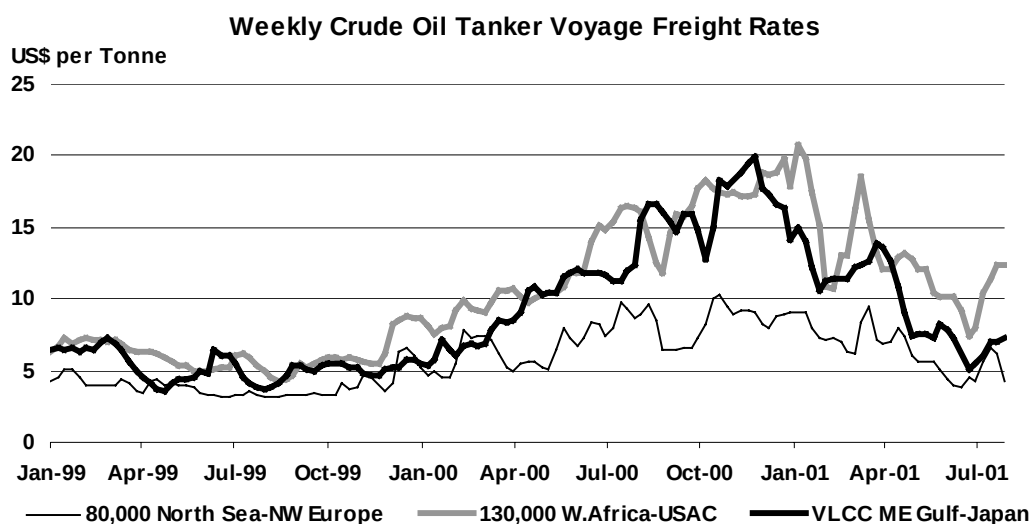


The tightness eased over the summer, but by August, Europe and North America again were engaged in a bidding war over Atlantic Basin gasoil. In August, Rotterdam bid Brent plus \$7 and New York, WTI plus \$6. By September, those premia had increased to \$10 and \$8. By November, New York was offering \$9, and by December, \$11, managing to pull in 160 kb/d in December and nearly 500 kb/d the following month, building North American heating oil stocks and normalising the differential.

Freight

Tanker rates finally escaped from the doldrums in 2000 after drifting for decades. Rates surged when OPEC finally began letting out the stops, ramping production from 28.4 mb/d in December 1999 to 32.5 mb/d by November. Non-OPEC production was also increasing, pushing global supply past the 1999 peak by February 2000 and to 76 mb/d by April, 77 mb/d by August, 78 mb/d by October and 79 mb/d by November. VLCC freight rates peaked in November.

If the demand to ship crude was higher, the capacity to move it was lower. Heightened concerns about tonnage quality in the wake of the December 1999 sinking of the Erika off the Brittany coast raised chartering standards, effectively shrinking the fleet. Rates were the lever, re-balancing supply with demand. But the pressure eased in December 2000 when Iraqi exports fell 1.6 mb/d during the transition between two six-month terms of the UN-authorised oil-for-food programme, and VLCC rates promptly slipped 15%. This marked the turning point after which freight rates softened.



Source: SSY Consultancy & Research Ltd.

Non-OECD Trade

FSU Net Exports of Crude & Petroleum Products

(million barrels per day)

	1999	2000	1Q00	2Q00	3Q00	4Q00	May 01	Jun 01	Jul 01	Latest month vs.	
										Jun 01	Jul 00
Black Sea Exports	1.56	1.80	1.64	1.84	1.95	1.78	2.11	2.09	2.13	0.05	0.06
Baltic Exports	1.09	1.37	1.39	1.51	1.42	1.19	1.69	1.68	1.56	-0.12	0.00
Total Seaborne	2.66	3.18	3.02	3.35	3.37	2.96	3.80	3.77	3.70	-0.07	0.06
Druzhba Pipeline	1.02	1.03	1.02	1.01	1.01	1.07	1.08	1.18	1.14	-0.04	0.13
Other	0.08	0.12	0.06	0.10	0.19	0.13	0.02	0.04	0.11	0.07	-0.08
Total Exports	3.75	4.32	4.10	4.46	4.56	4.17	4.90	4.99	4.95	-0.04	0.11
Imports	0.03	0.02	0.03	0.01	0.01	0.02	0.01	0.03	0.00	-0.02	0.00
Total Net Exports	3.71	4.31	4.08	4.45	4.56	4.15	4.89	4.96	4.95	-0.02	0.11
Crude	2.71	3.06	2.97	3.07	3.10	3.12	3.43	3.39	3.63	0.24	0.45
Products	1.01	1.24	1.11	1.38	1.46	1.03	1.46	1.49	1.32	-0.17	-0.35

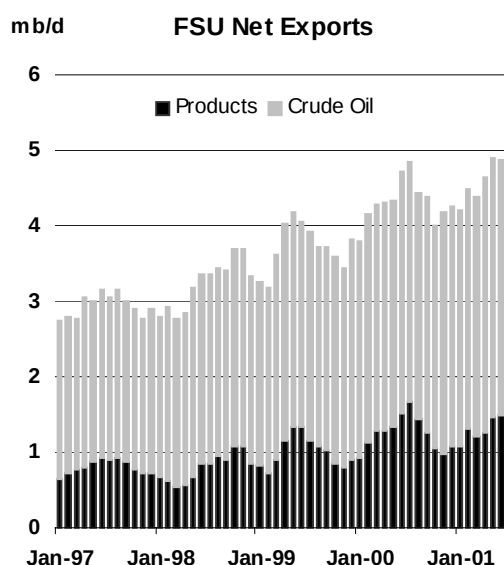
Sources: Petro-Logistics, IEA estimates

FSU exports of crude and products show a seasonal pattern, highest in summer and lowest in winter when domestic heating demand kicks in.

As the inset graph shows, the summer-peaking pattern has been pushed ever higher. FSU net exports in every single month last year outstripped the 1999 average.

Producers have been ploughing the proceeds from oil exports back into upstream investment, steadily increasing capacity and exports. By last year, the annual increase in net exports achieved was nearly 600 kb/d, triple that of 1997.

In 1997, the gain came courtesy of declining demand. In contrast, the recent much larger increases in net exports result purely from rising production, because FSU demand seems to have stabilised.



China Crude & Product Trade

(thousand barrels per day)

	1999	2000	1Q00	2Q00	3Q00	4Q00	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	581	1179	1162	928	1348	1275	780	1625	959	-666	196
Products & Feedstocks	436	287	281	211	356	299	341	387	262	-125	138
Gasoil/Diesel	-6	-6	-6	-11	-2	-5	6	-2	3	5	14
Gasoline	-96	-105	-89	-134	-84	-113	-115	-136	-147	-12	0
Heavy Fuel Oil	244	192	220	204	208	137	350	409	247	-163	77
LPG	174	152	161	137	159	152	122	126	143	17	12
Naphtha	7	-14	-7	-16	-12	-20	-22	-8	-15	-7	7
Jet & Kerosene	19	9	-11	13	16	17	6	2	2	0	-11
Other	95	59	12	19	72	131	-6	-5	29	34	40
Total	1017	1466	1443	1139	1704	1573	1121	2012	1221	-791	334

Source: China Oil, Gas and Petrochemicals plus IEA estimates

Chinese imports of crude oil doubled between 1999 and 2000. Including domestic production, reported crude supply increased 640 kb/d yet figures for runs at the largest refineries increased only 400 kb/d, prompting stories of massive crude stockbuilds. The data are somewhat suspect, both in terms of general plausibility and because China has so few energy statisticians. Still, the pattern is interesting, with crude imports last year showing two strong peaks apparently unrelated to the level of refining runs prevailing at the time: 1.6 mb/d in March and 1.7 mb/d in August and September.

Of last year's net crude imports, Middle East producers supplied a combined 755 kb/d. Imports of Asia's staple, Omani crude, led with 310 kb/d, far ahead of Iran's 140 kb/d, Saudi Arabia's 120 kb/d and Yemen's 70 kb/d. African producers were the other mainstays, contributing 330 kb/d, with 175 kb/d from Angola and 65 kb/d from the Sudan. The final significant presence was Vietnam, supplying 65 kb/d.

India Crude & Product Trade

(thousand barrels per day)

	1999	2000	1Q00	2Q00	3Q00	4Q00	Mar 01	Apr 01	May 01	Latest month vs. Apr 01 May 00	
Net Imports/(Exports) of:											
Crude Oil	917	888	799	936	892	925	798	899	1049	150	205
Products & Feedstocks	441	241	391	238	168	170	215	179	128	-51	-42
Gasoil/Diesel	138	34	107	33	-1	0	0	0	-2	-2	-2
Gasoline	0	0	0	0	0	0	0	0	0	0	0
Heavy Fuel Oil	21	26	30	31	23	21	18	21	18	-3	-9
LPG	58	26	37	26	18	23	56	32	11	-21	-5
Naphtha	65	66	73	70	56	67	70	66	57	-9	-9
Jet & Kerosene	151	79	135	68	64	51	63	51	36	-15	-16
Other	8	9	9	10	8	8	8	8	8	0	0
Total	1358	1129	1190	1174	1060	1095	1013	1078	1177	99	163

Sources: Indian Ministry of Commerce, Indian Port Authorities and IEA estimates.

Excludes private imports of crude and private exports of products, for which figures are unavailable

The table above is based on statistics from India's Petroleum Ministry which report only Indian Oil Corporation's imports and exports of crude and products. These data understate total crude imports by about 550 kb/d because they exclude crude imported by Reliance Refining and Caltex. They understate product exports by roughly 100 kb/d because figures for Reliance's exports are not yet available.

IOC's net imports of crude are representative of the mix for the country as a whole. Producers in the Middle East supplied 60% and African producers (virtually all from Nigeria) another third. IOC shared out its custom in relatively even measure between the largest Middle East producers, awarding a 16% market share to Saudi Arabia, about 13% each to the United Arab Emirates and Kuwait and

10% to Iran. Crude supply from Iraq, Malaysia and the UK North Sea was relatively minor, totalling only 110 kb/d. Indian imports of Saudi crude are believed to average 300 kb/d, 120 kb/d of that for Reliance under a term contract. Reliance is also known to have term contracts for Nigerian crude.

Singapore Crude & Product Trade

(thousand barrels per day)

	1999	2000	1Q00	2Q00	3Q00	4Q00	Apr 01	May 01	Jun 01	Latest month vs.	
										May 01	Jun 00
Net Imports/(Exports) of:											
Crude Oil	885	840	714	936	729	981	913	781	847	66	-285
Products & Feedstocks	-185	-90	-109	-38	-29	-188	-57	-107	12	120	20
Gasoil/Diesel	-202	-157	-148	-146	-149	-184	-146	-133	-117	15	15
Gasoline	-83	-82	-99	-81	-87	-61	-111	-92	-48	44	33
Heavy Fuel Oil	306	341	314	378	373	293	374	277	320	43	-97
LPG	-24	-22	-18	-22	-24	-23	-21	-21	-20	1	3
Naphtha	-28	-33	-16	-49	-19	-47	-46	-15	-11	3	51
Jet & Kerosene	-106	-93	-106	-69	-78	-121	-65	-77	-55	21	14
Other	-47	-45	-36	-50	-46	-46	-42	-48	-55	-7	0
Total	700	750	605	898	700	792	855	674	859	185	-265

Source: Singapore Monthly Oil Statistics, IEA estimates

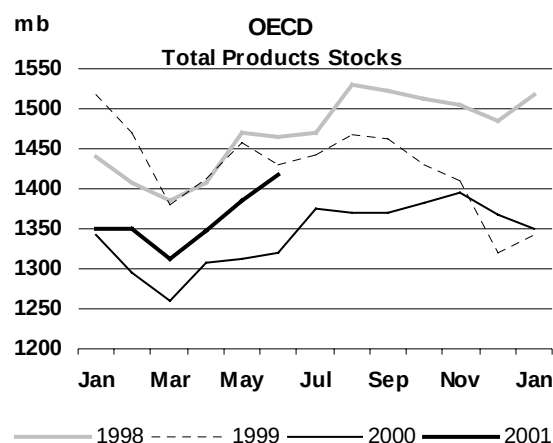
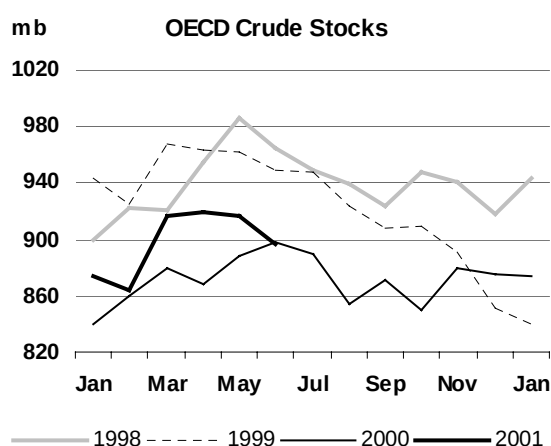
Last year, three-quarters of **Singapore's** crude imports came from the Middle East, with Saudi Arabia the largest single supplier. Supplying 28% of the Singapore crude market, Saudi Arabia dwarfed the United Arab Emirates, Qatar and Kuwait, with shares of 16%, 12% and 10% respectively. Asian producers are also significant players, supplying one barrel in five. Of these, Australia had the largest market share, at 7%, closely followed by Vietnam at 5%.

The crude import figures make a reasonable proxy for refinery runs in Singapore, assuming crude stock changes of zero. They can be compared to Singapore refining margins, noticing that high margins often later pull up crude imports (so, runs) with the higher runs depressing margins later.

OECD STOCKS

Industry Stock Changes in June 2001

In line with seasonal patterns, OECD total oil industry stocks in June built for a fourth consecutive month. The rise in total oil stocks from revised May levels totalled 4.7 million barrels or 0.16 mb/d, leaving stocks at 2592.4 million barrels. Product stocks surged over the month while crude oil and other oils stocks declined. The bulk of these changes occurred in OECD North America.



OECD crude oil stocks fell by 20.3 million barrels, or 0.68 mb/d in June, while product stocks gained 33.0 million barrels: an astonishing 1.10 mb/d. North America accounted for 75% of the reduction in crude stocks and fully 100% of the increase in product stocks. The reduction in crude stocks comes as refiners, for the second consecutive month, lowered their runs due to falling margin.

The draw reflects reduced supply availability due to producer target reductions and came in advance of the physical effect of the suspension of Iraqi deliveries on the market. The surge in product stocks, notably in gasoline and middle distillates however, reflects weakness in demand. This is consistent with the erosion of product prices and margins in June.

Preliminary Industry Stock Change in June and the Second Quarter 2001

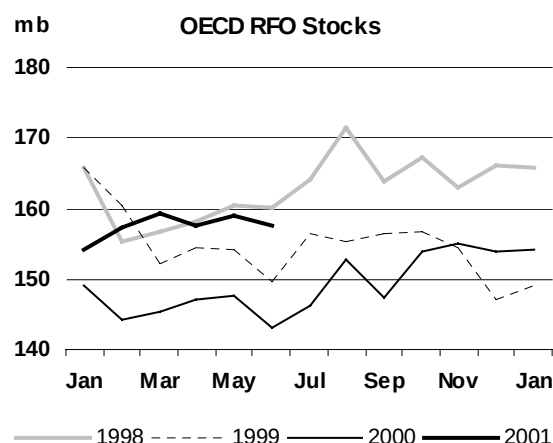
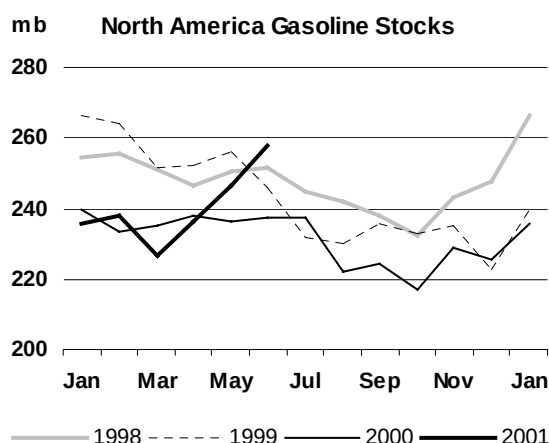
(million barrels per day)

	June (preliminary)				Second Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	-0.51	-0.25	0.09	-0.68	0.02	-0.22	-0.01	-0.21
Gasoline	0.38	0.09	0.00	0.46	0.34	-0.01	0.01	0.34
Distillates	0.28	0.10	0.04	0.42	0.15	0.17	0.07	0.40
Residual Fuel Oil	0.02	-0.11	0.05	-0.04	0.02	-0.03	0.00	-0.02
Other Products	0.43	0.00	-0.16	0.26	0.40	0.02	0.00	0.42
Total Products	1.10	0.08	-0.07	1.10	0.91	0.16	0.07	1.14
Other Oils ¹	-0.15	0.00	-0.12	-0.27	-0.03	-0.03	-0.02	-0.08
Total Oil	0.44	-0.17	-0.11	0.16	0.91	-0.10	0.04	0.85

other oils includes NGLs, feedstocks and other hydrocarbons

Figures for second quarter 2001 reflect similar trends: a seasonal stock build centred in North America driven by products. Despite average crude runs, crude oil stocks fell by 0.21 mb/d in Q2. This decline reflects constrained supply as producers cut production to maintain prices. While effective, crude stocks are rapidly approaching previous year levels, which were tight and contributed to a round of production target increases.

Meanwhile product stocks in North America are surging, building an astounding 1.14 mb/d in Q2. Gasoline stocks are well above their 6-year average while residual fuel oil is at the top of its range. The counterseasonal build in product stocks reflects demand weakness.



European and Asian product stocks are also building, and there are signs that low prices have encouraged some German heating oil customers to replenish their tanks well in advance of the winter heating season. This would have the effect of overstating current demand as demand is shifted between seasons.

Revisions versus 13 July 2001 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Apr 01	May 01	Apr 01	May 01	Apr 01	May 01	Apr 01	May 01
Crude Oil	-8.6	-8.5	-17.6	-24.3	0.0	-10.0	-26.2	-42.8
Gasoline	2.3	1.9	-0.3	6.2	0.0	1.2	2.0	9.3
Distillates	0.5	-0.9	-8.6	-4.7	0.0	-0.9	-8.0	-6.5
Residual Fuel Oil	-0.8	-0.7	-0.2	-1.3	0.0	0.1	-1.0	-1.9
Other Products	-0.4	-6.1	1.8	1.1	0.0	1.6	1.3	-3.5
Total Products	1.6	-5.9	-7.3	1.3	0.0	1.9	-5.7	-2.7
Other Oils ¹	0.0	5.4	-3.2	-4.9	0.0	-0.6	-3.2	-0.2
Total Oil	-7.0	-9.0	-28.1	-27.9	0.0	-8.7	-35.1	-45.6

¹ other oils includes NGLs, feedstocks and other hydrocarbons

May 2001 preliminary estimates of total oil stocks have been revised downwards by a surprising 45.6 million barrels or 1.47 mb/d. Approximately one third of this reduction is associated with a change in methodology for calculating Norwegian stocks (see overleaf).

The bulk of May's 1.47 mb/d downward revision is in crude stocks, spread evenly across all three major OECD regions. April preliminary estimates have also been adjusted downward, primarily in crude, by 35.1 million barrels, or 1.13 mb/d. Revised total crude and product stocks for the OECD in May now stand at 916.7 million barrels and 1384.2 million barrels respectively. The Table on the right shows the effect of the revisions on the May stock changes. The Norwegian adjustments are included in these figures, with revisions to preliminary estimates decreasing the initial stock change by 0.34 mb/d.

OECD Industry Stock Changes: Effects for May

(million barrels per day)

	May			
	North America	Europe	Pacific	Total
Crude Oil	0.00	-0.22	-0.32	-0.54
Gasoline	-0.02	0.21	0.04	0.23
Distillates	-0.05	0.13	-0.03	0.05
Residual Fuel Oil	0.01	-0.04	0.00	-0.03
Other Products	-0.18	-0.02	0.05	-0.16
Total Products	-0.24	0.28	0.06	0.10
Other Oils ¹	0.17	-0.06	-0.02	0.10
Total Oil	-0.07	0.01	-0.28	-0.34

¹ other oils includes NGLs, feedstocks and other hydrocarbons

Revision to Norwegian Crude Oil Stocks

The Norwegian Petroleum Directorate (NDP) in January 2000 introduced a new reporting system for crude oil stocks. The introduction of new guidelines and procedures result in considerably lower stock estimates. Previously, stock figures were derived from production and export data, and due to underreported exports, stock levels were generally overstated.

The Norwegian Administration was only able to provide the IEA with revised estimates back to January 2000. To facilitate comparability, and in agreement with the NDP, the IEA has adjusted historical data back to January 1990 using an average scaling factor. The revised stock positions are reflected in the IEA's Annual Statistical Supplement published in conjunction with this Report.

The effect of this change in reporting systems on preliminary May estimates is a one-time downward adjustment in stock levels.

Preliminary Stocks at the End of June

OECD industry stocks of total oil ended the month of June at 2.59 billion barrels, up by 84.3 million barrels on a year-on-year basis but significantly lower than in 1998 and 1999. Total oil stocks in all OECD regions remained above the previous year with OECD North America closing out at 1231.9 million barrels, while OECD Europe and OECD Pacific stood at 909.1 and 451.4 million barrels respectively.

Year-on-Year Industry Stock Comparisons for June 2001

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	18.7	-14.9	-4.8	-1.0	Total Oil	2.7	1.2	1.5	2.0
Total Products	57.2	31.0	9.2	97.4	Versus 1999	-2.8	-3.7	0.4	-2.6
Other Oils ¹	-8.7	-4.7	1.3	-12.1	Versus 1998	-5.1	-3.5	-4.3	-4.6
Total Oil	67.2	11.4	5.7	84.3	Total Products	2.3	2.3	1.4	2.2
Versus 1999	-49.3	-39.4	3.5	-85.1	Versus 1999	-0.6	-1.9	1.2	-0.7
Versus 1998	-67.4	-62.7	-20.0	-150.1	Versus 1998	-2.3	-1.7	0.1	-1.8

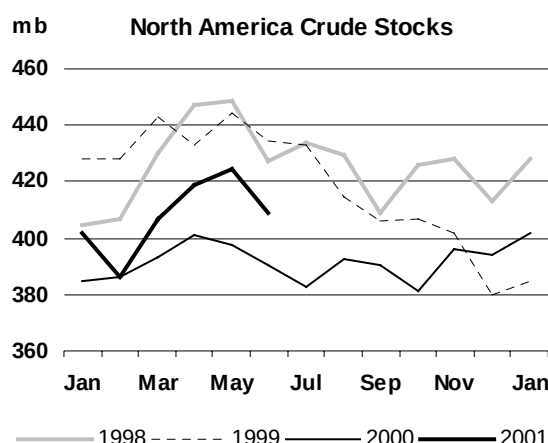
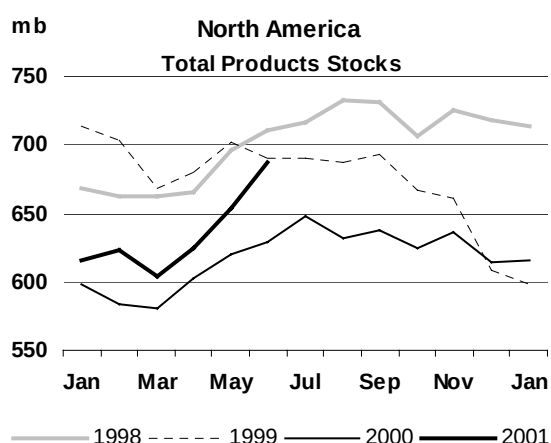
¹ other oils includes NGLs, feedstocks and other hydrocarbons

OECD crude stocks were down by 1.0 million barrels on the previous year, while products were up by 97.4 million barrels. Among the regions, North America posted the biggest margins in both crude and products over last year.

Regional Stock Developments

North America

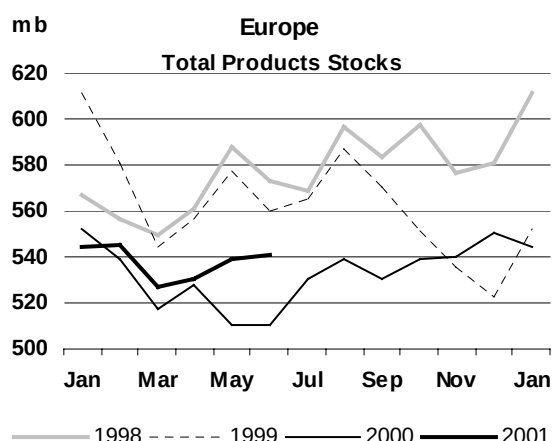
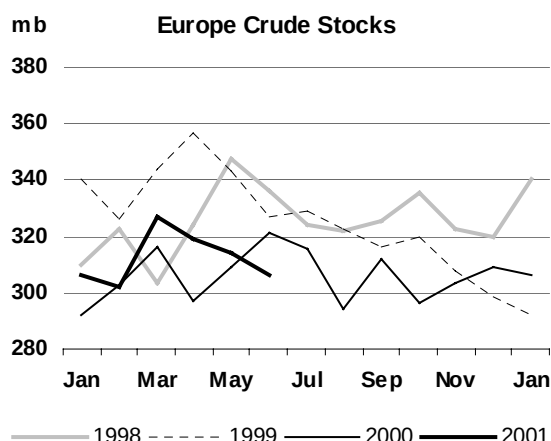
Crude stocks fell sharply in June, declining by 15.3 million barrels. Total product stocks on the other hand surged by 32.9 million barrels. Gasoline stocks showed the largest gain, of 11.3 million barrels, followed by middle distillates at 8.3 million barrels and residual fuel oil at 0.5 million barrels. The extraordinary rise in product stocks reflects demand weakness in the North American market and accounts for the collapse in product prices in June.



Burgeoning gasoline inventories show that the threat of a gasoline "crisis" clearly has faded in the **US**. Some refiners are taking the opportunity of weak margins to conduct maintenance and to convert their operations to higher distillate yields. This bodes well for heating oil stocks later in the winter, assuming that refinery margins will be sufficient to sustain seasonal operations. Preliminary July figures suggest a sharp draw on crude and gasoline stocks in line with seasonal patterns.

Europe

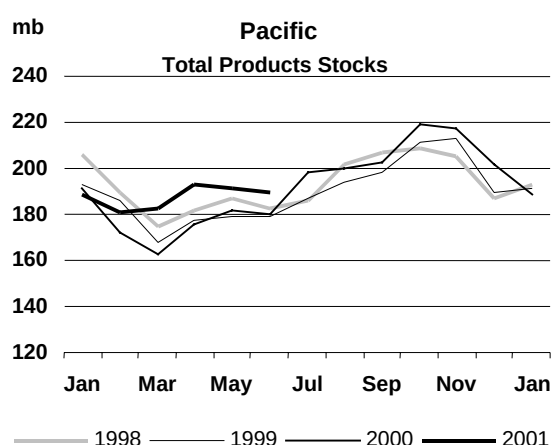
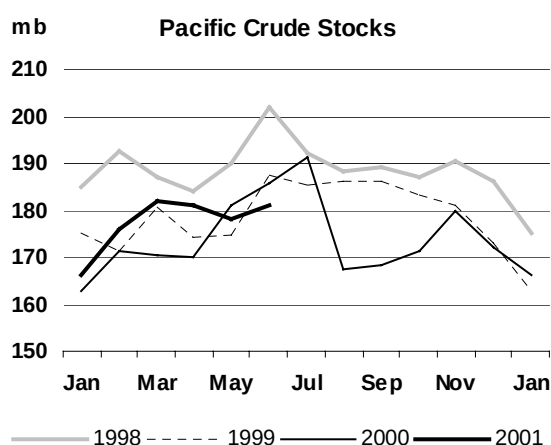
OECD European crude stocks fell by 7.6 million barrels while total product stocks rose slightly by 2.3 million barrels. While not as steep, the draw on crude stocks in Europe has been more sustained than that in North America. Similarly, the build in product stocks is also shallower in Europe with a 2.6 million barrel increase in gasoline and a 3.0 million barrel increase in middle distillates partly offset by a 3.2 million barrel decrease in residual fuel oil.



As noted previously, there has been some evidence that **German** heating oil customers have taken advantage of a lull in product prices to replenish their heating oil tanks in advance of the winter heating season. This is good news in the sense that it puts stocks in the hands of end users where they are needed prior to peak demand. All things equal, this should help to mitigate the risk of a potential "crisis situation" later this winter. At the same time, it "borrows demand" from the winter months, which could lead to weakening demand, margins and reduced refinery runs later in the year.

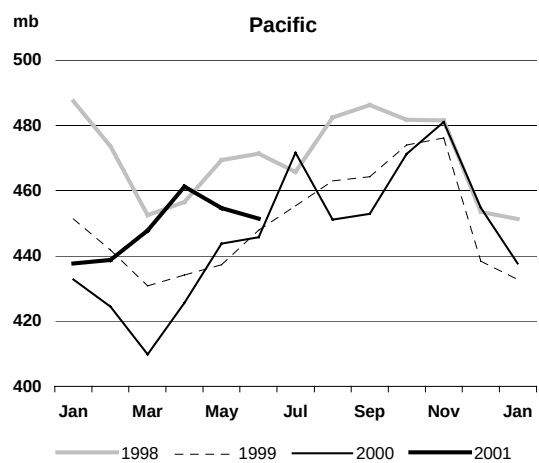
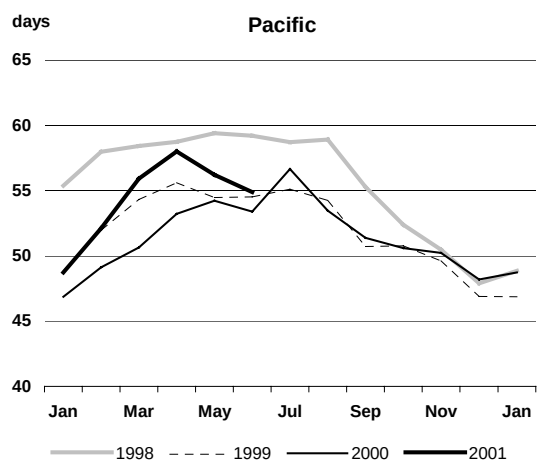
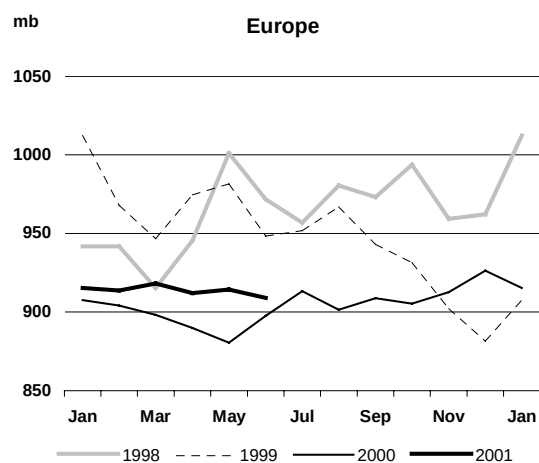
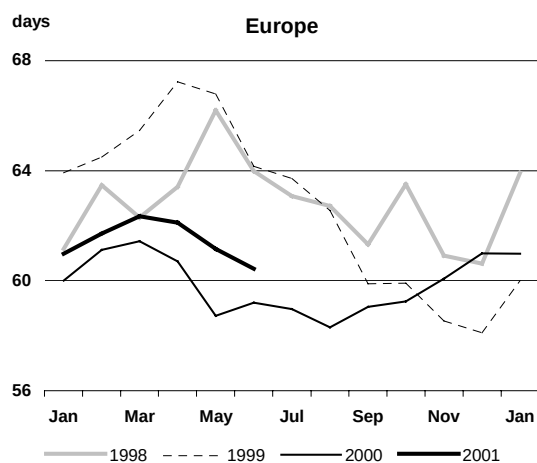
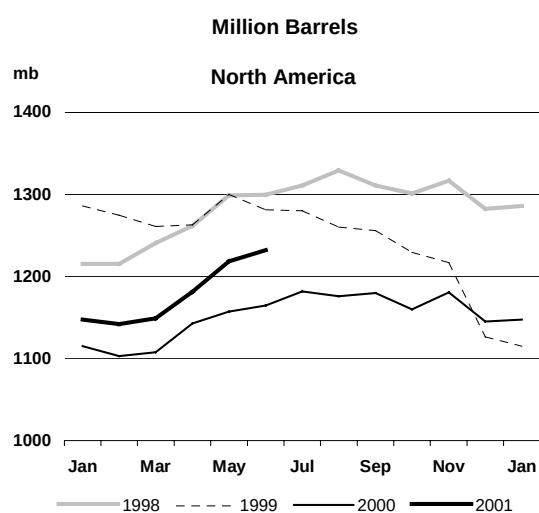
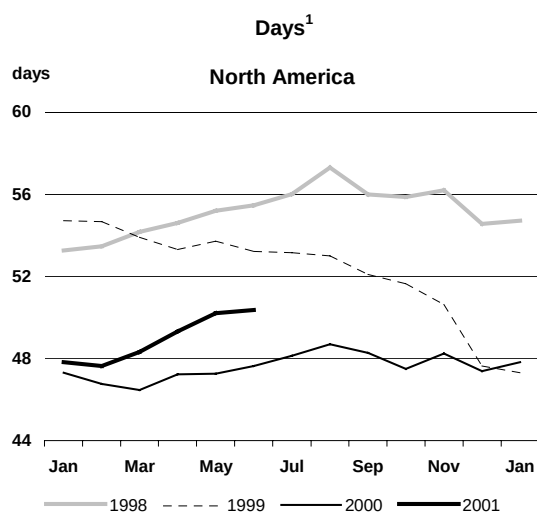
Pacific

Crude stocks rose slightly in OECD Pacific by 2.7 million barrels in June offset by a corresponding reduction in total product stocks. The rise in crude stocks accompanies a general regional weakness in demand for refined products. Gasoline stocks held flat at 26.4 million barrels while middle distillates and residual fuel oil increased by 1.3 and 1.4 million barrels respectively.



A 4.9 million barrel decline in **Japanese** product stocks was partly offset by a corresponding 2.6 million barrels increase in **Korean** stocks. Total OECD Pacific products at the end of June stood at 189.4 million barrels, down 2.24 million from the previous month.

Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

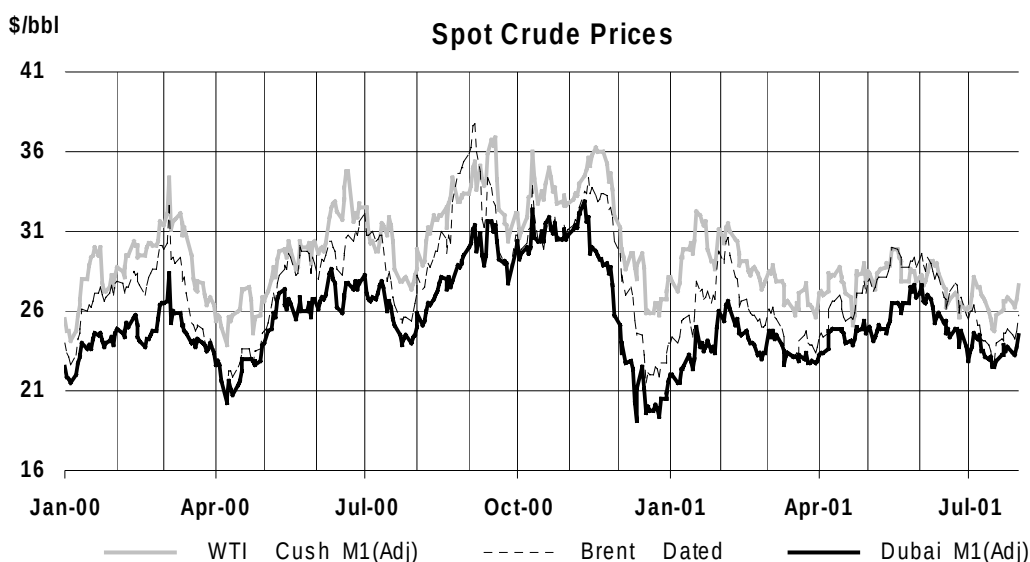


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- **Crude oil prices** fell in July, with the major marker grades losing \$1-3 for the month. Bearish market sentiment caused a rapid decline for two weeks in the middle of the month. There were several reasons for this: Iraqi oil-for-food exports quickly returned to 2 mb/d; economic and oil demand growth forecasts were downgraded; poor refining margins caused run cuts and early maintenance, leaving more oil on the market; the weekly US statistics were not supportive; and speculators holding very large net short positions for NYMEX WTI added to the downward momentum.
- In response, on 25 July, **OPEC** announced a production cut of 1 mb/d, with effect from 1 September. The decision prompted a partial recovery of the mid-month losses, and appears to have so far put a floor under crude prices.
- **Product prices** dropped, due to generally weak demand. However, there were some areas of price strength. US gasoline gained on inventory draws. Mediterranean low-sulphur fuel oil rose on the back of strong Italian utility demand, while Rotterdam gasoil held steady for most of the month due to strong German and French demand. In Singapore, robust Chinese buying pulled up high-sulphur fuel oil.
- For the month as a whole, **refining margins** strengthened modestly, as crude prices declined faster than product prices. Despite this, margins remained weak in all of the main refining centres. Moreover, just as the mid-month crude price decline helped margins to turn around, the OPEC cut announcement squeezed them again. Thus, the end-month situation was worse than the monthly averages indicate.



Note: As of the Report dated 11 May 2001, the IEA changed the source of its Platt's price data. As a result, historical price data may differ slightly from that shown in previous Reports.

Crude Oil and Product Prices in July

Spot crude prices firmed in early July, when weekly statistics showed crude inventory declines in the US. WTI, which had been unusually weak, rose the most, while dated Brent, which had been unusually strong, rose the least. However, market sentiment turned bearish, and crude prices fell steadily and strongly for two full weeks in the middle of the month, rapidly losing \$2-3.

Why? Iraq's oil-for-food exports quickly resumed full volumes of more than 2 mb/d and the worsening economic situation resulted in significant downgrades of oil demand growth forecasts, in this Report and elsewhere. Moreover, poor refining margins caused refiners to cut crude runs and to begin maintenance turnarounds, moving up work programmes originally planned for the autumn. The weekly figures were not supportive of prices, either, showing a return to US crude inventory increases in the middle of July. Finally, it became increasingly clear that on the NYMEX, non-commercial speculators were adding to the downward momentum, with net short positions of roughly 50,000 contracts for the entire month (through the 31st). This position, which equates to 50 million barrels, was the largest short position in over 3 years, something not seen since the price crash days of 1998.

In response, on 18-19 July, the Saudis began to talk about production cuts. On 20 July, during the Bonn climate change talks, Saudi Arabia, Nigeria and the OPEC Secretary-General held a meeting. After telephone consultations, on 25 July OPEC announced a 1 mb/d output cut, effective 1 September. The entire process took a week, during which crude prices recovered by \$1.50-2.00. So far, OPEC appears to have successfully put a floor under prices. Crude prices bumped up again in early August, on supportive weekly inventory statistics and a short-covering rally by speculators, as they unwound their positions.

With product demand weak, product prices generally declined in July. However, there were a few notable developments. In the US, gasoline prices gained, as inventories fell steadily on seasonal demand. With only a month of peak driving season left, another serious price spike is unlikely, even if stocks were to go below year-earlier levels. In Europe, gasoil prices were steady, due to strong demand from Germany and France. Low-sulphur fuel oil rose, on the back of robust Italian utility demand. In Asia, price decreases were led by gasoline, due to heavy Chinese exports. In the other direction, strong Chinese demand pulled up high-sulphur fuel oil prices.

Looking ahead, sentiment for crude appears to be neutral for the next month or so - but signals are mixed and the market is searching for direction amidst tremendous uncertainty. The main factor on the downside continues to be weak economic and oil demand growth. On the upside, if one believes that the downward revisions to the economic and oil demand forecasts have already been made, the current supply and demand balances indicate tightening crude markets, perhaps not in August or even September, but in the last quarter. Recent decreases in oil-on-the-water reinforce that view. In addition, a return to a normal WTI-Brent premium, along with a narrow Brent-Dubai spread, indicate that the conditions exist for any remaining excess in European, West African and Middle East crudes to be cleared out, with cargoes moving west to the US and east to Asia.

There are few bullish signs for product prices, and with crude now leading the market, refining margins will probably continue to be squeezed. Run cuts and early maintenance look set to continue, particularly in the US and Asia; the picture in Europe is less clear. Ironically, the mid-July crude price slump had just begun to have a positive effect on refining margins when the OPEC cut announcement hammered them down again, softening prompt crude demand.

Heating oil/gasoil prices remain higher than those for gasoline, and the forward curves for these products remain in contango, which encourages stockbuilding. As a result, refiners already have begun to produce less gasoline and more middle distillates. Stocks have been building steadily, helped by dwindling fuel-switching demand away from natural gas in the US. This bodes well for the heating oil situation in the upcoming winter. Aside from unusually cold weather early in the season, the main wildcard may simply be the level of refinery throughputs: the runs need to be there for the distillate to be produced.

Review of 2000

World prices for both crude oil and oil products were high and volatile in 2000. Figures for last year are included in the Annual Statistical Supplement, which accompanies this Report. In addition, readers should note that all of the graphs in this section begin in January 2000, to provide a longer visual perspective.

Average prices for the three main marker crudes last year were \$28.50/bbl for dated Brent (compared to \$17.97/bbl in 1999), \$30.37/bbl for WTI (\$19.31/bbl in 1999) and \$26.24/bbl for Dubai (\$17.30/bbl in 1999). The average price for dated Brent in 2000 was more than \$10/bbl above the 1990-1999 average of \$18.33. The key factor behind the high and volatile prices last year was the generally tight level of crude and product inventories. The root cause of the low inventories was OPEC crude production restraint in 1999.

In response to the price crash that began in the fourth quarter of 1997, OPEC began to curtail production in 1998. Two cuts in 1998, of 1.3 mb/d and 1.4 mb/d, did little to raise crude prices. They were followed by a 1.7 mb/d cut that took effect on 1 April 1999. Although crude and product prices returned to typical ranges, as measured by ten-year averages, OPEC did not increase output ahead of the winter demand peak. This led to a massive 2.5 mb/d drawdown in OECD stocks in the fourth quarter of 1999. That drawdown set the stage for the low inventories and high prices which persisted throughout 2000.

OPEC's declared goal was to keep the OPEC basket price within a band of \$22-28/bbl. However, over the course of 2000, OPEC ministers made it increasingly clear that the real target was \$25-28/bbl, or the upper half of the price band. In fact, the average price of the OPEC basket in 2000 was \$27.60/bbl. When raising production to try to lower prices, the cartel has been cautious and has reacted to the markets. In contrast, when cutting production to try to increase prices, it has anticipated the markets and been *proactive*. That is to say, OPEC has been more concerned when crude prices fell "too low" and less concerned when crude prices rose "too high".

Practically speaking, in 2000 OPEC's "market management" was aimed at matching current supply and demand and at keeping inventories low. Although OPEC raised its crude production targets four times last year, for a total of 3.7 mb/d in increases, these served merely to help output keep pace with increasing world demand. With OECD stocks gaining a modest 0.1 mb/d in 2000, OPEC can be said to have achieved its goal. In other words, stocks never got a chance to rebuild significantly last year.

As a result, there was prompt physical tightness in the crude and product markets in 2000. Due to this, the forward price curves in the futures markets, for both crude and products, were in backwardation (downward-sloping curves). Refiners, the key link between the crude markets and the product markets, had little incentive to build inventories. For refiners, backwardation translates into "buy high now" and "sell low in the future" - never a good way to turn a profit. Given the costs of physical storage, contango (upward-sloping curves) is a normal prerequisite for stockbuilding, so that refiners can use the futures market to mitigate price risk by hedging future sales revenues. The market dynamics were self-perpetuating: low inventories caused prompt physical tightness, which caused backwardated markets, which discouraged stockbuilding and kept inventories low.

As mentioned above, the underlying cause was OPEC restraint of crude production. Over the course of 1999, a year in which demand growth was a healthy 1.6 mb/d, this restraint drove declines in crude inventories, which fed through the refining system into falling product inventories. The stockdraw was particularly dramatic in the fourth quarter of 1999. Thus, the stage was set for what happened in 2000. While the root cause was an undersupply of crude, the month-by-month oil markets in 2000 were often driven by products. As a result, refining margins were the best in years.

Geographically, the markets were led by the US and the broader Atlantic Basin, including Europe. With low product inventories, the markets moved from a tight heating oil situation in the winter of 1999/2000 to a tight gasoline situation in the summer of 2000. The cycle continued, with heating oil tight in the early winter of 2000/2001 and gasoline tight again ahead of the summer of 2001. While there have been occasional regional market imbalances, for the most part, outright physical crises have been averted. However, prices have been high. With inventories of both crude and products building strongly during the first half of 2001, amidst softening product demand, the crisis cycle may have been broken.

At various points during 2000, the crude and product markets reacted to weekly inventory data, the weather, OPEC meetings, events concerning Iraq and tensions in the Middle East between Israel and the Palestinians. With little inventory cushion available, the markets also responded quickly to news of accidents, technical problems, or outages in any segment of the oil business (production, transportation and refining). Capacity constraints became evident, particularly in the second half of the year, and this added to price strength and volatility. Spare crude production capacity within OPEC was relatively low and limits were also approached or reached in tanker capacity, pipeline capacity and refining capacity. In North America, the natural gas markets became very tight late in

the year, and this had a direct effect on the oil sector, decreasing oil production and increasing oil demand.

Stepping back to look at 2001 so far, crude prices have essentially moved sideways. The market has still been volatile, but not as much as last year. On the product side, gasoline prices were extremely strong from mid-March through mid-May. Inventories of gasoline were low and there was concern over supplies for the peak summer driving season. However, this concern has subsided, and gasoline prices collapsed as quickly as they had spiked. The markets are now looking ahead to the winter heating oil/gasoil season (see above).

The inventory situation, which drove prices last year, has changed complexion in 2001. OECD product inventories built significantly in the first half of the year, due to weakening demand. A tight situation has been transformed into a comfortable one. OECD crude inventories also built for most of the first half, although a drawdown occurred in June. The other broad dynamic in the oil markets has been dramatically reduced oil demand growth, due to slowing world economies and the effect of continuing high prices. OPEC has responded by cutting output, to defend its price target, with reasonable success thus far. The risk that OPEC is taking is that the relatively high prices themselves will contribute to the economic slowdown and reduced oil demand growth; as they lower production to support prices, they may be "chasing demand down".

Tables and Graphs

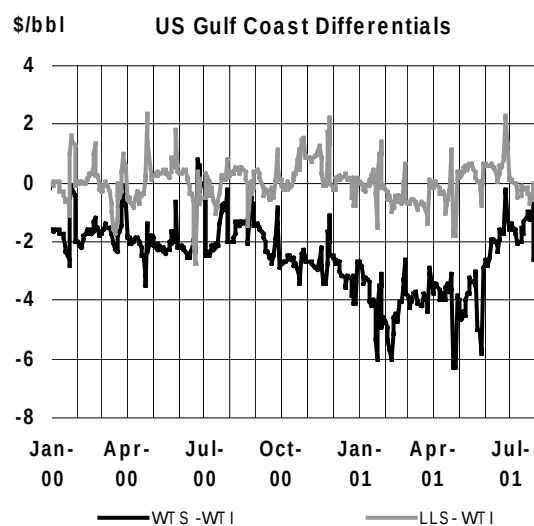
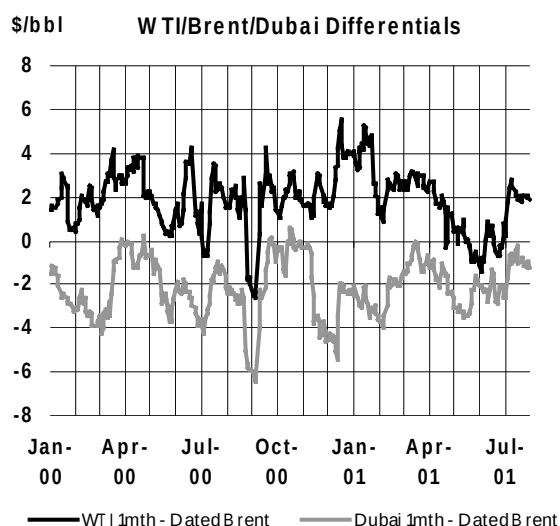
Crude Oil Prices

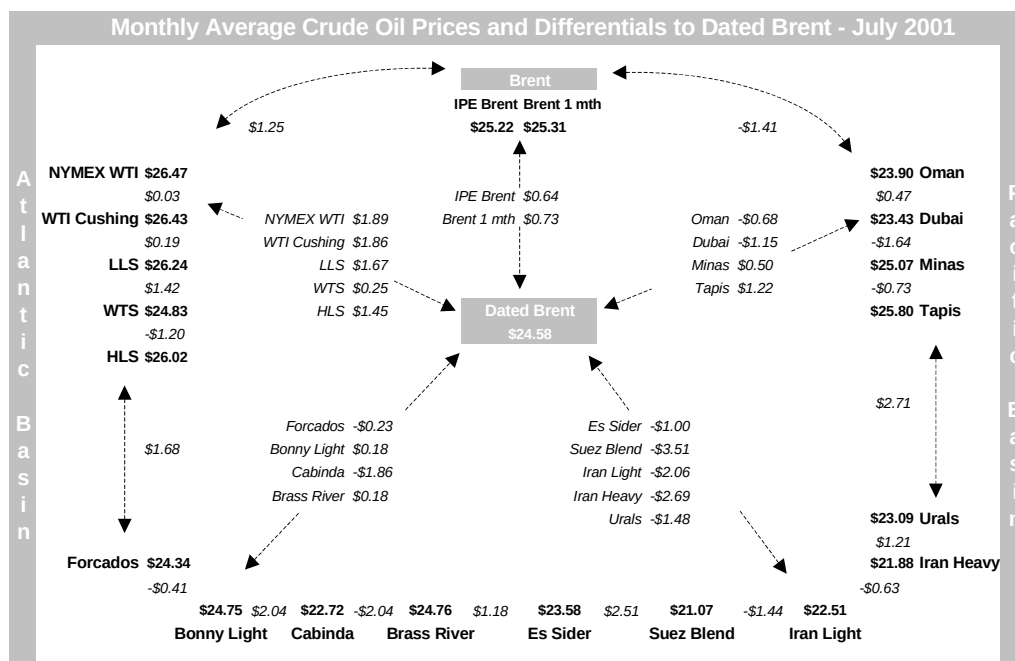
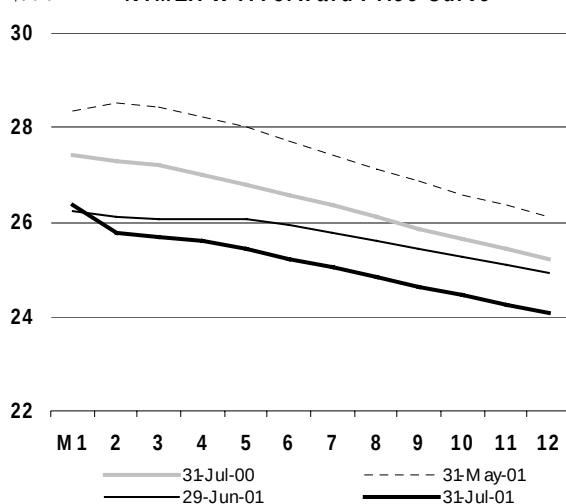
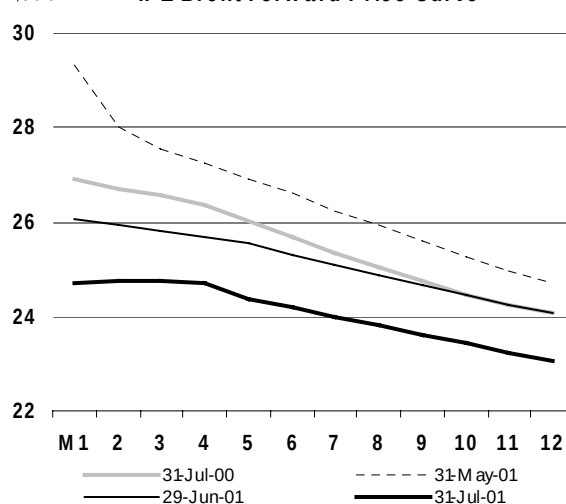
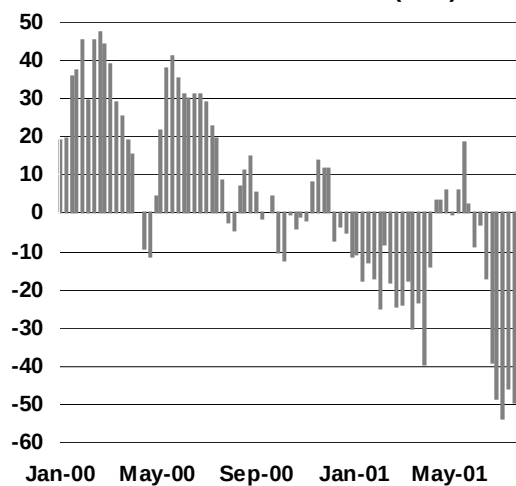
Spot Crude Oil Prices and Differentials*

(monthly and weekly averages, \$/bbl)

	May	Jun	Jul	Change	Week Beginning:					
					18 Jun	25 Jun	02 Jul	09 Jul	16 Jul	23 Jul
Crudes										
Brent Dated	28.51	27.83	24.58	-3.25	26.72	26.87	25.96	24.57	23.37	24.50
WTI Cushing 1 month (adjusted)	28.61	27.57	26.43	-1.13	26.89	27.08	26.86	27.13	25.41	26.24
Urals (Mediterranean)	26.63	25.50	23.09	-2.41	24.31	24.60	24.16	23.07	22.00	23.13
Dubai 1 month (adjusted)	25.60	25.65	23.43	-2.22	na	na	23.69	23.79	na	na
Tapis	28.98	28.13	25.80	-2.33	27.49	26.96	26.70	26.41	25.34	25.12
Differential to Dated Brent										
WTI Cushing 1month (adjusted)	0.10	-0.26	1.86	2.12	0.17	0.21	0.90	2.56	2.03	1.75
Urals (Mediterranean)	-1.88	-2.33	-1.48	0.84	-2.41	-2.27	-1.80	-1.49	-1.37	-1.36
Dubai	-2.91	-2.18	-1.15	1.03	na	na	-2.27	-0.78	na	na
Tapis	0.47	0.30	1.22	0.92	0.77	0.09	0.74	1.85	1.97	0.62
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	0.62	-0.37	-0.67	-0.30	0.53	0.15	0.03	-0.18	-0.43	-0.28
WTI Cushing 1mth-2mth (adjusted)	-0.50	-0.56	0.18	0.73	-0.18	0.65	0.27	0.41	-0.03	-0.32

* Weekly data for Brent and WTI 1st month and 2nd month are unadjusted



**NYMEX WTI Forward Price Curve****IEP Brent Forward Price Curve****Volume of Non-Commercial NYMEX WTI Contracts ('000)****Weighted-Average CIF Crude Import Cost by Area****

	\$/ bbl			
	Total IEA	IEA Europe	IEA North America	IEA Pacific
Dec 00	27.00	26.22	26.03	30.81
Jan 01	24.85	25.25	24.34	24.83
Feb 01	25.89	26.82	25.04	25.34
Mar 01	24.42	24.00	23.66	26.64
Apr 01	24.16	24.58	22.94	25.90
May 01*	25.89	27.06	24.33	27.06

* preliminary, based on partial submissions

** CIF = cost, insurance and freight

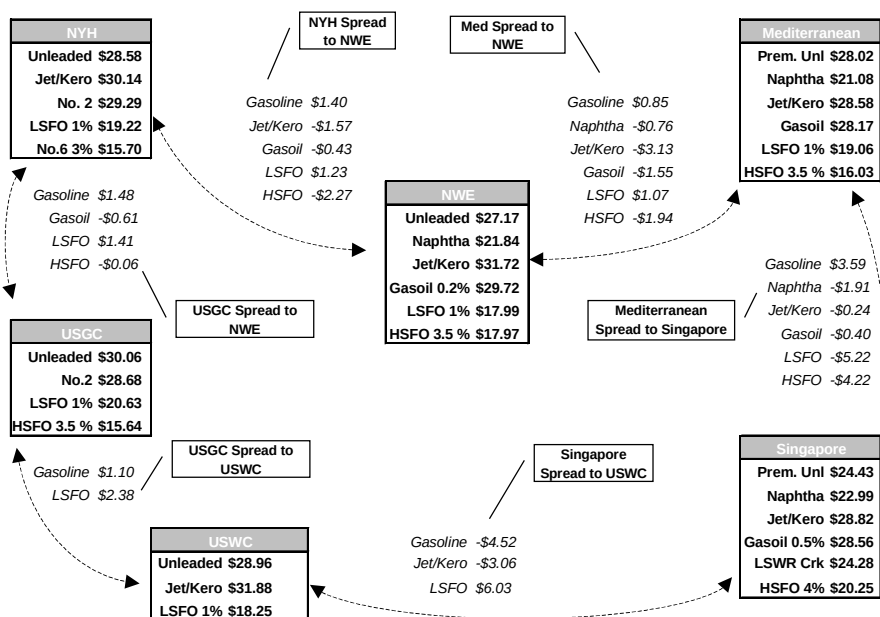
Product Prices

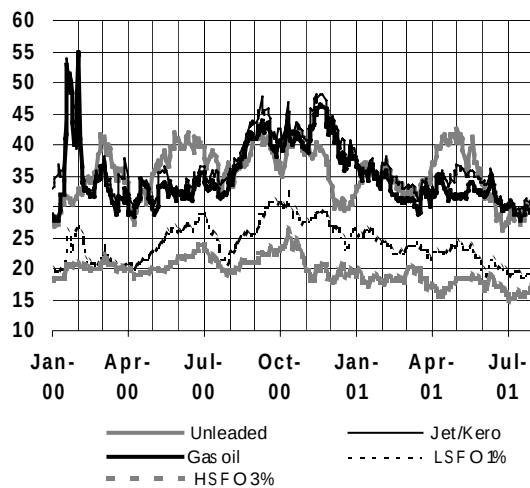
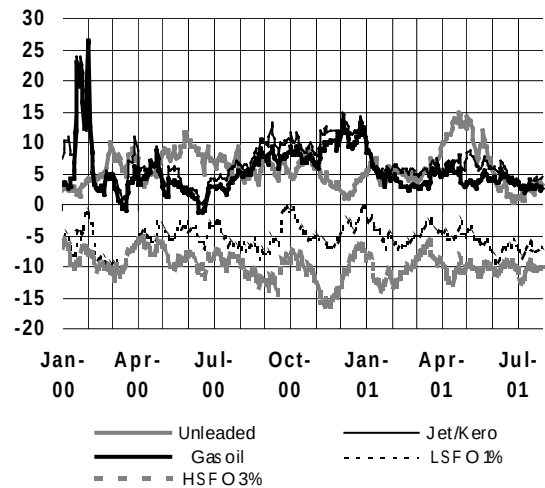
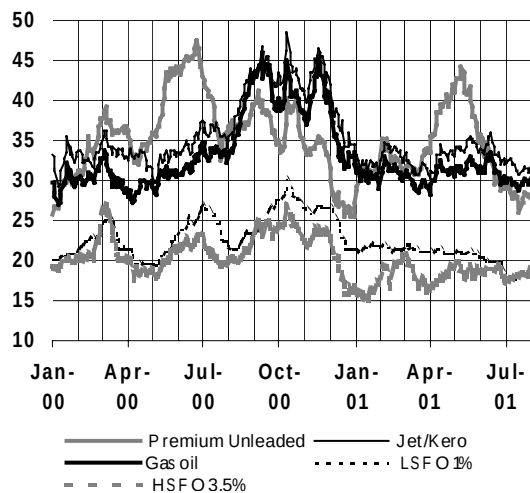
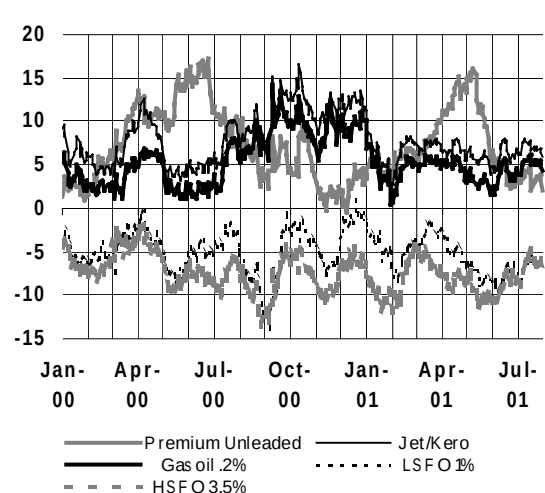
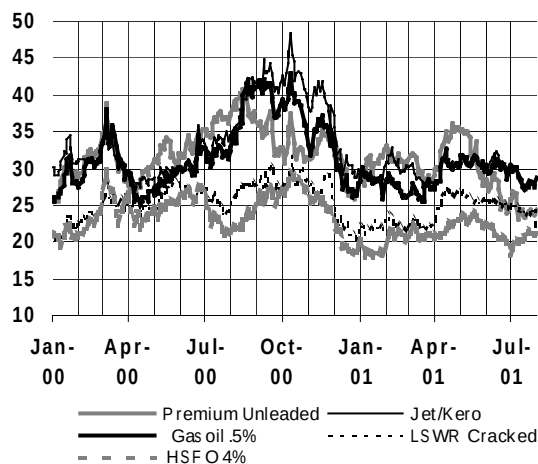
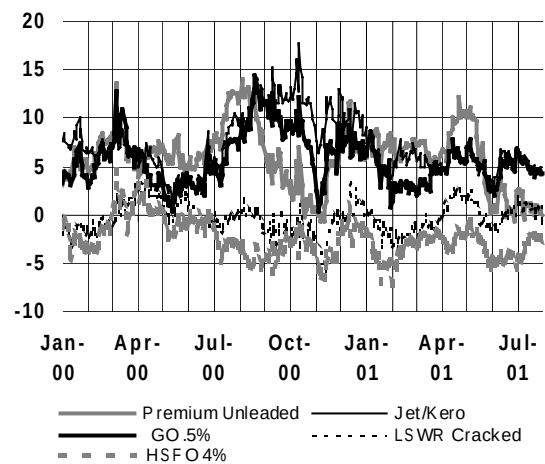
Spot Product Prices

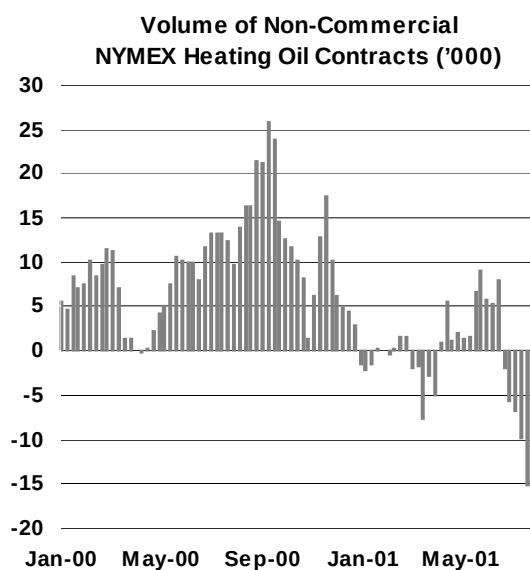
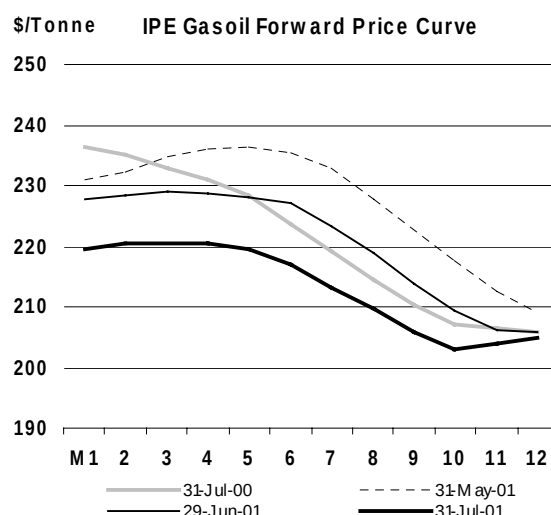
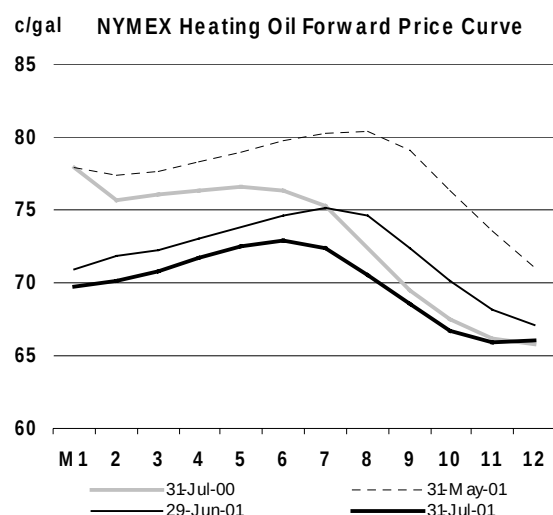
(monthly and weekly averages, \$/bbl)

	May	Jun	Jul	Jul-Jun	% Chg	Week Beginning:					May	Jun	Jul
						25 Jun	02 Jul	09 Jul	16 Jul	23 Jul			
Rotterdam, Barges FOB						Differential to Brent							
Premium Unleaded (Cargo)	40.84	32.17	28.18	-3.99	-12.41	29.71	29.20	28.43	27.25	27.81	12.33	4.34	3.60
Regular Unleaded	39.25	30.60	27.17	-3.43	-11.19	28.37	27.93	27.42	26.37	26.89	10.74	2.77	2.60
Naphtha	29.80	26.96	21.84	-5.11	-18.97	23.81	22.76	22.14	20.85	22.13	1.29	-0.87	-2.73
Jet/Kerosene	34.22	33.85	31.72	-2.14	-6.31	32.73	32.39	32.37	30.84	31.44	5.70	6.02	7.14
Gasoil	31.56	31.56	29.72	-1.84	-5.82	30.39	30.01	29.93	29.09	29.85	3.05	3.73	5.15
Fuel Oil 1.0%S	21.08	19.95	17.99	-1.95	-9.80	19.60	17.94	17.92	17.84	18.18	-7.44	-7.88	-6.58
Fuel Oil 3.5%	18.88	18.77	17.97	-0.80	-4.25	18.77	17.54	17.83	18.08	18.35	-9.63	-9.06	-6.61
Mediterranean – Basis Italy, Cargoes FOB						Differential to Urals							
Premium Leaded (0.15 g/l)	41.10	32.63	28.74	-3.89	-11.93	30.11	29.57	28.87	27.94	28.54	14.47	7.13	5.65
Premium Unleaded	40.38	31.91	28.02	-3.89	-12.20	29.39	28.85	28.16	27.22	27.82	13.75	6.41	4.93
Naphtha	28.14	25.89	21.08	-4.81	-18.56	22.88	21.92	21.38	20.15	21.43	1.52	0.38	-2.01
Jet/Kerosene	30.56	30.19	28.58	-1.60	-5.31	29.25	28.94	29.08	28.18	28.35	3.93	4.68	5.49
Gasoil	28.54	30.24	28.17	-2.07	-6.86	30.03	29.38	28.80	26.98	27.68	1.91	4.74	5.08
Fuel Oil 1.0%S	19.92	18.50	19.06	0.56	3.02	18.77	18.20	19.17	19.28	19.47	-6.70	-7.00	-4.03
Fuel Oil 3.5%S	15.77	16.22	16.03	-0.20	-1.21	16.63	15.24	15.56	16.39	16.71	-10.86	-9.28	-7.06
NY Harbour, Barges						Differential to WTI							
Premium Unleaded 93	44.71	34.06	31.99	-2.07	-6.08	29.72	29.93	31.29	32.09	33.44	16.10	6.49	5.55
Regular Unleaded 87	38.81	30.33	28.58	-1.76	-5.79	27.38	27.97	28.59	28.09	29.09	10.20	2.77	2.14
Jet/Kerosene	35.58	33.01	30.14	-2.87	-8.69	30.60	30.52	30.04	29.40	30.54	6.96	5.45	3.71
No.2 Heating Oil	32.38	31.73	29.29	-2.44	-7.69	29.98	30.16	29.64	28.30	29.31	3.77	4.17	2.86
Fuel Oil 1.0%S (Cargo)	23.12	20.21	19.22	-0.99	-4.91	20.09	19.26	19.46	19.05	19.03	-5.49	-7.36	-7.22
Fuel Oil 3.0%S (Cargo)	18.36	17.48	15.70	-1.78	-10.21	16.73	15.52	15.48	15.77	15.83	-10.26	-10.08	-10.73
Singapore, Cargoes						Differential to Dubai							
Premium Unleaded 95	32.59	26.87	24.43	-2.44	-9.08	24.63	26.00	24.27	23.66	24.09	6.99	1.22	1.00
Naphtha	28.08	26.63	22.99	-3.64	-13.67	25.10	23.80	22.92	22.15	23.14	2.48	0.98	-0.44
Jet/Kerosene	30.66	30.86	28.82	-2.04	-6.62	30.16	30.27	29.55	27.72	27.99	5.06	5.21	5.39
Gasoil	30.91	30.00	28.56	-1.44	-4.78	29.50	29.99	29.38	27.42	27.84	5.31	4.34	5.13
LSWR (0.3%S)	25.96	25.35	24.28	-1.06	-4.19	24.90	24.86	24.75	23.88	23.99	0.36	-0.31	0.85
HSFO (3.5%S 180cst)	23.33	21.46	20.30	-1.16	-5.38	20.48	19.23	20.10	20.35	21.23	-2.27	-4.20	-3.13
HSFO 4%S	23.06	21.07	20.25	-0.82	-3.88	20.05	18.91	20.02	20.43	21.32	-2.54	-4.59	-3.18

Monthly Average Spot Product Prices and Differentials - July 2001



\$/bbl New York Harbour Spot Product Prices**\$/bbl New York Harbour Spreads to WTI****\$/bbl Rotterdam Spot Product Prices****\$/bbl Rotterdam Spreads to Dated Brent****\$/bbl Singapore Spot Product Prices****\$/bbl Singapore Spreads to Dubai**



Refining Margins and Throughputs

Refinery Crude Throughput and Utilisation in OECD Countries

	million barrels per day					Change from May 00		Utilisation rate ²	
	Jan 01	Feb 01	Mar 01	Apr 01	May 01	Jun 01 ¹	mb/d %	Jun 01	Jun 00
OECD North America									
US ³	14.80	14.81	14.64	15.54	15.77	15.68	-0.003 0.0	94.4	95.0
Canada	1.85	1.85	1.88	1.74	1.70	1.76	0.069 4.0	95.6	91.9
Mexico	1.12	1.16	1.18	1.18	1.14	1.23	0.086 7.5	79.3	73.6
Total	17.77	17.82	17.70	18.46	18.60	18.67	0.152 0.8	93.4	93.1
OECD Europe									
France	1.90	1.81	1.57	1.73	1.73	1.74	0.148 9.3	100.2	91.7
Germany	2.28	2.19	2.06	2.20	2.24	2.08	0.035 1.7	91.8	90.2
Italy	1.86	1.61	1.73	1.89	1.69	1.72	0.018 1.0	84.7	83.8
Netherlands	1.19	1.14	1.10	1.18	1.14	1.04	-0.021 -2.0	85.5	87.3
Spain	1.16	1.10	1.06	1.14	1.09	1.13	0.099 9.7	88.2	80.5
UK	1.68	1.55	1.54	1.40	1.43	1.37	-0.102 -6.9	78.5	84.3
Other OECD Europe	3.85	3.86	3.65	3.67	3.62	3.68	-0.033 -0.9	84.5	85.3
Total	13.93	13.26	12.71	13.21	12.92	12.74	0.144 1.1	87.2	86.2
OECD Pacific									
Japan	4.56	4.69	4.46	4.23	3.64	3.50	0.114 3.4	68.6	64.2
Korea	2.64	2.58	2.54	2.55	2.21	2.34	-0.049 -2.1	95.0	97.0
Other OECD Pacific	0.86	0.81	0.82	0.80	0.82	0.83	-0.006 -0.7	100.2	100.9
Total	8.06	8.09	7.82	7.58	6.67	6.67	0.059 0.9	79.4	77.2
OECD Total	39.77	39.16	38.23	39.25	38.19	38.09	0.355 0.9	88.6	87.6

¹ Estimate

² Based on crude throughput and current operable refining capacity

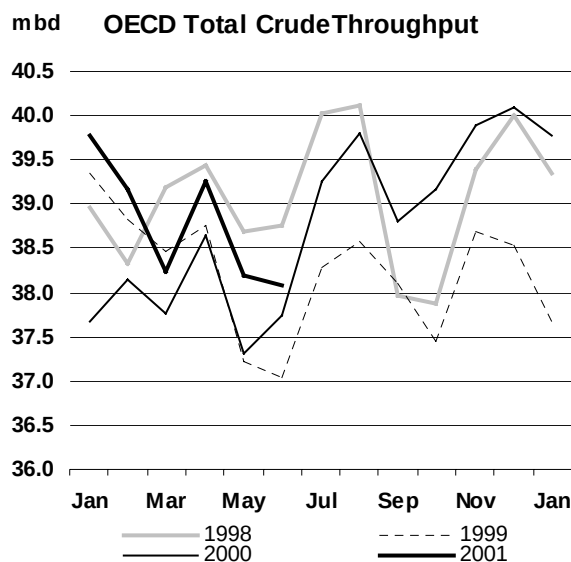
³ US\$0

Refining Margins in Major Refining Centres

(\$/bbl)

	Monthly Averages				End of Week:					
	May 01	Jun 01	Jul 01	Change	22 Jun	29 Jun	06 Jul	13 Jul	20 Jul	27 Jul
Refining Margins										
NW Europe										
Brent (Hydroskimming)	-1.59	-2.77	-1.58	1.19	-2.71	-3.29	-2.95	-1.16	-1.74	-1.80
Brent (Cracking)	1.26	-0.82	-0.28	0.53	-1.12	-1.76	-1.48	0.11	-0.71	-0.43
Mediterranean										
Urals (Hydroskimming)	-1.19	-1.10	-0.27	0.83	-0.59	-1.28	-1.49	0.11	-0.55	-0.56
Urals (Cracking)	1.86	1.12	1.27	0.15	1.31	0.57	0.32	1.65	0.67	0.95
US Gulf Coast										
Brent (Cracking)	5.52	1.24	0.09	-1.14	0.25	-0.48	-1.56	-0.33	1.14	0.36
WTI (Cracking)	2.91	-0.77	0.04	0.81	-1.85	-2.46	-1.82	0.07	1.09	0.52
Singapore										
Dubai (Hydroskimming)	0.57	-1.30	-0.62	0.68	-0.36	-1.77	-1.24	-0.38	-0.59	-0.78
Dubai (Cracking)	2.87	0.43	0.86	0.44	1.25	-0.18	0.85	1.03	0.50	0.43
Gross Product Worth										
NW Europe										
Brent (Hydroskimming)	28.26	26.14	24.19	-1.95	25.64	24.70	24.56	24.24	23.49	24.37
Brent (Cracking)	31.21	28.19	25.59	-2.60	27.33	26.33	26.12	25.60	24.62	25.83
Mediterranean										
Urals (Hydroskimming)	28.26	26.14	24.19	-1.95	25.64	24.70	24.56	24.24	23.49	24.37
Urals (Cracking)	31.21	28.19	25.59	-2.60	27.33	26.33	26.12	25.60	24.62	25.83
US Gulf Coast										
Brent (Cracking)	35.23	29.90	27.63	-2.27	28.05	27.16	27.67	27.44	28.04	28.38
WTI (Cracking)	34.78	29.64	27.39	-2.24	27.91	26.97	27.47	27.23	27.73	28.09
Singapore										
Dubai (Hydroskimming)	26.66	24.84	23.28	-1.56	24.54	23.50	23.92	23.24	22.76	23.40
Dubai (Cracking)	29.06	26.67	24.86	-1.81	26.24	25.19	26.11	24.75	23.96	24.71

For the purposes of this Report, refining margins are calculated on the basis of an 'average' refinery that is running a 'typical' crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom products.



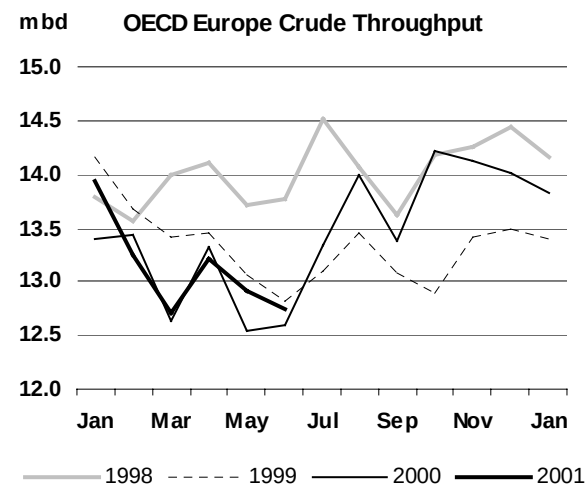
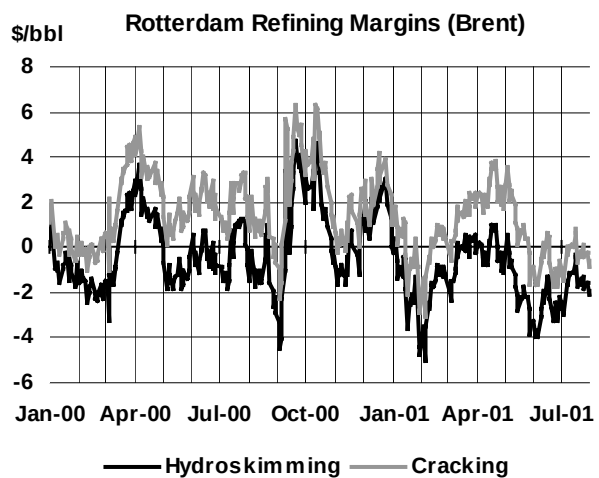
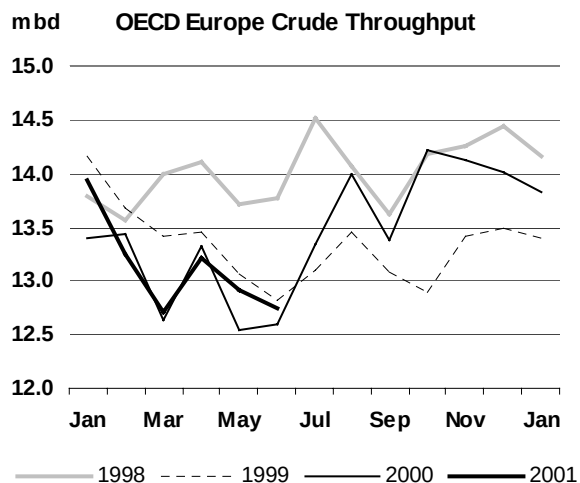
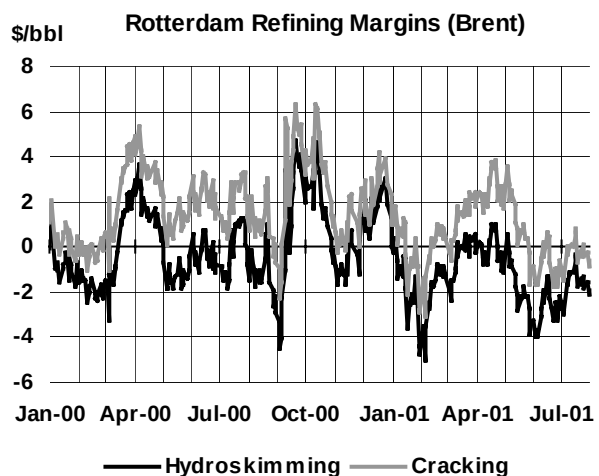
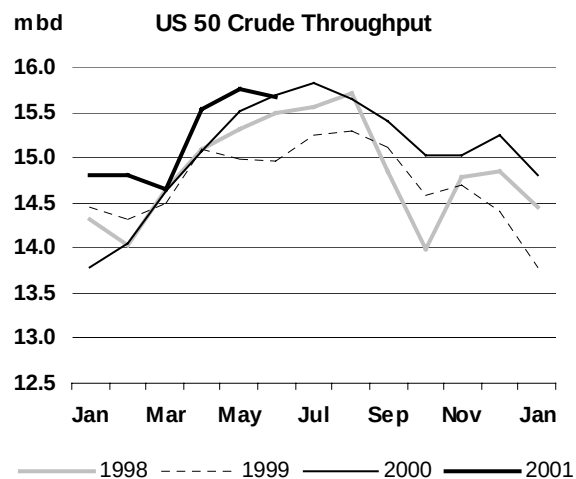
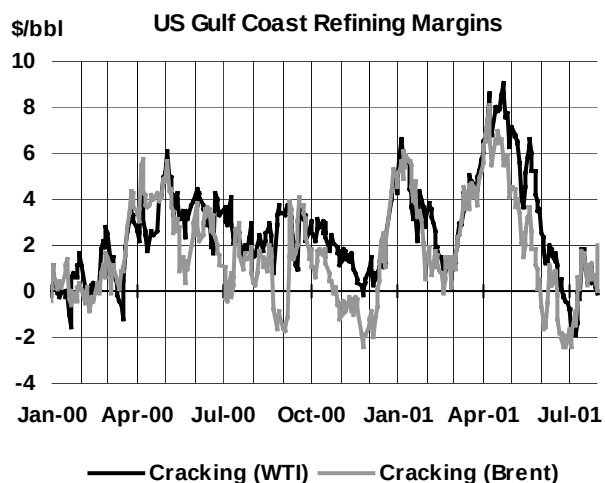


Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	23.1	23.8	23.7	23.8	24.5	24.4	24.1	24.2	23.8	24.5	24.5	24.2	24.3	23.9	24.8	24.9	24.5
Europe	15.3	15.2	15.2	14.6	15.2	15.4	15.1	15.2	14.7	15.0	15.4	15.1	15.2	14.8	15.2	15.6	15.2
Pacific	8.4	8.7	9.4	8.1	8.3	8.8	8.7	9.4	8.0	8.2	8.9	8.6	9.4	8.1	8.3	9.0	8.7
Total OECD	46.8	47.7	48.2	46.6	48.0	48.6	47.8	48.8	46.5	47.7	48.8	48.0	48.9	46.8	48.3	49.4	48.3
NON-OECD DEMAND																	
FSU	3.7	3.7	3.6	3.5	3.6	3.8	3.6	3.8	3.6	3.5	3.7	3.6	3.8	3.6	3.5	3.7	3.6
Europe	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7
China	4.2	4.5	4.7	4.6	5.1	4.8	4.8	4.7	5.0	5.0	5.1	5.0	4.9	5.0	5.2	5.2	5.1
Other Asia	6.8	7.2	7.2	7.4	7.3	7.3	7.3	7.3	7.4	7.3	7.3	7.3	7.3	7.4	7.4	7.3	7.4
Latin America	4.8	4.8	4.7	4.9	5.0	4.9	4.9	4.7	4.9	5.0	4.9	4.9	4.8	4.9	5.0	4.9	4.9
Middle East	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5	4.5	4.7	4.8	4.6	4.7
Africa	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.4
Total Non-OECD	26.8	27.6	27.8	27.8	28.5	28.2	28.0	28.1	28.5	28.6	28.6	28.4	28.6	28.8	29.0	29.0	28.9
Total Demand¹	73.6	75.2	75.9	74.4	76.4	76.8	75.9	76.9	75.1	76.3	77.3	76.4	77.4	75.6	77.3	78.4	77.2
OECD SUPPLY																	
North America	14.5	14.0	14.3	14.4	14.3	14.1	14.3	14.2	14.3	14.3	14.5	14.3	14.8	14.7	14.7	14.8	14.7
Europe	6.7	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.5	6.8	6.7	6.8	6.6	6.4	6.5	6.6
Pacific	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7
Total OECD	21.9	21.4	22.3	21.8	21.7	21.8	21.9	21.8	21.6	21.6	22.1	21.8	22.4	22.0	21.8	22.0	22.0
NON-OECD SUPPLY																	
FSU	7.3	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.5	8.5	8.6	8.5	8.7	8.8	9.0	9.2	8.9
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.2	3.3	3.2	3.3	3.3	3.3	3.3
Other Asia	2.3	2.3	2.3	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.3	2.4
Latin America	3.6	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Middle East	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	2.0
Africa	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	21.3	21.6	21.9	22.0	22.4	22.8	22.3	22.8	22.9	23.0	23.1	22.9	23.1	23.3	23.5	23.6	23.4
Processing Gains ²	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Non-OPEC	44.8	44.7	45.9	45.6	45.8	46.3	45.9	46.4	46.2	46.3	46.9	46.5	47.3	47.0	47.1	47.5	47.2
OPEC																	
Crude	28.0	26.6	26.5	27.8	28.4	29.0	27.9	28.4	27.0								
NGLs	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.2	3.2	3.2	3.2	3.2
Total OPEC	30.8	29.4	29.3	30.7	31.3	31.9	30.8	31.3	30.0								
Total Supply³	75.6	74.2	75.3	76.2	77.1	78.2	76.7	77.7	76.1								
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.2	-0.7	-0.4	1.0	0.4	-0.2	0.2	-0.1	0.8								
Government	0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0	0.0								
Total	0.3	-0.7	-0.4	1.0	0.4	-0.5	0.1	-0.1	0.9								
Floating Storage/Oil in Transit	0.1	-0.1	0.0	0.1	0.0	0.4	0.1	0.1	-0.4								
Miscellaneous to balance ⁴	1.6	-0.3	-0.3	0.7	0.2	1.5	0.5	0.8	0.6								
Total Stock Ch. & Misc	2.0	-1.1	-0.7	1.9	0.7	1.4	0.8	0.8	1.1								
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	26.1	27.7	27.2	25.9	27.7	27.6	27.1	27.6	25.9	27.0	27.4	27.0	26.9	25.4	27.0	27.7	26.8
Total Demand ex. FSU	69.9	71.6	72.3	70.9	72.9	73.1	72.3	73.2	71.5	72.8	73.7	72.8	73.6	72.0	73.8	74.7	73.5
Total demand exc. FSU (% ch) ⁶	0.6	2.4	-0.2	1.4	2.7	-0.1	1.0	1.2	0.9	-0.1	0.8	0.7	0.7	0.7	1.4	1.4	1.0

¹ Measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers, refinery fuel, crude for direct burning,

oil from non-conventional sources and other sources of supply

² Net volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ Comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ Includes changes in non-reported stocks in OECD and non-OECD areas

⁵ Equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ Year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	-	-	-	-	-	-	-	-	0.1	0.1	-	-	-	0.1	0.1	-	0.1
Europe	-	-	-	-	-	-	-	0.1	0.1	-	-	0.1	0.1	0.1	-	-	0.1
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-
Total OECD	-	-	-	-	-	-	-	0.1	0.3	0.1	-	0.2	0.1	0.3	0.1	-	0.1
NON-OECD DEMAND																	
FSU	-	0.2	0.1	0.1	0.2	0.2	0.1	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Europe	-	-	-	-	-	-0.1	-0.1	-	-0.1	-	-0.1	-0.1	-	-0.1	-	-0.1	-0.1
China	-	-	-	0.1	-	-	-	-	-	-0.1	-0.1	-	-	-	-	-0.1	-
Other Asia	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.2	0.1	0.2
Latin America	-	-	-	0.1	0.1	0.1	0.1	-	0.1	0.1	0.1	0.1	0.1	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	0.1	-	-	0.1	-	0.1	-	0.1	0.1	-	-	-	-	-	0.1	-
Total Non-OECD	0.1	0.4	0.4	0.3	0.4	0.4	0.3	0.3	0.2	0.3	0.3	0.2	0.3	0.3	0.3	0.2	0.3
Total Demand	0.1	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.6	0.4	0.2	0.4	0.4	0.6	0.4	0.2	0.4
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-0.1	-	-	-0.1	-0.1	-	-	-	-	-0.1
Europe	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-	-0.1	-0.1	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-0.1	-0.1	-0.1	-0.1
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	0.1	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	0.1	0.1	0.1	-	0.1	-	-	0.1	0.1	0.1	-	0.1	0.1	0.1	0.1	-	0.1
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	0.1	-	0.1	-	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.1	0.1	0.2	0.2	0.1	0.2
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	0.1	-	-	0.1	0.1	-	0.1	-	0.1	-	-	0.1	-	0.1	0.1	0.1	-
OPEC																	
Crude	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1
Total OPEC	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-
Total Supply	0.1	0.1	0.1	-	0.1	-	0.1	-	0.1	-	-	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	0.1	-0.1	0.1	-0.1	-	-	-	-	-	-	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous to balance	-	-0.3	-0.2	-0.4	-0.3	-0.3	-0.3	-0.3	-	-	-	-	-	-	-	-	-
Total Stock Ch. & Misc	-	-0.3	-0.3	-0.2	-0.2	-0.3	-0.3	-0.4	-	-	-	-	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	0.1	0.3	0.3	0.2	0.2	0.3	0.3	0.4	0.4	0.3	0.2	0.4	0.2	0.4	0.2	-	0.3
Total Demand ex. FSU	0.1	0.2	0.2	0.2	0.3	0.3	0.2	0.3	0.4	0.3	0.1	0.3	0.3	0.5	0.3	0.1	0.2

When submitting their monthly oil statistics, OECD Member countries periodically update data for prior periods. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	January			February			March			First Quarter			April		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
North America															
LPG	3.54	2.94	-17.1	3.42	2.78	-18.7	3.05	2.85	-6.7	3.34	2.86	-14.4	2.90	2.83	-2.3
Naphtha	0.37	0.43	14.0	0.37	0.37	-0.3	0.52	0.34	-34.5	0.42	0.38	-10.3	0.30	0.33	10.1
Motor Gasoline	8.82	9.29	5.4	9.53	9.46	-0.7	9.55	9.75	2.1	9.29	9.50	2.3	9.56	9.78	2.2
Jet/Kerosene	1.95	2.07	5.9	1.98	2.04	3.2	1.95	2.04	4.7	1.96	2.05	4.6	1.91	1.89	-1.3
Gasoil	4.68	5.21	11.3	4.73	5.15	8.7	4.60	5.05	9.7	4.67	5.14	9.9	4.22	4.60	9.0
Residual Fuel Oil	1.55	1.95	25.7	1.59	1.76	10.8	1.50	1.78	19.0	1.55	1.83	18.7	1.56	1.77	13.3
Other Products	2.28	2.34	2.5	2.48	2.40	-3.2	2.52	2.49	-1.1	2.42	2.41	-0.7	2.46	2.51	1.9
Total	23.20	24.22	4.4	24.11	23.97	-0.6	23.68	24.30	2.6	23.65	24.17	2.2	22.92	23.70	3.4
Europe															
LPG	1.09	1.02	-6.5	1.08	1.06	-2.0	1.05	1.00	-4.6	1.08	1.03	-4.5	0.92	0.94	2.6
Naphtha	1.20	1.28	7.1	1.30	1.23	-4.9	1.25	1.17	-7.0	1.25	1.23	-1.7	1.20	1.19	-0.7
Motor Gasoline	2.69	2.70	0.4	2.99	2.83	-5.1	3.07	2.94	-4.3	2.91	2.82	-3.1	3.05	3.02	-0.8
Jet/Kerosene	1.02	1.06	4.4	1.06	1.10	3.5	1.09	1.12	2.9	1.06	1.09	3.6	1.05	1.10	4.8
Gasoil	5.41	5.97	10.4	5.89	5.80	-1.5	5.66	5.82	2.8	5.65	5.86	3.9	5.12	5.29	3.3
Residual Fuel Oil	2.10	2.02	-3.9	2.13	2.06	-3.4	2.05	1.95	-4.7	2.09	2.01	-4.0	1.89	1.79	-5.1
Other Products	1.06	1.10	4.2	1.13	1.13	0.1	1.22	1.20	-2.3	1.14	1.14	0.5	1.19	1.29	8.6
Total	14.57	15.16	4.1	15.57	15.21	-2.3	15.39	15.19	-1.3	15.17	15.19	0.1	14.42	14.64	1.5
Pacific															
LPG	0.93	1.03	11.6	1.04	1.09	4.5	1.08	1.00	-7.6	1.02	1.04	2.3	0.91	0.90	-1.5
Naphtha	1.41	1.53	8.6	1.45	1.56	7.3	1.51	1.48	-1.8	1.46	1.52	4.5	1.46	1.44	-1.9
Motor Gasoline	1.35	1.45	7.5	1.51	1.47	-2.8	1.52	1.53	0.8	1.46	1.48	1.8	1.48	1.49	0.4
Jet/Kerosene	1.52	1.80	18.9	1.76	1.69	-3.9	1.39	1.32	-5.3	1.55	1.60	3.2	0.94	0.84	-10.5
Gasoil	1.77	1.84	3.7	2.11	2.06	-2.6	2.12	2.04	-3.8	2.00	1.97	-1.2	1.86	1.81	-2.7
Residual Fuel Oil	1.19	1.25	4.5	1.28	1.29	1.0	1.24	1.18	-4.9	1.24	1.24	0.1	1.18	1.09	-7.5
Other Products	0.55	0.57	2.8	0.65	0.55	-15.6	0.69	0.61	-12.0	0.63	0.58	-8.7	0.52	0.55	6.5
Total	8.72	9.47	8.6	9.81	9.71	-1.0	9.56	9.16	-4.1	9.35	9.44	0.9	8.35	8.11	-2.9
OECD															
LPG	5.56	4.99	-10.3	5.55	4.94	-11.1	5.19	4.85	-6.5	5.43	4.93	-9.3	4.74	4.68	-1.2
Naphtha	2.98	3.24	8.7	3.13	3.17	1.3	3.28	2.99	-9.0	3.13	3.13	0.0	2.96	2.96	-0.2
Motor Gasoline	12.86	13.45	4.6	14.02	13.77	-1.8	14.14	14.22	0.6	13.67	13.81	1.1	14.09	14.28	1.4
Jet/Kerosene	4.48	4.93	10.0	4.80	4.83	0.6	4.43	4.48	1.1	4.57	4.75	3.9	3.91	3.83	-1.9
Gasoil	11.86	13.02	9.8	12.73	13.00	2.1	12.38	12.90	4.3	12.32	12.97	5.4	11.21	11.70	4.4
Residual Fuel Oil	4.85	5.22	7.7	5.00	5.11	2.2	4.79	4.92	2.7	4.87	5.08	4.2	4.62	4.64	0.5
Other Products	3.89	4.00	3.0	4.26	4.08	-4.2	4.43	4.29	-3.2	4.19	4.13	-1.6	4.17	4.35	4.4
Total	46.49	48.86	5.1	49.49	48.89	-1.2	48.63	48.65	0.0	48.17	48.79	1.3	45.69	46.45	1.7

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	February			March			First Quarter			April			May		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
LPG	2.56	2.06	-19.7	2.23	2.15	-3.6	2.51	2.13	-15.1	2.12	2.05	-3.2	1.92	1.71	-11.3
Naphtha	0.29	0.29	0.7	0.42	0.26	-37.3	0.32	0.30	-8.3	0.23	0.26	11.3	0.30	0.21	-28.7
Motor Gasoline	8.29	8.20	-1.0	8.31	8.48	2.1	8.08	8.25	2.1	8.38	8.55	2.0	8.66	8.72	0.7
Jet/Kerosene	1.77	1.83	3.2	1.74	1.83	5.2	1.75	1.84	4.9	1.73	1.71	-1.2	1.70	1.77	4.5
Gasoil	3.79	4.21	11.2	3.69	4.12	11.6	3.77	4.20	11.7	3.46	3.81	10.3	3.68	3.73	1.3
Residual Fuel Oil	0.85	0.95	11.2	0.69	0.93	36.2	0.79	1.01	28.6	0.78	1.01	28.4	0.72	0.96	33.2
Other Products	2.09	2.06	-1.1	2.14	2.11	-1.3	2.05	2.06	0.8	2.13	2.21	4.0	2.62	2.40	-8.5
Total	19.63	19.60	-0.2	19.21	19.89	3.5	19.27	19.80	2.8	18.82	19.59	4.1	19.60	19.49	-0.5
Japan³															
LPG	0.69	0.74	7.4	0.75	0.66	-12.5	0.67	0.69	2.6	0.60	0.58	-4.0	0.56	0.57	1.1
Naphtha	0.80	0.88	9.7	0.85	0.83	-3.0	0.81	0.85	5.3	0.85	0.81	-3.8	0.74	0.76	3.5
Motor Gasoline	0.97	0.98	1.2	0.97	0.99	1.4	0.93	0.95	2.1	0.94	0.97	3.1	1.00	0.99	-1.2
Jet/Kerosene	1.21	1.23	1.2	0.97	0.93	-4.6	1.04	1.12	7.3	0.60	0.57	-6.0	0.48	0.49	2.9
Diesel	0.72	0.70	-2.5	0.75	0.72	-3.6	0.68	0.67	-2.3	0.68	0.66	-2.5	0.65	0.63	-1.9
Other Gasoil	0.73	0.72	-0.1	0.69	0.64	-7.7	0.66	0.67	0.8	0.53	0.52	-1.7	0.48	0.48	-0.2
Residual Fuel Oil	0.71	0.70	-1.2	0.67	0.62	-7.8	0.67	0.67	0.1	0.62	0.58	-6.9	0.55	0.55	-0.5
Direct use of Crude Oil	0.19	0.10	-46.6	0.19	0.08	-57.5	0.18	0.10	-42.1	0.07	0.07	7.4	0.11	0.11	2.9
Other Products	0.37	0.35	-4.4	0.39	0.42	7.8	0.36	0.39	5.9	0.34	0.36	8.3	0.33	0.33	-0.4
Total	6.38	6.40	0.3	6.24	5.88	-5.8	6.01	6.10	1.5	5.23	5.13	-1.9	4.90	4.92	0.4
Germany															
LPG	0.09	0.09	-4.6	0.10	0.09	-6.6	0.09	0.09	-4.4	0.09	0.10	6.7	0.09	0.10	12.8
Naphtha	0.42	0.40	-3.6	0.42	0.34	-19.9	0.41	0.38	-7.9	0.39	0.39	-0.2	0.40	0.40	-0.1
Motor Gasoline	0.65	0.59	-8.7	0.68	0.63	-6.0	0.62	0.58	-6.5	0.69	0.66	-4.4	0.72	0.68	-5.4
Jet/Kerosene	0.14	0.14	2.6	0.15	0.14	-2.8	0.14	0.14	1.0	0.15	0.15	-2.6	0.16	0.15	-7.2
Diesel	0.48	0.47	-1.5	0.54	0.52	-2.2	0.46	0.47	2.2	0.50	0.50	-0.9	0.58	0.54	-6.8
Other Gasoil	0.66	0.65	-1.5	0.59	0.77	30.2	0.62	0.75	21.9	0.54	0.60	10.2	0.47	0.54	15.0
Residual Fuel Oil	0.18	0.19	9.1	0.17	0.19	11.8	0.17	0.19	9.6	0.17	0.19	12.3	0.16	0.18	14.0
Other Products	0.11	0.09	-21.9	0.12	0.09	-24.2	0.10	0.09	-14.7	0.12	0.12	7.0	0.12	0.14	15.3
Total	2.72	2.63	-3.6	2.75	2.78	0.9	2.63	2.70	2.7	2.66	2.71	1.9	2.69	2.73	1.2
Italy															
LPG	0.18	0.18	-0.3	0.15	0.15	-4.4	0.17	0.17	-3.8	0.13	0.13	1.2	0.11	0.11	1.0
Naphtha	0.13	0.11	-13.5	0.13	0.12	-6.9	0.12	0.11	-4.4	0.11	0.12	7.2	0.11	0.10	-6.1
Motor Gasoline	0.40	0.38	-2.8	0.38	0.39	3.2	0.38	0.38	0.4	0.41	0.40	-2.1	0.40	0.39	-2.0
Jet/Kerosene	0.07	0.08	14.4	0.07	0.07	-1.5	0.07	0.08	8.6	0.07	0.07	-5.1	0.08	0.07	-7.1
Diesel	0.39	0.43	8.7	0.39	0.45	13.4	0.37	0.42	14.2	0.35	0.39	9.6	0.38	0.40	5.1
Other Gasoil	0.24	0.19	-21.2	0.19	0.12	-33.8	0.22	0.17	-24.3	0.16	0.17	5.7	0.13	0.14	6.4
Residual Fuel Oil	0.47	0.42	-10.3	0.47	0.36	-23.2	0.47	0.39	-17.4	0.40	0.35	-12.1	0.38	0.36	-4.4
Other Products	0.12	0.14	23.1	0.11	0.16	37.7	0.11	0.15	41.9	0.13	0.14	3.7	0.16	0.16	2.4
Total	1.99	1.93	-2.8	1.90	1.82	-4.3	1.90	1.86	-2.2	1.78	1.77	-0.2	1.75	1.75	-0.2
France															
LPG	0.16	0.15	-5.1	0.14	0.13	-4.9	0.16	0.15	-5.9	0.11	0.11	1.1	0.09	0.10	12.9
Naphtha	0.18	0.19	3.9	0.21	0.21	0.4	0.20	0.20	1.5	0.21	0.21	0.4	0.19	0.19	0.4
Motor Gasoline	0.31	0.29	-4.6	0.33	0.30	-8.3	0.31	0.29	-5.6	0.32	0.32	0.0	0.33	0.31	-5.5
Jet/Kerosene	0.13	0.13	-0.6	0.15	0.13	-12.5	0.14	0.13	-2.6	0.14	0.14	-3.5	0.13	0.13	0.6
Diesel	0.56	0.57	1.8	0.58	0.58	-0.6	0.55	0.57	2.7	0.54	0.58	7.9	0.58	0.57	-1.0
Other Gasoil	0.47	0.48	2.2	0.39	0.37	-6.5	0.46	0.48	2.7	0.32	0.33	4.6	0.24	0.28	16.4
Residual Fuel Oil	0.17	0.13	-21.9	0.14	0.12	-18.3	0.16	0.13	-22.8	0.12	0.11	-11.9	0.11	0.10	-12.4
Other Products	0.15	0.15	-0.8	0.17	0.17	0.2	0.16	0.15	-4.5	0.18	0.22	17.4	0.18	0.21	15.1
Total	2.14	2.10	-1.6	2.12	2.01	-5.0	2.14	2.09	-2.1	1.94	2.01	3.7	1.86	1.90	2.2
United Kingdom															
LPG	0.14	0.13	-9.9	0.15	0.14	-11.5	0.15	0.13	-14.7	0.14	0.16	16.5	0.14	0.14	2.1
Naphtha	0.09	0.05	-47.6	0.07	0.05	-33.9	0.08	0.06	-28.6	0.07	0.06	-16.6	0.04	0.05	9.5
Motor Gasoline	0.48	0.49	0.7	0.53	0.49	-7.5	0.49	0.49	-0.6	0.46	0.48	4.5	0.48	0.49	2.0
Jet/Kerosene	0.31	0.33	6.0	0.32	0.38	17.8	0.32	0.35	9.9	0.29	0.33	12.7	0.28	0.31	10.2
Diesel	0.32	0.32	-1.0	0.35	0.35	-1.0	0.32	0.33	2.3	0.29	0.33	13.5	0.32	0.34	7.2
Other Gasoil	0.20	0.17	-14.6	0.20	0.17	-16.5	0.20	0.17	-12.0	0.17	0.16	-10.0	0.18	0.15	-12.8
Residual Fuel Oil	0.08	0.10	18.0	0.09	0.09	7.1	0.09	0.10	5.9	0.08	0.08	0.3	0.08	0.09	22.6
Other Products	0.15	0.14	-9.5	0.17	0.16	-6.9	0.15	0.14	-4.7	0.15	0.14	-5.0	0.14	0.14	-4.8
Total	1.79	1.72	-3.8	1.89	1.82	-3.6	1.79	1.76	-2.0	1.64	1.73	5.1	1.65	1.71	3.4
Canada															
LPG	0.43	0.30	-29.3	0.39	0.27	-30.2	0.37	0.29	-22.4	0.39	0.38	-0.2	0.41	0.38	-6.4
Naphtha	0.07	0.08	10.3	0.08	0.07	-10.8	0.08	0.08	2.7	0.07	0.08	5.0	0.07	0.08	4.1
Motor Gasoline	0.64	0.64	0.5	0.62	0.63	1.8	0.61	0.63	2.3	0.62	0.63	2.9	0.68	0.68	0.3
Jet/Kerosene	0.12	0.11	-1.4	0.10	0.09	-3.9	0.11	0.10	-3.6	0.10	0.09	-7.2	0.11	0.11	-3.2
Diesel	0.16	0.19	19.3	0.16	0.17	4.9	0.16	0.17	7.6	0.16	0.17	2.6	0.17	0.17	-3.2
Other Gasoil	0.41	0.37	-9.6	0.34	0.35	3.7	0.37	0.37	1.8	0.27	0.28	3.9	0.33	0.32	-5.0
Residual Fuel Oil	0.14	0.16	16.2	0.11	0.15	34.5	0.12	0.15	30.3	0.10	0.15	54.6	0.10	0.15	55.9
Other Products	0.25	0.26	5.6	0.23	0.26	11.7	0.24	0.26	11.0	0.22	0.24	6.1	0.28	0.27	-2.2
Total	2.21	2.12	-4.0	2.03	2.00	-1.7	2.06	2.07	0.4	1.92	2.02	5.0	2.15	2.15	0.0

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	2000	2001	2002	1Q01	2Q01	3Q01	4Q01	1Q02	May 01	Jun 01	Jul 01
OPEC											
Crude Oil											
Saudi Arabia	8.00			8.03	7.66				7.68	7.69	7.73
Iran	3.69			3.92	3.72				3.65	3.75	3.78
Iraq	2.57			2.18	2.23				2.86	0.88	1.99
UAE	2.24			2.41	2.16				2.00	2.23	2.23
Kuwait	1.77			1.82	1.72				1.73	1.74	1.74
Neutral Zone	0.63			0.68	0.62				0.63	0.59	0.68
Qatar	0.69			0.71	0.69				0.69	0.70	0.70
Nigeria	2.04			2.15	2.01				2.00	1.98	1.96
Libya	1.41			1.41	1.38				1.36	1.39	1.39
Algeria	0.81			0.82	0.83				0.84	0.85	0.85
Venezuela	2.89			3.00	2.82				2.78	2.81	2.82
Indonesia	1.20			1.25	1.21				1.16	1.24	1.21
Total Crude Oil	27.92			28.38	27.04				27.38	25.84	27.07
Total NGLs ¹	2.88	2.95	3.18	2.93	2.91	2.95	3.03	3.16	2.92	2.92	2.93
Total OPEC	30.80			31.31	29.96				30.30	28.76	30.00
NON-OPEC²											
OECD											
North America	14.29	14.32	14.74	14.22	14.33	14.27	14.46	14.76	14.34	14.45	14.37
United States	8.10	8.03	8.10	7.86	8.09	8.03	8.11	8.17	8.14	8.08	8.07
Mexico	3.45	3.50	3.64	3.56	3.49	3.45	3.50	3.63	3.45	3.58	3.51
Canada	2.74	2.80	3.00	2.79	2.75	2.79	2.85	2.97	2.76	2.79	2.79
Europe	6.78	6.66	6.59	6.78	6.50	6.51	6.85	6.84	6.45	6.22	6.57
UK	2.70	2.60	2.57	2.58	2.47	2.59	2.75	2.72	2.52	2.30	2.53
Norway	3.32	3.35	3.30	3.44	3.33	3.24	3.40	3.37	3.22	3.30	3.37
Others	0.75	0.71	0.73	0.75	0.70	0.68	0.69	0.75	0.71	0.62	0.67
Pacific	0.84	0.79	0.72	0.80	0.77	0.79	0.79	0.77	0.74	0.80	0.79
Australia	0.78	0.73	0.67	0.74	0.71	0.74	0.73	0.71	0.68	0.74	0.73
Others	0.06	0.06	0.05	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.91	21.76	22.05	21.80	21.59	21.57	22.09	22.36	21.54	21.47	21.73
NON-OECD											
Former USSR	7.92	8.46	8.90	8.26	8.47	8.54	8.58	8.65	8.43	8.61	8.51
Russia	6.50	6.92	7.28	6.74	6.92	6.98	7.02	7.08	6.89	7.05	6.96
Others	1.42	1.55	1.61	1.52	1.55	1.55	1.56	1.58	1.54	1.56	1.55
Asia	5.57	5.68	5.64	5.69	5.69	5.68	5.64	5.63	5.67	5.71	5.69
China	3.23	3.27	3.28	3.30	3.30	3.26	3.22	3.24	3.31	3.30	3.27
Malaysia	0.76	0.78	0.77	0.78	0.78	0.78	0.78	0.77	0.78	0.78	0.78
India	0.73	0.73	0.71	0.74	0.72	0.74	0.73	0.73	0.70	0.75	0.75
Others	0.84	0.90	0.89	0.89	0.89	0.90	0.91	0.90	0.89	0.89	0.90
Europe	0.18	0.18	0.17	0.18	0.18	0.18	0.18	0.17	0.18	0.18	0.18
Latin America	3.77	3.76	3.82	3.82	3.70	3.75	3.78	3.80	3.66	3.71	3.72
Brazil	1.50	1.56	1.70	1.57	1.51	1.56	1.60	1.64	1.47	1.53	1.54
Argentina	0.81	0.81	0.79	0.81	0.82	0.81	0.81	0.80	0.83	0.82	0.82
Colombia	0.70	0.60	0.56	0.64	0.57	0.59	0.59	0.58	0.57	0.57	0.57
Ecuador	0.39	0.43	0.44	0.43	0.43	0.43	0.43	0.44	0.43	0.43	0.43
Others	0.36	0.36	0.34	0.36	0.36	0.36	0.36	0.35	0.36	0.36	0.36
Middle East³	1.99	2.00	1.96	2.01	2.00	1.99	1.99	1.98	2.01	2.00	1.99
Oman	0.96	0.98	0.97	0.97	0.98	0.98	0.98	0.98	0.99	0.98	0.98
Syria	0.54	0.52	0.49	0.53	0.52	0.51	0.51	0.50	0.52	0.52	0.52
Yemen	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.83	2.86	2.89	2.84	2.82	2.88	2.89	2.90	2.79	2.83	2.88
Egypt	0.81	0.77	0.75	0.78	0.74	0.79	0.78	0.77	0.71	0.75	0.79
Angola	0.75	0.74	0.77	0.74	0.74	0.73	0.73	0.75	0.74	0.73	0.74
Gabon	0.31	0.30	0.29	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Others	0.97	1.05	1.08	1.02	1.04	1.06	1.08	1.09	1.04	1.05	1.05
Total Non-OECD	22.26	22.94	23.37	22.80	22.86	23.03	23.06	23.13	22.75	23.04	22.98
Processing Gains ⁴	1.72	1.77	1.82	1.79	1.75	1.75	1.79	1.84	1.75	1.75	1.75
TOTAL NON-OPEC	45.89	46.46	47.24	46.39	46.19	46.34	46.93	47.33	46.03	46.25	46.45
TOTAL SUPPLY	76.69			77.69	76.15				76.33	75.01	76.44

¹ includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ includes small amounts of production from Israel, Jordan and Bahrain

⁴ net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	2000	2001	2002	1Q01	2Q01	3Q01	4Q01	1Q02	May-01	Jun-01	Jul-01
United States											
Alaska	970	961	946	1005	972	919	948	974	965	951	945
California	836	803	781	812	805	801	796	790	804	806	803
Texas	1234	1193	1154	1219	1200	1184	1169	1162	1200	1191	1190
Federal Gulf of Mexico ²	1392	1517	1610	1457	1507	1529	1572	1613	1507	1518	1530
Other US Lower 48	1375	1339	1292	1358	1348	1333	1317	1307	1347	1346	1337
NGLs ³	1908	1837	1939	1643	1883	1887	1929	1939	1921	1892	1887
Other Hydrocarbons	389	376	383	370	374	379	381	382	391	380	375
Total	8104	8025	8104	7864	8090	8032	8112	8167	8136	8084	8066
Canada											
Alberta Light/Medium/Heavy	764	742	740	743	732	749	743	742	717	746	749
Alberta Bitumen	271	311	322	312	313	310	311	318	321	310	310
Saskatchewan	416	421	426	425	414	421	422	424	410	422	421
Other Crude	227	221	301	221	223	219	222	262	221	221	221
NGLs	738	734	745	741	724	730	740	750	730	730	730
Synthetic Crudes	322	366	466	352	342	360	410	470	358	360	360
Total	2739	2795	2999	2794	2748	2789	2848	2966	2757	2789	2791
Mexico											
Crude	3012	3062	3186	3124	3059	3011	3056	3180	3031	3140	3070
NGLs	438	437	450	437	432	440	440	450	418	441	440
Total	3450	3500	3636	3562	3492	3451	3496	3630	3449	3581	3510
UK Offshore⁴											
Brent Fields	339	292	248	304	284	284	295	277	311	227	269
Forties Fields	775	768	869	742	691	783	855	892	720	608	742
Ninian Fields	140	134	110	137	137	133	128	120	144	138	134
Flotta Fields	177	146	121	162	140	145	138	132	136	135	151
Other Fields	984	954	917	900	911	989	1015	992	888	935	990
NGLs	224	240	251	266	241	191	264	250	262	189	177
Total	2639	2534	2516	2511	2405	2525	2694	2663	2461	2232	2464
Norway⁴											
Ekofisk-Ula Area	461	454	427	489	484	395	451	440	491	469	466
Oseberg-Troll Area	731	742	729	748	735	731	756	748	758	686	689
Statfjord-Gullfaks Area	926	925	932	937	899	911	952	942	813	916	958
Haltenbanken Area	766	738	723	760	727	712	755	751	682	728	765
Sleipner-Frigg Area	316	288	264	300	284	289	281	273	267	298	294
NGLs	121	204	220	211	197	203	207	212	208	206	199
Total	3320	3353	3296	3444	3325	3242	3400	3365	3219	3304	3370
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	403	349	383	403	337	323	333	396	361	259	316
UK Onshore	66	64	53	70	65	62	59	57	60	66	63
Italy	74	74	77	64	76	75	80	79	68	76	76
Turkey	53	52	48	51	54	52	51	49	54	52	53
Other	163	172	159	174	174	171	168	164	172	171	172
NGLs (excl. North Sea)	29	31	31	38	28	26	33	32	28	26	26
Non-Conventional Oils	32	28	28	21	31	30	29	29	32	29	31
Total	820	769	778	821	764	739	753	807	775	680	737
Australia											
Gippsland Basin	178	152	138	158	151	150	148	143	153	153	150
Cooper-Eromanga Basin	25	25	23	25	26	25	25	24	25	25	26
Carnarvon Basin	320	346	335	345	335	350	354	345	332	352	346
Other Crude	183	134	108	146	123	137	131	123	94	138	137
NGLs	73	70	75	67	71	72	72	75	74	72	72
Total	780	728	678	741	706	735	730	710	678	740	732
Other OECD Pacific											
New Zealand	36	34	31	33	35	34	33	32	37	33	34
Japan	7	6	5	6	6	6	6	6	6	6	6
NGLs	16	18	16	20	18	17	17	16	17	18	17
Synthetic Fuels	3	2	2	2	3	2	2	2	2	3	2
Total	62	60	54	61	61	59	58	56	62	60	60
OECD											
Crude Oil	17612	17411	17449	17623	17240	17225	17560	17749	17088	17116	17404
NGLs	3554	3580	3734	3430	3602	3575	3709	3732	3666	3583	3557
Non-Conventional Oils	746	772	879	746	750	771	822	882	783	771	768
Total	21912	21763	22062	21798	21592	21572	22091	22364	21537	21471	21729

¹ Subcategories refer to crude oil only unless otherwise noted

² Only production from Federal waters is included

³ When possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ Other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Feb2001	Mar2001	Apr2001	May2001	Jun2001*	Jun1998	Jun1999	Jun2000	3Q2000	4Q2000	1Q2001	2Q2001
North America												
Crude	386	407	419	424	409	427	435	390	0.00	0.04	0.16	0.02
Motor Gasoline	238	227	236	247	258	252	246	237	-0.14	0.02	0.00	0.34
Middle Distillate	194	178	179	183	192	219	213	180	0.08	0.08	-0.19	0.15
Residual Fuel Oil	47	49	50	51	51	49	51	46	0.00	-0.01	0.05	0.02
Total Products ³	623	603	624	654	686	711	690	629	0.09	-0.25	-0.14	0.91
Total ⁴	1142	1149	1181	1219	1232	1299	1281	1165	0.16	-0.37	0.05	0.91
Europe												
Crude	302	327	319	314	307	336	327	321	-0.10	-0.03	0.20	-0.22
Motor Gasoline	123	122	118	119	121	134	129	119	0.03	0.00	0.00	-0.01
Middle Distillate	231	214	219	227	230	258	269	219	0.11	0.07	-0.23	0.17
Residual Fuel Oil	84	85	84	85	82	88	76	75	0.02	0.09	0.00	-0.03
Total Products ³	545	527	530	539	541	573	560	510	0.22	0.22	-0.26	0.16
Total ⁴	914	918	912	914	909	972	948	898	0.12	0.19	-0.09	-0.10
Pacific												
Crude	176	182	181	178	181	202	188	186	-0.19	0.04	0.11	-0.01
Motor Gasoline	25	26	26	26	26	26	27	26	0.00	-0.02	0.03	0.01
Middle Distillate	68	66	75	71	72	70	69	70	0.13	0.01	-0.20	0.07
Residual Fuel Oil	26	25	23	23	25	24	22	22	0.02	-0.01	0.02	0.00
Total Products ³	181	183	193	192	189	182	179	180	0.25	-0.01	-0.21	0.07
Total ⁴	439	448	461	455	451	471	448	446	0.08	0.02	-0.08	0.04
Total												
Crude	864	916	919	917	896	965	949	897	-0.29	0.05	0.47	-0.21
Motor Gasoline	386	375	380	392	406	411	402	382	-0.11	-0.01	0.02	0.34
Middle Distillate	494	458	474	481	494	546	551	469	0.32	0.16	-0.62	0.40
Residual Fuel Oil	157	159	158	159	158	160	150	143	0.05	0.07	0.06	-0.02
Total Products ³	1349	1313	1347	1384	1417	1466	1430	1320	0.55	-0.05	-0.60	1.14
Total ⁴	2495	2515	2555	2588	2592	2743	2678	2508	0.36	-0.16	-0.12	0.85

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Feb2001	Mar2001	Apr2001	May2001	Jun2001*	Jun1998	Jun1999	Jun2000	3Q2000	4Q2000	1Q2001	2Q2001
North America												
Crude	542	542	542	543	543	563	575	569	0.02	-0.32	0.02	0.01
Products ⁷	2	2	2	2	2	0	0	0	0.02	0.01	0.00	0.00
Europe												
Crude	139	137	140	141	141	138	149	141	-0.03	-0.01	-0.01	0.04
Products	215	213	211	208	208	212	210	206	0.07	0.03	-0.03	-0.05
Pacific												
Crude	314	314	314	314	314	315	315	315	-0.02	0.01	0.01	0.00
Total												
Crude	995	994	997	999	999	1017	1039	1025	-0.04	-0.32	0.02	0.06
Products	217	215	213	210	210	212	210	206	0.09	0.03	-0.03	-0.05
Total ⁴	1213	1210	1210	1210	1211	1228	1250	1232	0.05	-0.29	0.00	0.00

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 US government-controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	January			February			March			April			May		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States															
Crude	285.0	294.2	3.2	287.6	280.4	-2.5	296.2	304.5	2.8	302.1	325.4	7.7	297.9	325.6	9.3
Motor Gasoline	208.0	205.6	-1.2	201.3	205.8	2.2	203.8	193.6	-5.0	206.3	200.7	-2.7	207.6	212.3	2.3
Middle Distillate	153.9	166.5	8.2	150.5	164.3	9.2	139.7	147.7	5.7	143.8	148.6	3.3	149.5	152.9	2.3
Residual Fuel Oil	36.1	37.1	2.8	34.4	38.4	11.6	36.4	39.1	7.4	35.3	40.7	15.3	37.3	42.4	13.7
Other Products	106.5	112.0	5.2	101.9	114.8	12.7	105.7	119.2	12.8	119.1	128.4	7.8	131.5	143.0	8.7
Total Products	504.5	521.2	3.3	488.1	523.3	7.2	485.6	499.6	2.9	504.5	518.4	2.8	525.9	550.6	4.7
Other ²	121.8	120.5	-1.1	123.7	125.4	1.4	125.2	131.0	4.6	128.6	130.7	1.6	128.8	133.2	3.4
Total	911.3	935.9	2.7	899.4	929.1	3.3	907.0	935.1	3.1	935.2	974.5	4.2	952.6	1009.4	6.0
Japan															
Crude	117.9	120.2	2.0	123.7	125.3	1.3	126.0	135.4	7.5	121.1	135.7	12.1	130.5	136.1	4.3
Motor Gasoline	14.4	14.5	0.7	14.0	14.6	4.3	14.7	15.2	3.4	16.1	15.0	-6.8	15.7	14.6	-7.0
Middle Distillate	51.1	45.6	-10.8	37.6	40.9	8.8	33.2	40.2	21.1	39.9	43.7	9.5	44.0	43.2	-1.8
Residual Fuel Oil	9.7	10.4	7.2	9.3	10.7	15.1	9.9	10.7	8.1	10.0	10.8	8.0	9.9	11.0	11.1
Other Products	44.9	50.6	12.7	43.3	43.7	0.9	41.1	48.2	17.3	45.3	50.8	12.1	46.9	53.2	13.4
Total Products	120.1	121.1	0.8	104.2	109.9	5.5	98.9	114.3	15.6	111.3	120.3	8.1	116.5	122.0	4.7
Other ²	68.9	72.3	4.9	70.2	70.6	0.6	66.0	71.5	8.3	70.7	75.9	7.4	72.1	74.9	3.9
Total	306.9	313.6	2.2	298.1	305.8	2.6	290.9	321.2	10.4	303.1	331.9	9.5	319.1	333.0	4.4
Germany															
Crude	20.8	17.4	-16.3	20.5	21.4	4.4	20.2	22.4	10.9	19.9	21.2	6.5	21.7	19.5	-10.1
Motor Gasoline	14.0	13.1	-6.4	13.1	12.0	-8.4	11.6	13.2	13.8	11.9	12.1	1.7	11.0	11.7	6.4
Middle Distillate	23.8	17.8	-25.2	21.4	18.5	-13.6	18.3	13.8	-24.6	19.5	17.8	-8.7	18.2	20.0	9.9
Residual Fuel Oil	10.1	8.6	-14.9	9.4	8.7	-7.4	8.3	9.6	15.7	8.6	9.8	14.0	8.6	9.6	11.6
Other Products	12.4	12.7	2.4	11.9	13.2	10.9	12.0	12.5	4.2	12.2	12.5	2.5	12.2	12.6	3.3
Total Products	60.3	52.2	-13.4	55.8	52.4	-6.1	50.2	49.1	-2.2	52.2	52.2	0.0	50.0	53.9	7.8
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	81.1	69.6	-14.2	76.3	73.8	-3.3	70.4	71.5	1.6	72.1	73.4	1.8	71.7	73.4	2.4
Italy															
Crude	38.1	39.2	2.9	34.6	40.1	15.9	39.3	38.9	-1.0	34.2	38.9	13.7	36.4	38.9	6.9
Motor Gasoline	30.8	21.4	-30.5	31.0	21.1	-31.9	30.5	21.3	-30.2	27.9	21.3	-23.7	24.6	21.3	-13.4
Middle Distillate	28.3	37.7	33.2	27.6	33.7	22.1	25.9	31.3	20.8	31.2	31.3	0.3	29.5	31.3	6.1
Residual Fuel Oil	18.1	19.3	6.6	18.5	20.4	10.3	19.5	20.8	6.7	19.3	20.8	7.8	19.3	20.8	7.8
Other Products	10.3	16.3	58.3	10.8	17.3	60.2	10.8	18.4	70.4	11.2	18.4	64.3	11.7	18.4	57.3
Total Products	87.5	94.7	8.2	87.9	92.5	5.2	86.7	91.8	5.9	89.6	91.8	2.5	85.1	91.8	7.9
Other ²	10.3	11.7	13.6	9.3	9.6	3.2	10.3	9.5	-7.8	10.5	9.5	-9.5	8.5	9.5	11.8
Total	135.9	145.6	7.1	131.8	142.2	7.9	136.3	140.2	2.9	134.3	140.2	4.4	130.0	140.2	7.8
France															
Crude	35.1	36.9	5.1	34.8	39.4	13.2	39.7	42.3	6.5	39.2	39.7	1.3	43.4	40.8	-6.0
Motor Gasoline	15.6	14.2	-9.0	15.4	13.8	-10.4	14.4	13.2	-8.3	13.0	11.4	-12.3	13.2	12.3	-6.8
Middle Distillate	36.9	27.6	-25.2	35.2	30.1	-14.5	34.1	27.1	-20.5	36.1	29.5	-18.3	34.4	29.0	-15.7
Residual Fuel Oil	8.0	7.8	-2.5	8.4	7.2	-14.3	7.5	7.5	0.0	6.8	7.9	16.2	6.9	7.8	13.0
Other Products	8.8	9.7	10.2	8.7	8.6	-1.1	9.0	8.6	-4.4	8.6	9.6	11.6	8.3	9.1	9.6
Total Products	69.3	59.3	-14.4	67.7	59.7	-11.8	65.0	56.4	-13.2	64.5	58.4	-9.5	62.8	58.2	-7.3
Other ²	11.0	12.9	17.3	12.0	13.3	10.8	11.9	12.2	2.5	12.5	12.5	0.0	11.4	11.4	0.0
Total	115.4	109.1	-5.5	114.5	112.4	-1.8	116.6	110.9	-4.9	116.2	110.6	-4.8	117.6	110.4	-6.1
United Kingdom															
Crude	37.5	32.1	-14.4	40.1	31.7	-20.9	39.1	39.1	0.0	34.4	37.6	9.3	30.8	35.8	16.2
Motor Gasoline	11.4	9.1	-20.2	10.6	8.7	-17.9	10.3	8.4	-18.4	9.9	7.5	-24.2	8.9	8.8	-1.1
Middle Distillate	20.9	20.3	-2.9	21.0	22.6	7.6	20.5	18.8	-8.3	22.4	19.8	-11.6	21.9	21.1	-3.7
Residual Fuel Oil	5.5	6.2	12.7	5.3	5.3	0.0	5.4	5.1	-5.6	5.5	4.8	-12.7	5.6	4.9	-12.5
Other Products	12.8	17.5	36.7	13.3	17.3	30.1	13.5	16.6	23.0	14.5	16.3	12.4	14.8	16.6	12.2
Total Products	50.6	53.1	4.9	50.2	53.9	7.4	49.7	48.9	-1.6	52.3	48.4	-7.5	51.2	51.4	0.4
Other ²	13.0	11.4	-12.3	12.8	12.3	-3.9	14.2	12.2	-14.1	14.4	11.9	-17.4	12.9	11.1	-14.0
Total	101.1	96.6	-4.5	103.1	97.9	-5.0	103.0	100.2	-2.7	101.1	97.9	-3.2	94.9	98.3	3.6
Canada³															
Crude	69.3	75.5	8.9	69.3	73.4	5.9	69.3	72.2	4.2	69.8	72.2	3.4	70.2	72.2	2.8
Motor Gasoline	18.1	17.4	-3.9	18.5	18.2	-1.6	19.1	18.6	-2.6	18.5	18.6	0.5	16.5	18.6	12.7
Middle Distillate	19.6	19.8	1.0	19.4	19.8	2.1	19.4	20.5	5.7	20.2	20.5	1.5	18.4	20.5	11.4
Residual Fuel Oil	3.0	3.7	23.3	3.8	3.9	2.6	3.9	4.2	7.7	3.9	4.2	7.7	4.0	4.2	5.0
Other Products	19.5	18.9	-3.1	19.2	20.7	7.8	20.1	22.9	13.9	21.3	22.9	7.5	21.2	22.9	8.0
Total Products	60.2	59.8	-0.7	60.9	62.6	2.8	62.5	66.2	5.9	63.9	66.2	3.6	60.1	66.2	10.1
Other ²	9.7	9.1	-6.2	9.3	7.6	-18.3	9.4	7.6	-19.1	10.1	7.6	-24.8	11.5	7.6	-33.9
Total	139.2	144.4	3.7	139.5	143.6	2.9	141.2	146.0	3.4	143.8	146.0	1.5	141.8	146.0	3.0

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following counties are estimated: Canada for April and May 2001; Italy for April and May 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
(millions of barrels¹ and 'days')

	End June 2000		End September 2000		End December 2000		End March 2001		End June 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	143.1	67	148.4	68	143.4	69	145.9	-	-	-
Mexico	38.3	19	47.2	24	47.6	24	46.0	-	-	-
United States	1530.1	76	1533.8	77	1474.9	74	1479.4	-	-	-
Total ⁴	1733.6	71	1751.6	72	1688.1	70	1693.4	71	1777.4	73
Pacific										
Australia	41.2	49	43.9	51	40.9	47	41.0	-	-	-
Japan	631.6	117	626.8	111	634.0	104	635.6	-	-	-
Korea ⁵	77.4	40	83.0	38	82.5	36	74.8	-	-	-
New Zealand	10.2	76	11.6	84	10.6	77	10.8	-	-	-
Total	760.4	91	765.4	87	768.0	81	762.2	95	765.8	93
Europe⁶										
Austria	17.1	64	17.6	75	18.3	75	18.7	-	-	-
Belgium	27.4	51	27.7	42	26.4	41	26.7	-	-	-
Czech Republic	14.6	90	14.9	87	15.2	102	16.9	-	-	-
Denmark	17.7	85	17.2	83	17.6	83	17.6	-	-	-
Finland	20.4	102	23.4	115	27.0	124	26.4	-	-	-
France	169.7	89	168.4	81	169.7	81	166.9	-	-	-
Germany	281.1	96	277.7	98	273.6	101	272.8	-	-	-
Greece	24.6	66	26.7	65	26.7	60	24.6	-	-	-
Hungary	21.1	139	21.5	150	21.6	158	20.8	-	-	-
Ireland	8.5	53	8.2	48	9.2	49	9.5	-	-	-
Italy	134.6	73	138.6	73	139.9	75	140.3	-	-	-
Luxembourg	0.9	18	0.7	15	1.1	20	0.8	-	-	-
Netherlands	106.4	123	110.0	127	112.3	126	120.3	-	-	-
Norway	26.6	128	25.3	135	31.7	160	24.9	-	-	-
Poland	22.7	49	24.5	53	27.8	68	24.6	-	-	-
Portugal	21.1	62	23.3	70	23.4	74	21.6	-	-	-
Spain	110.1	78	112.7	78	114.1	77	113.9	-	-	-
Sweden	33.8	103	37.8	135	34.4	119	32.8	-	-	-
Switzerland	39.1	138	39.2	135	37.3	128	37.3	-	-	-
Turkey	52.7	74	50.5	71	53.7	87	52.2	-	-	-
United Kingdom	96.4	56	95.7	55	100.0	57	100.2	-	-	-
Total	1246.5	82	1261.6	82	1280.8	84	1269.7	86	1259.8	84
Total OECD	3740.5	78	3778.5	78	3736.9	77	3725.3	80	3803.0	80
DAYS OF IEA Net Imports⁷	-	111	-	112	-	112	-	112	-	-

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net

imports used for the calculation of IEA Emergency Reserves

3 end March and end June 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
2Q1998	3971	1228	2743	85	26	59
3Q1998	4008	1238	2770	83	26	58
4Q1998	3947	1249	2698	81	26	55
1Q1999	3887	1248	2639	85	27	58
2Q1999	3927	1250	2678	83	27	57
3Q1999	3903	1240	2663	80	25	54
4Q1999	3675	1228	2446	76	26	51
1Q2000	3650	1234	2416	78	27	52
2Q2000	3740	1232	2508	78	26	52
3Q2000	3778	1237	2542	78	25	52
4Q2000	3737	1210	2527	77	25	52
1Q2001	3725	1210	2515	80	26	54
2Q2001	3803	1211	2592	80	25	54

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 2Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	3Q00	4Q00	1Q01	2Q01	Feb 01	Mar 01	Apr 01	May 01	Jun 01	Jul 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>	12.52	17.26	28.00	29.20	29.46	25.03		25.89	24.41	24.10	25.89		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	30.43	29.67	25.79	27.38	27.45	24.42	25.66	28.51	27.83	24.58
Brent (1st month)	13.40	18.09	28.47	30.31	30.09	26.26	27.69	27.54	25.50	26.54	28.71	27.70	25.31
Brent (2st month)	13.86	17.51	28.01	29.86	30.12	26.56	27.25	28.12	26.63	25.47	28.09	28.07	25.97
WTI (1st month)	14.39	19.31	30.37	31.66	31.96	28.72	27.88	29.56	27.18	27.40	28.61	27.57	26.43
WTI (2st month)	14.68	19.14	29.64	31.13	31.45	28.40	28.35	29.62	27.47	27.72	29.11	28.12	26.26
Urals (del. Med.)	11.79	17.30	26.63	27.28	27.89	23.68	25.39	24.87	21.69	23.91	26.63	25.50	23.09
Es Sider	12.48	17.81	28.29	29.86	29.35	25.44	26.65	27.35	23.80	24.86	27.91	27.02	23.58
Iranian Light	11.23	16.69	26.10	26.74	27.30	23.27	25.00	24.34	21.55	23.11	26.08	25.68	22.51
Iranian Heavy	10.78	16.25	25.71	26.37	27.03	22.94	24.28	24.07	21.11	22.44	25.30	24.95	21.88
Dubai (1st month)	12.16	17.30	26.24	27.66	27.68	23.67	25.17	24.80	23.45	24.18	25.60	25.65	23.43
Oman	12.06	17.00	26.56	28.11	27.59	23.77	25.42	25.43	23.72	23.59	25.36	26.98	23.90
Minas (1st month)	12.29	17.94	28.88	31.31	29.75	25.07	28.02	25.48	25.62	27.91	28.23	27.91	25.07
Tapis (1st month)	13.77	18.99	29.85	32.41	31.22	26.92	28.36	27.86	26.86	27.94	28.98	28.13	25.80
Forcados	12.62	18.00	28.42	29.83	29.62	25.36	27.06	27.04	23.63	25.04	28.40	27.59	24.34
Bonny Light	12.78	18.13	28.51	30.02	29.62	25.72	27.55	27.46	24.24	25.71	28.83	27.97	24.75
OPEC Basket	12.28	17.47	27.60	29.18	28.84	24.42	25.67	25.51	23.64	24.64	26.25	26.04	23.73
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	37.84	33.31	31.77	36.98	33.20	31.84	38.03	40.84	32.17	28.18
Unleaded	16.53	20.86	34.41	36.21	32.22	30.66	35.44	31.99	30.39	36.59	39.25	30.60	27.17
Naphtha	14.33	18.34	29.09	30.05	30.35	27.54	27.99	28.78	25.97	27.15	29.80	26.96	21.84
Jet/Kerosene	17.09	22.04	36.98	39.67	41.83	32.46	33.55	33.64	31.75	32.49	34.22	33.85	31.72
Gasoil .2 %	16.17	20.12	34.38	37.76	39.06	30.54	31.31	31.27	29.74	30.75	31.56	31.56	29.72
LSFO 1%	11.96	15.05	23.74	24.19	26.40	21.63	20.72	21.60	21.55	21.17	21.08	19.95	17.99
HSFO 3.5%	10.12	14.37	21.42	21.71	22.45	17.73	18.46	18.78	18.44	17.66	18.88	18.77	17.97
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	39.50	34.55	32.34	37.50	33.42	32.32	38.89	41.10	32.63	28.74
Premium Unleaded	17.34	22.23	36.43	38.78	33.83	31.63	36.78	32.70	31.60	38.18	40.38	31.91	28.02
Naphtha	13.56	17.76	28.16	29.11	28.96	25.40	26.53	26.48	24.08	25.46	28.14	25.89	21.08
Jet/Kerosene	14.93	20.55	34.82	37.64	38.70	28.32	29.89	28.92	28.53	28.81	30.56	30.19	28.58
Gasoil .2 %	14.82	19.12	33.87	37.56	38.89	28.29	28.94	30.99	26.83	27.96	28.54	30.24	28.17
LSFO 1%	11.16	14.41	23.77	23.89	26.16	20.21	19.54	19.72	19.71	20.27	19.92	18.50	19.06
HSFO 3.5%	8.85	12.78	18.92	18.39	20.12	14.66	15.55	15.61	15.29	14.58	15.77	16.22	16.03
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	41.14	37.37	36.52	41.26	37.31	34.53	45.03	44.71	34.06	31.99
Unleaded	17.80	22.76	36.10	37.60	36.52	34.04	36.16	34.66	32.74	39.37	38.81	30.33	28.58
Jet/Kerosene	18.00	21.78	38.05	39.20	42.91	34.66	34.16	35.21	32.94	33.81	35.58	33.01	30.14
No. 2 (Heating Oil)	16.41	20.50	36.37	37.28	41.15	33.11	32.21	32.98	31.08	32.53	32.38	31.73	29.29
LSFO 1%	12.33	15.51	25.05	26.06	27.90	24.01	22.07	23.32	23.32	22.86	23.12	20.21	19.22
HSFO 6 3%	10.24	13.99	20.68	21.18	20.89	18.55	17.56	18.16	19.03	16.75	18.36	17.48	15.70
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	36.50	31.97	30.43	30.72	31.51	29.81	32.80	32.59	26.87	24.43
Naphtha	14.77	19.54	28.38	30.85	28.54	26.19	27.24	27.15	26.55	27.00	28.08	26.63	22.99
Jet/Kerosene	16.31	21.59	34.39	37.82	38.44	29.46	30.54	30.59	28.77	30.06	30.66	30.86	28.82
Gasoil .5%	15.40	19.25	32.58	36.50	34.59	27.56	30.23	27.51	26.81	29.78	30.91	30.00	28.56
LSWR Cracked	10.95	15.61	25.83	26.99	26.48	22.24	25.67	22.53	22.32	25.71	25.96	25.35	24.28
HSFO 180 CST	10.60	15.71	24.43	24.21	25.02	20.73	22.23	21.21	21.35	21.89	23.33	21.46	20.30
HSFO 4%	10.34	15.60	24.21	23.95	24.78	20.16	21.92	20.69	21.00	21.62	23.06	21.07	20.25

* IEA CIF Average Import price for May is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
July 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	6.850	4.887	-4.9	-12.9	-8.6	-18.4	0.893	0.255	-7.0	-14.8	-16.8	-25.7
Germany	2.061	1.444	-2.0	-5.7	1.0	-6.4	0.901	0.270	-4.3	-7.8	-8.0	-14.7
Italy	2070	1352	-4.1	-9.4	-4.7	-10.5	0.914	0.317	-6.3	-11.4	-13.2	-18.5
Spain	137.8	80.9	-5.4	-10.7	-1.6	-3.2	0.708	0.293	-7.5	-12.7	-10.3	-11.8
UK	0.780	0.574	-1.3	-3.7	-5.9	-12.0	0.942	0.249	-16.4	-18.5	-24.6	-29.5
Japan	107.1	58.9	-	-	0.9	2.1	0.858	0.386	-2.4	-2.4	-12.7	-11.7
Canada	0.668	0.300	-4.4	-7.3	-4.6	-7.8	0.438	0.241	-3.5	-6.4	-7.6	-10.7
USA	0.382	0.101	-11.8	-15.4	-9.3	-11.9	0.382	0.281	-11.8	-15.4	-9.3	-11.9
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.449	2.469	-1.3	-2.9	-2.2	-	0.580	0.258	-3.6	-5.1	-11.0	-8.9
Germany	1.623	0.740	-1.0	-1.9	27.0	64.1	0.709	0.386	-3.3	-4.1	15.7	49.5
Italy	1423	739	0.6	1.2	0.2	0.5	0.628	0.302	-1.7	-1.1	-8.7	-8.5
Spain	101.31	44.90	0.2	0.4	4.1	7.5	0.520	0.290	-2.0	-1.8	-5.2	-2.1
UK	0.664	0.458	-0.3	-1.0	-8.2	-7.0	0.802	0.248	-15.6	-16.2	-26.5	-25.5
Japan	87.2	36.3	-	-	1.3	2.0	0.698	0.408	-2.4	-2.4	-12.4	-11.8
Canada	0.666	0.239	-4.0	-5.7	0.8	-	0.436	0.280	-3.1	-4.8	-2.4	-3.2
USA	0.370	0.118	-4.4	-6.3	-1.9	-2.7	0.370	0.252	-4.4	-6.3	-1.9	-2.7
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2650.0	713.0	-5.7	-6.4	-11.7	-2.2	345.3	252.4	-7.8	-8.5	-19.5	-10.9
Germany	736.9	221.6	-7.5	-9.1	-4.5	-5.5	322.1	225.2	-9.6	-11.1	-13.0	-13.9
Italy	1614000	966398	0.6	1.2	-0.2	6.3	712.5	285.9	-1.7	-1.1	-9.1	-3.2
Spain	68361	22526	-1.5	-1.9	3.6	4.7	351.2	235.5	-3.7	-4.1	-5.6	-4.7
UK	198.47	40.75	-2.7	-3.3	-2.2	-3.2	239.8	190.6	-17.6	-18.1	-21.6	-22.4
Japan ⁴	50085	2385	-	-	6.7	6.7	401.1	382.0	-2.4	-2.4	-7.7	-7.7
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	349.2	-	-1.6	-	5.8	-	349.2	-	-1.6	-	5.8	-
HFO FOR INDUSTRY^{3, 6} (Price per Metric Ton)												
France	1175.8	121.8	-1.8	-2.0	-4.9	-5.5	153.2	137.4	-4.0	-4.2	-13.4	-13.9
Germany	336.9	35.0	-0.1	-0.2	-15.1	-16.5	147.2	131.9	-2.4	-2.4	-22.6	-24.0
Italy	398182	60777	-2.2	-2.6	-15.9	-18.3	175.8	149.0	-4.4	-4.8	-23.4	-25.6
Spain	31691	2235	0.7	0.8	-5.0	-5.3	162.8	151.3	-1.5	-1.5	-13.4	-13.8
UK	126.16	27.62	-	-	-4.1	-5.9	152.4	119.1	-15.3	-15.3	-23.2	-24.6
Japan	26526	1263	-	-	4.3	4.3	212.4	202.3	-2.4	-2.4	-9.8	-9.8
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 mid-month prices

2 unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 kerosene

5 previous month data

6 high sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Year Earlier	
											May 00	change
OECD North America												
Venezuela	1.57	1.63		1.56	1.64	1.74	1.74	1.87	1.67	1.64	1.51	0.13
Other Central & South America	0.78	0.60		0.59	0.60	0.53	0.51	0.41	0.53	0.54	0.57	-0.04
North Sea	0.99	1.11		1.20	1.30	0.94	1.15	1.12	1.03	1.33	1.35	-0.01
Other OECD Europe	-	0.01		-	0.01	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.01	0.00	0.00	-	-	-	-	0.01	-
Saudi Arabia	1.51	1.62		1.59	1.66	1.74	1.77	1.83	1.72	1.82	1.63	0.18
Kuwait	0.25	0.27		0.21	0.33	0.30	0.26	0.31	0.23	0.25	0.17	0.08
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.69	0.89	0.66	0.52	0.77	0.93	1.06	0.45	0.62
Oman	-	0.00		0.01	-	-	-	-	-	-	0.03	-
United Arab Emirates	-	0.00		-	0.00	-	0.03	-	0.07	0.03	-	-
Other Middle East	0.00	0.03		0.05	0.03	0.02	0.05	0.07	-	-	0.08	-
West Africa ²	1.38	1.55		1.74	1.64	1.50	1.63	1.69	1.86	1.47	1.65	-0.18
Other Africa	0.11	0.07		0.06	0.05	0.11	0.08	0.03	-	0.16	0.08	0.08
Asia	0.20	0.17		0.18	0.17	0.17	0.14	0.18	0.22	0.15	0.14	0.01
Other	0.03	0.05		0.07	0.04	0.06	0.05	0.04	0.05	0.05	0.05	0.00
Total	7.62	7.77		7.97	8.36	7.79	7.92	8.32	8.30	8.51	7.71	0.80
of which Non-OECD	6.63	6.66		6.71	7.01	6.82	6.74	7.18	7.21	7.17	6.31	0.86
OECD Europe												
Canada	-	0.00		-	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.20	0.21	0.20	0.18	0.22	0.14	0.22	0.20	0.01
Venezuela	0.17	0.14		0.18	0.16	0.12	0.12	0.09	0.14	0.15	0.15	-0.01
Other Central & South America	0.00	0.01		0.01	0.00	0.02	0.06	0.07	0.03	0.03	0.04	0.00
Non-OECD Europe	0.01	0.01		0.01	0.01	0.00	0.01	0.00	0.01	0.01	0.01	0.00
Former Soviet Union	2.18	2.40		2.35	2.47	2.42	2.48	2.47	2.58	2.40	2.38	0.02
Saudi Arabia	1.31	1.39		1.35	1.45	1.61	1.39	1.39	1.21	1.25	1.30	-0.05
Kuwait	0.17	0.20		0.20	0.26	0.21	0.23	0.27	0.15	0.23	0.17	0.06
Iran	0.94	0.79		0.72	0.93	0.81	0.88	0.95	0.56	0.80	0.82	-0.03
Iraq	0.80	0.74		0.83	0.74	0.69	0.27	0.42	0.83	0.70	0.86	-0.16
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	0.00	0.01	0.01	-	-	0.00	-	-
Other Middle East	0.35	0.31		0.36	0.30	0.32	0.41	0.40	0.27	0.34	0.31	0.03
West Africa ²	0.59	0.64		0.40	0.51	0.79	0.84	0.70	0.61	0.46	0.41	0.04
Other Africa	1.54	1.58		1.52	1.61	1.62	1.53	1.42	1.65	1.35	1.46	-0.11
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.00	0.10	0.04	0.07	0.08	0.00	0.09	-	-
Total	8.25	8.45		8.13	8.75	8.86	8.48	8.48	8.17	8.01	8.11	-0.10
of which Non-OECD	8.06	8.26		7.93	8.54	8.66	8.30	8.26	8.03	7.79	7.91	-0.11
OECD Pacific												
Canada	-	-		-	-	-	0.01	-	0.02	-	-	-
Mexico + USA	0.10	0.07		0.08	0.03	0.03	0.04	0.06	0.06	-	0.04	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.04	0.05	0.05	0.07	0.09	0.02	0.05	0.02	0.03
North Sea	0.04	0.02		0.06	0.01	-	-	-	-	0.04	0.09	-0.05
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		0.01	0.06	0.05	-	-	-	-	-	-
Saudi Arabia	1.65	1.83		1.77	1.76	1.92	2.08	2.02	1.84	1.78	1.91	-0.13
Kuwait	0.56	0.60		0.58	0.55	0.71	0.76	0.70	0.52	0.62	0.59	0.02
Iran	0.73	0.72		0.66	0.70	0.72	0.83	0.76	0.84	0.78	0.53	0.25
Iraq	0.13	0.13		0.08	0.13	0.23	0.01	-	0.07	-	-	-
Oman	0.45	0.36		0.40	0.38	0.31	0.42	0.47	0.52	0.43	0.34	0.08
United Arab Emirates	1.39	1.46		1.46	1.42	1.54	1.67	1.65	1.45	1.26	1.38	-0.12
Other Middle East	0.57	0.59		0.56	0.58	0.64	0.72	0.69	0.79	0.52	0.56	-0.03
West Africa ²	0.28	0.17		0.14	0.13	0.17	0.07	-	0.03	0.16	0.09	0.06
Other Africa	0.07	0.06		0.04	0.06	0.04	0.04	0.07	0.02	0.07	0.03	0.04
Non-OECD Asia	1.03	0.87		0.90	0.85	0.81	1.02	1.05	0.79	0.78	0.98	-0.20
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		6.78	6.71	7.22	7.71	7.55	6.98	6.48	6.57	-0.09
of which Non-OECD	6.93	6.87		6.64	6.67	7.19	7.67	7.49	6.90	6.44	6.44	0.00
Total OECD Trade	22.93	23.19		22.88	23.82	23.87	24.12	24.35	23.44	23.00	22.40	0.60
of which Non-OECD	21.62	21.78		21.29	22.22	22.67	22.71	22.93	22.14	21.40	20.66	0.74

1 Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne.

and also from that in Table 22 of this Supplement, the latter based on submissions in barrels.

2 West Africa includes Angola, Nigeria, Gabon, Congo and Democratic Republic of Congo.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	2000	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Year Earlier May 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.51	0.33	0.57	0.59	0.68	0.70	0.68	0.46	0.22
Europe	1.01	1.01		0.98	1.04	1.12	0.95	0.79	0.62	0.52	0.96	-0.44
Pacific	0.53	0.64		0.61	0.60	0.70	0.88	0.98	0.67	0.75	0.71	0.03
Saudi Medium												
North America	0.65	0.68		0.65	0.65	0.83	0.73	0.68	0.81	0.71	0.67	0.03
Europe	0.21	0.23		0.22	0.25	0.25	0.18	0.15	0.09	0.07	0.23	-0.16
Pacific	0.15	0.13		0.15	0.11	0.11	0.08	0.08	0.11	0.04	0.16	-0.12
Saudi Heavy												
North America	0.31	0.31		0.33	0.34	0.25	0.27	0.29	0.27	0.18	0.33	-0.15
Europe	0.09	0.14		0.10	0.14	0.23	0.16	0.12	0.10	0.10	0.09	0.01
Pacific	0.09	0.12		0.10	0.13	0.13	0.12	0.10	0.06	0.09	0.11	-0.03
Iraqi Basrah Light²												
North America	0.71	0.61		0.70	0.75	0.57	0.34	0.49	0.80	0.81	0.52	0.29
Europe	0.15	0.16		0.17	0.21	0.10	0.13	0.22	0.27	0.10	0.17	-0.08
Pacific	0.11	0.08		0.04	0.06	0.17	-	-	-	-	-	-
Iraqi Kirkuk												
North America	0.01	-		-	-	-	-	-	0.10	0.10	-	-
Europe	0.65	0.55		0.59	0.53	0.58	0.16	0.16	0.31	0.29	0.64	-0.35
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.26	0.29	0.17	0.17	0.11	0.07	0.05	0.32	-0.27
Pacific	0.12	0.13		0.10	0.12	0.11	0.15	0.10	0.11	0.12	0.10	0.03
Iranian Heavy³												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.44	0.58	0.55	0.59	0.67	0.32	0.49	0.49	0.01
Pacific	0.38	0.37		0.36	0.36	0.38	0.44	0.43	0.48	0.40	0.29	0.12
Venezuelan Light & Medium												
North America	0.76	0.72		0.71	0.68	0.73	0.69	0.73	0.52	0.58	0.78	-0.19
Europe	0.08	0.04		0.06	0.03	0.05	0.03	-	0.03	0.04	0.06	-0.02
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.43	0.49	0.62	0.70	0.70	0.69	0.68	0.40	0.28
Europe	0.05	0.06		0.06	0.09	0.05	0.05	0.04	0.06	0.06	0.05	0.01
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.70	0.76	0.69	0.76	0.84	0.73	0.66	0.71	-0.04
Europe	0.14	0.17		0.15	0.19	0.16	0.09	0.20	0.11	0.19	0.14	0.05
Pacific	0.02	0.02		0.02	0.02	0.02	0.02	0.03	0.02	-	-	-
Mexican Isthmus												
North America	0.11	0.07		0.09	0.05	0.04	0.08	0.07	0.08	0.02	0.09	-0.07
Europe	0.04	0.01		0.01	0.02	0.01	0.08	0.01	0.02	0.01	0.01	-0.01
Pacific	0.01	0.02		0.02	0.01	0.01	0.02	0.03	0.04	-	-	-
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.77	0.77	0.61	0.75	0.84	1.14	0.86	0.79	0.07
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light⁴												
North America	0.40	0.65		0.71	0.81	0.53	0.55	0.64	0.77	0.51	0.66	-0.15
Europe	0.32	0.38		0.25	0.33	0.49	0.36	0.35	0.15	0.29	0.31	-0.03
Pacific	0.03	0.01		-	0.00	0.03	-	-	-	-	-	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.01	0.03	0.02	-	-	0.03	-
Europe	0.08	0.06		0.01	0.01	0.15	0.07	0.07	0.08	0.01	-	-
Pacific	-	0.00		-	-	0.01	-	-	-	-	-	-

1 Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the Report.

IEA North America includes United States and Canada.

IEA Europe includes all countries in OECD Europe except Hungary and Poland.

IEA Pacific data through 2000 includes Australia, New Zealand and Japan.

2 Iraqi Total minus Iraqi Heavy.

3 Iranian Total minus Iranian Light.

4 33 API and lighter (e.g., Bonny Light, Escravos, Qua Iboe and Oso Condensate).

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Year Earlier May 00	change
OECD North America												
Venezuela	0.13	0.10		0.09	0.10	0.13	0.09	0.09	0.14	0.09	0.09	0.00
Other Central & South America	0.05	0.06		0.06	0.08	0.06	0.08	0.08	0.09	0.11	0.06	0.05
ARA (Belgium Germany Netherlands)	0.06	0.04		0.02	0.03	0.06	0.07	0.05	0.08	0.10	0.03	0.08
Other Europe	0.15	0.12		0.11	0.10	0.12	0.20	0.16	0.19	0.14	0.10	0.04
FSU	0.02	0.03		0.04	0.04	0.01	0.05	0.06	0.07	0.05	0.06	0.00
Saudi Arabia	0.11	0.06		0.07	0.07	0.06	0.05	0.05	0.06	0.06	0.11	-0.05
Algeria	0.00	-		-	-	-	-	-	-	0.00	-	-
Other Middle East & Africa	0.00	0.03		0.04	0.03	0.04	0.02	0.02	0.04	0.05	0.05	0.00
Singapore	0.01	0.01		0.00	0.01	0.01	0.01	0.02	0.01	0.02	0.00	0.01
OECD Pacific	0.02	0.00		0.01	0.00	0.00	0.01	0.01	0.02	0.01	0.02	-0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.02	0.01	0.00	0.02	0.03	0.02	0.02	0.02	0.00
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.47		0.45	0.45	0.49	0.61	0.58	0.71	0.66	0.53	0.13
of which Non-OECD	0.35	0.31		0.32	0.33	0.32	0.33	0.37	0.43	0.43	0.38	0.05
OECD Europe												
OECD North America	0.00	0.00		0.00	0.01	0.00	0.00	-	-	0.00	0.00	0.00
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.01	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00
Non-OECD Europe	0.02	0.02		0.02	0.02	0.02	0.02	0.03	0.00	0.00	0.02	-0.02
FSU	0.01	0.02		0.04	0.03	0.02	0.01	0.01	0.01	0.04	0.03	0.01
Saudi Arabia	0.00	0.00		0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Algeria	0.01	0.01		0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.01	0.00
Other Middle East & Africa	0.00	0.01		0.00	0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	-	-	-	-	-	-
Other	0.07	0.08		0.05	0.07	0.05	0.12	0.13	0.11	0.11	0.12	-0.01
Total²	0.11	0.14		0.14	0.16	0.10	0.16	0.18	0.16	0.18	0.19	-0.01
of which Non-OECD	0.11	0.14		0.15	0.15	0.11	0.16	0.18	0.17	0.19	0.20	0.00
OECD Pacific												
OECD North America	0.00	0.00		0.00	-	-	0.01	0.01	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	0.00	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	-	0.00	0.00	-	-	-	-
Saudi Arabia	0.00	0.01		0.00	0.01	0.01	0.00	0.01	-	0.02	0.00	0.02
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		-	0.01	-	-	-	-	-	-	-
Singapore	0.02	0.02		0.04	0.02	0.01	0.02	0.02	0.02	0.03	0.03	-0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.01	0.00	0.01	0.01	0.01	0.00	0.03	-0.03
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.06	0.04	0.02	0.04	0.05	0.02	0.05	0.07	-0.02
of which Non-OECD	0.03	0.04		0.06	0.04	0.02	0.03	0.04	0.02	0.05	0.07	-0.02
Total OECD Trade²	0.70	0.65		0.66	0.65	0.62	0.81	0.81	0.89	0.89	0.79	0.10
of which Non-OECD	0.49	0.49		0.53	0.53	0.45	0.52	0.59	0.63	0.67	0.65	0.02

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Year Earlier	
											May 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.05	0.07	0.08	0.08	0.07	0.03	0.06	-0.03
Other Central & South America	0.01	0.01		0.01	0.00	0.02	0.07	0.06	0.03	0.01	0.01	0.00
ARA (Belgium Germany Netherlands)	0.00	0.01		-	0.00	0.00	0.01	-	-	0.02	-	-
Other Europe	0.00	0.01		0.01	-	0.00	0.06	0.03	0.01	0.04	0.01	0.03
FSU	0.02	0.02		0.02	0.01	0.03	0.11	0.01	0.04	0.03	0.00	0.03
Saudi Arabia	0.01	0.00		-	-	-	0.01	-	-	-	-	-
Algeria	0.00	0.00		-	-	0.00	0.00	-	0.02	0.01	-	-
Other Middle East & Africa	-	0.00		-	-	0.00	0.02	-	-	0.03	-	-
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.01	0.00		0.01	0.00	0.01	0.01	0.01	-	0.01	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	-	0.01	0.02	0.01	-	0.03	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.09	0.08	0.16	0.39	0.20	0.16	0.20	0.08	0.12
of which Non-OECD	0.10	0.11		0.07	0.07	0.15	0.32	0.16	0.15	0.16	0.07	0.08
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.02	0.00	0.01	0.00	0.02	-	-
Venezuela	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Other Central & South America	0.00	0.00		0.00	-	0.00	0.00	0.00	0.01	-	-	-
Non-OECD Europe	0.04	0.05		0.04	0.05	0.05	0.04	0.05	0.02	0.01	0.04	-0.02
FSU	0.32	0.29		0.31	0.29	0.24	0.35	0.45	0.32	0.32	0.25	0.08
Saudi Arabia	0.01	0.00		0.01	0.00	0.00	0.00	0.01	0.00	-	-	-
Algeria	0.04	0.03		0.03	0.03	0.02	0.04	0.05	0.03	0.02	0.03	-0.01
Other Middle East & Africa	0.03	0.02		0.02	0.03	0.02	0.02	0.01	0.00	0.01	0.02	-0.01
Singapore	-	0.00		-	-	0.00	-	-	-	-	-	-
OECD Pacific	0.00	0.00		0.00	-	-	-	-	0.00	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.01	0.00	0.00	-	-	0.00	-	-
Other	0.07	0.08		0.06	0.09	0.08	0.13	0.09	0.04	0.09	0.10	0.00
Total²	0.52	0.50		0.49	0.51	0.44	0.58	0.66	0.42	0.48	0.44	0.04
of which Non-OECD	0.51	0.48		0.47	0.49	0.42	0.58	0.65	0.45	0.49	0.44	0.06
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	0.00	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		-	0.00	-	0.00	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.01	0.00	0.00	0.01	0.01	0.00	0.00	0.01	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	0.00	-	-	-	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.02	0.02	0.01	0.01	0.01	0.02	0.02	0.02	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	0.00	0.01	0.01	0.00	0.01	0.02	-0.01
Other	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Total²	0.03	0.02		0.04	0.02	0.02	0.02	0.02	0.03	0.03	0.05	-0.02
of which Non-OECD	0.03	0.02		0.04	0.02	0.02	0.02	0.02	0.03	0.03	0.05	-0.02
Total OECD Trade²	0.67	0.65		0.61	0.60	0.62	0.99	0.88	0.61	0.71	0.56	0.15
of which Non-OECD	0.64	0.61		0.58	0.59	0.59	0.93	0.83	0.64	0.68	0.56	0.12

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Year Earlier	
											May 00	change
OECD North America												
Venezuela	0.03	0.03		0.03	0.01	0.04	0.03	0.05	0.05	0.03	0.03	-0.01
Other Central & South America	0.02	0.01		0.00	0.02	0.02	0.03	0.03	0.02	0.04	0.01	0.03
ARA (Belgium Germany Netherlands)	0.00	0.00		-	-	-	0.00	0.00	-	-	-	-
Other Europe	-	0.00		-	-	0.00	0.00	0.00	-	-	-	-
FSU	0.00	-		-	-	-	0.00	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.01	0.00	0.02	-	-	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	0.00	-	0.01	-	-	-
Other Middle East & Africa	0.00	0.01		0.00	-	0.01	0.03	-	0.02	0.01	0.00	0.01
Singapore	0.02	0.01		0.00	0.00	0.01	0.01	0.01	0.00	0.01	0.00	0.01
OECD Pacific	0.03	0.05		0.06	0.08	0.05	0.02	0.01	0.03	0.13	0.06	0.06
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.00	0.01	0.02	0.02	0.02	0.00	-	-
Other	-	-		-	-	-	0.00	-	-	-	-	-
Total²	0.11	0.12		0.12	0.14	0.14	0.18	0.12	0.16	0.22	0.11	0.11
of which Non-OECD	0.08	0.07		0.06	0.06	0.09	0.16	0.10	0.13	0.09	0.05	0.04
OECD Europe												
OECD North America	0.00	0.00		0.01	0.00	0.00	-	-	-	-	0.00	-
Venezuela	0.01	0.01		0.01	0.02	0.01	-	-	-	0.01	0.00	0.01
Other Central & South America	-	0.00		0.00	0.00	0.00	0.00	0.00	0.00	-	-	-
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	0.00	0.00	-	-	-	-
FSU	0.03	0.02		0.02	0.03	0.02	0.02	0.02	0.03	0.02	0.01	0.01
Saudi Arabia	0.01	0.02		0.03	0.01	0.01	0.02	0.02	0.02	0.03	0.04	-0.01
Algeria	0.01	0.01		0.01	0.02	0.01	0.01	0.02	0.01	0.03	0.01	0.02
Other Middle East & Africa	0.03	0.07		0.07	0.08	0.07	0.09	0.05	0.15	0.11	0.04	0.07
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.02	0.05	0.05	0.03	0.06	0.01	0.04	0.01	0.03
Total²	0.12	0.17		0.17	0.22	0.18	0.17	0.17	0.22	0.24	0.12	0.12
of which Non-OECD	0.11	0.17		0.16	0.22	0.18	0.17	0.18	0.22	0.24	0.12	0.12
OECD Pacific												
OECD North America	-	0.00		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		-	-	0.00	0.00	0.00	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		-	0.00	0.01	0.02	0.01	-	-	-	-
Singapore	0.03	0.01		0.01	0.01	0.00	0.01	0.02	0.00	0.02	0.01	0.01
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.01	0.00	0.03	0.05	0.02	-	0.00	0.01	-0.01
Other	-	0.03		0.04	0.03	0.05	0.06	0.06	0.02	0.04	0.04	0.00
Total²	0.07	0.07		0.05	0.04	0.10	0.15	0.12	0.02	0.05	0.05	0.00
of which Non-OECD	0.07	0.07		0.05	0.04	0.10	0.15	0.12	0.02	0.05	0.05	0.00
Total OECD Trade²	0.30	0.37		0.33	0.41	0.42	0.50	0.41	0.41	0.51	0.28	0.23
of which Non-OECD	0.26	0.31		0.27	0.32	0.37	0.48	0.40	0.38	0.38	0.22	0.17

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Mar 01	Apr 01	May 01	Year Earlier May 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.04	0.09	0.07	0.08	0.07	0.05	0.04	0.02
Other Central & South America	0.05	0.07		0.05	0.08	0.11	0.10	0.09	0.15	0.12	0.02	0.10
ARA (Belgium Germany Netherlands)	0.01	0.01		0.01	-	0.03	0.04	0.04	0.06	0.06	0.00	0.06
Other Europe	0.01	0.03		0.02	0.05	0.05	0.06	0.02	0.05	0.04	0.03	0.01
FSU	0.02	0.01		0.01	0.02	0.02	0.01	0.00	0.01	0.02	0.01	0.01
Saudi Arabia	0.00	0.00		-	0.00	-	0.01	0.03	-	-	-	-
Algeria	0.04	0.05		0.05	0.05	0.05	0.05	0.06	0.06	0.08	0.06	0.02
Other Middle East & Africa	0.01	0.02		0.01	0.01	0.03	0.03	0.02	0.02	-	0.01	-
Singapore	0.00	0.00		0.01	0.00	0.00	0.00	0.01	0.01	0.00	0.01	0.00
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.00	0.02	0.02	0.01	0.01	0.00	0.00	0.00
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.21	0.26		0.20	0.27	0.39	0.40	0.35	0.43	0.38	0.18	0.21
of which Non-OECD	0.19	0.22		0.17	0.22	0.32	0.33	0.33	0.35	0.32	0.14	0.18
OECD Europe												
OECD North America	0.02	0.01		0.01	0.01	0.01	0.01	0.03	0.02	0.01	-	-
Venezuela	0.01	0.01		0.01	0.00	0.02	0.02	0.02	0.03	0.01	-	-
Other Central & South America	0.01	0.02		0.02	0.01	0.01	0.02	0.00	0.02	0.01	0.01	0.00
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.01	-0.01
FSU	0.17	0.19		0.21	0.24	0.17	0.18	0.21	0.22	0.19	0.20	-0.01
Saudi Arabia	0.00	0.00		-	-	0.00	0.01	0.03	-	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	-	-	-	-	-	-
Other Middle East & Africa	0.08	0.07		0.07	0.07	0.08	0.07	0.05	0.05	0.08	0.10	-0.02
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Other	0.02	0.08		0.07	0.09	0.07	0.11	0.11	0.00	0.06	0.11	-0.05
Total²	0.32	0.39		0.40	0.44	0.37	0.43	0.46	0.35	0.37	0.43	-0.06
of which Non-OECD	0.31	0.38		0.39	0.43	0.35	0.42	0.43	0.33	0.37	0.44	-0.07
OECD Pacific												
OECD North America	0.00	0.00		-	0.00	0.00	0.00	0.00	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		0.01	-	-	-	-	-	-	0.01	-
Singapore	0.01	0.01		0.02	0.01	0.00	0.01	0.03	-	0.01	0.05	-0.04
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.07	0.06	0.04	0.04	0.05	0.07	0.05	0.06	-0.01
Other	0.01	0.01		0.01	0.01	0.02	0.01	0.00	0.01	0.03	0.02	0.01
Total²	0.08	0.09		0.11	0.09	0.07	0.07	0.08	0.08	0.09	0.15	-0.06
of which Non-OECD	0.08	0.09		0.11	0.09	0.06	0.07	0.08	0.08	0.09	0.15	-0.06
Total OECD Trade²	0.61	0.74		0.71	0.80	0.82	0.90	0.89	0.86	0.85	0.76	0.09
of which Non-OECD	0.57	0.69		0.67	0.74	0.74	0.82	0.84	0.76	0.79	0.73	0.06

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 9 August 2000), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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12 September 2001

HIGHLIGHTS

- Total oil industry stocks in the OECD declined counter-seasonally in July to end at 2.58 billion barrels, down 820 kb/d. The substantial year-on-year surplus that built up in the first half of this year has largely dissipated. Crude inventories dropped by 600 kb/d, falling below year-earlier levels. Product inventories decreased by 260 kb/d, and the year-on-year surplus shrank significantly.
- The forecast for global oil demand in 2001 is unchanged at 76.4 mb/d. Preliminary data showing stronger-than-expected demand in July in several large OECD countries probably reflect unusually early buying of heating oil. Demand in the OECD Asia Pacific contracted in July for the sixth month in a row.
- World oil production averaged 76.8 mb/d for August, an increase of 260 kb/d. Iraqi supply grew by 660 kb/d, but output from the OPEC 10 decreased by 140 kb/d to 24.8 mb/d, still 590 kb/d above the August target. Norwegian output fell by 240 kb/d, due to maintenance and technical problems. OPEC began to implement a new 1 mb/d production cut on 1 September.
- Prices for the three main marker crudes trended mainly sideways in August. Upward pressure from tightening inventories was largely offset by concerns about world economic growth and oil demand. Product prices gained during the month, led by a late-season rally in US gasoline. The rally drove US Gulf Coast refining margins back into positive territory, but margins were poor elsewhere.
- Heavy refinery maintenance, especially in the Atlantic Basin, is scheduled for September. The short-term effect will be to dampen demand for crude oil.

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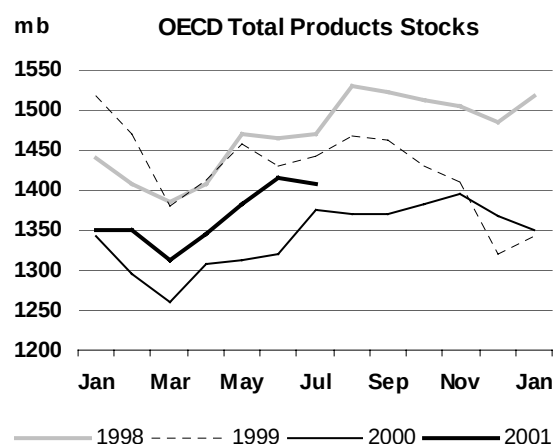
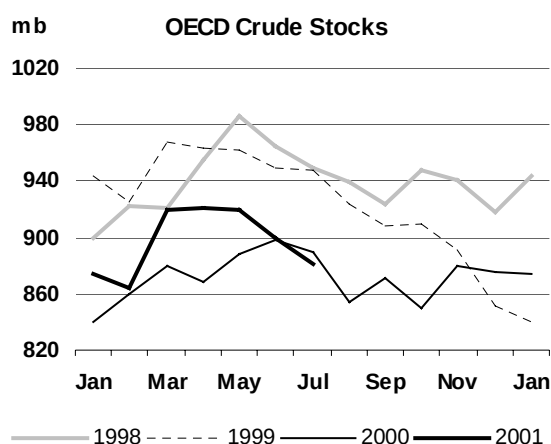
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THIN ICE

After rising in the first part of the year, OECD crude stocks have now fallen to below year 2000 levels. They are low in OECD Pacific but more comfortable in OECD North America. Stocks declined following producer output reductions and the June withdrawal of Iraqi "oil-for-food" crude from the market. Stock levels are falling despite lower crude demand, as refiners cut runs on weak margins. OECD product stocks are better positioned. They have fallen below year 2000 levels in Europe, but lie within mid-range in North America. Aggregate OECD gasoline and distillate stocks are below year 2000 levels, while heavy fuel oil stocks are above.

The return of Iraqi crude to the market should arrest further draws in crude stocks over the short-term, but may provide only temporary relief. Producers aim to implement a further production cut of 1 mb/d effective 1 September 2001. This supply reduction will reach the market coincident with the seasonal uptick in demand for the heating season. An increase in oil demand associated with a recovery in economic activity later this year would exacerbate this imbalance.

Stock levels in year 2000 were extremely tight by historical standards and contributed to backwardation, price volatility and a concern about possible supply imbalances and instability in the market. Despite even lower crude stock levels this year, the market appears relatively calm and even complacent. Why?



Today's market is clearly different from that of last year. The global economy then appeared robust and oil demand was expected to keep rising. Now there is genuine concern about the state of global economic activity and the level of oil demand. Attention has shifted away from potential regional supply imbalances and low stocks. The focus is now on price stability and the downside risk to oil prices of falling demand. Notwithstanding that economic growth is lower than earlier expectations, global oil demand this year is still forecast to be higher than it was last year.

It remains true that tight stocks create market fragility and greater vulnerability to shocks due to externalities such as weather, unscheduled maintenance, capacity constraints or other supply disruptions. The market understands this and backwardation further stresses the market. This creates instability, fosters speculation and tests "just-in-time" production practices. If production increases come too late, tankers are not available in sufficient numbers to move crude; there is insufficient refining capacity to process it and pipeline capacity to move the products to market. OPEC production, rather than inventories, is increasingly responsible for managing seasonality, but low stocks leave little room for error.

Market participants may be content with overall lower levels of stocks, as stocks are expensive to maintain. But who wins and who loses if prices spiral out of control? We expect tight fundamentals to contribute to market fragility later this year unless everything falls into place including a "normal" winter, the absence of major refinery outages, Iraq's acceptance of a new phase of the "oil-for-food" program, a subsidence in Middle East tensions, less fuel substitution into oil and so on. Lower than normal stocks in the Northern heating season leave the market vulnerable to disruption. Once winter is upon us, consumption is too far from production to fix problems at the wellhead.

DEMAND

Summary

- The assessment for global oil demand for 2001 remains at 76.4 mb/d and 77.2 mb/d for 2002. A small dip in the demand estimate for OECD countries offsets a modest gain in the assessment of non-OECD demand, leaving our estimate of overall demand growth in 2001 unchanged at 0.5 mb/d and 0.8 mb/d for 2002.
- Preliminary data showing stronger-than-expected deliveries in several major OECD economies added more than 400 kb/d to the estimate of overall OECD demand for July. Lower middle distillate and gasoline prices encouraged European and North American buying, lifting OECD demand by 1% to an estimated 47.1 mb/d for the month, and reversing the second quarter's 0.1% decline. However, demand fell in OECD Asia Pacific for the sixth month in a row. In the absence of any marked improvement in the global economic outlook, later declines are expected to more than offset the July gain, leading to a 0.5% decline for the third quarter as a whole.
- As several Asian and Latin American countries continue to wrestle with financial woes, non-OECD oil demand growth this year depends mostly on three main centres: China, the FSU and the Middle East. While apparent Chinese demand continued to grow vigorously in June, extending earlier gains, anecdotal evidence suggests that the trend subsequently reversed, so that demand growth for the year may not, in the end, exceed 150 kb/d. In the FSU, however, growth in oil exports has failed to keep up with dramatic gains in crude production, allowing more oil than expected to meet pent-up domestic demand. Meanwhile, high oil prices continue to boost export revenues in Middle East producing countries, fuelling local products demand.

Global Oil Demand from 2000 to 2002

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q00	75.9	-0.4	-0.3	-
2Q00	74.4	1.4	1.1	-
3Q00	76.4	2.5	1.9	-
4Q00	76.8	-0.2	-0.1	-
1Q01	76.9	1.2	0.9	-
2Q01	75.2	1.2	0.9	0.1
3Q01	76.2	-0.2	-0.2	-0.1
4Q01	77.3	0.6	0.5	-
1Q02	77.4	0.7	0.5	-
2Q02	75.7	0.7	0.5	0.1
3Q02	77.3	1.3	1.0	-
4Q02	78.4	1.5	1.1	-
2000	75.9	0.8	0.6	-
2001	76.4	0.7	0.5	-
2002	77.2	1.0	0.8	-

* year-on-year change

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2001	2000	2001	2002	2000	2001	2002
North America	24.20	0.33	0.10	0.24	1.4	0.4	1.0
Europe	15.84	-0.12	0.03	0.10	-0.7	0.2	0.6
OECD Pacific	8.64	-0.04	-0.02	0.04	-0.4	-0.2	0.5
China	4.94	0.30	0.15	0.14	6.7	3.1	2.9
Other Asia	7.33	0.10	0.02	0.02	1.4	0.3	0.2
Subtotal Asia	20.90	0.36	0.15	0.20	1.8	0.7	1.0
FSU	3.68	-0.05	0.06	0.05	-1.2	1.8	1.3
Middle East	4.54	0.09	0.16	0.13	2.1	3.6	3.0
Africa	2.40	0.01	0.03	0.03	0.3	1.3	1.2
Latin America	4.84	0.01	-0.01	0.05	0.2	-0.3	1.1
World	76.40	0.64	0.52	0.80	0.8	0.7	1.0

OECD*Early Indications of Current Demand*

Early indications of oil deliveries in some of the largest consumer countries point to a rebound of 1% in OECD oil demand in July, following declines of 0.7% and 1.1% in May and June. The bounce apparently belies concerns that the US and global economic slowdown might last longer than expected, bolstering hopes that a long-awaited recovery is around the corner. On closer examination, however, there are few conclusive signs that the rebound in oil demand can be sustained. The July gain largely reflects unusually early heating oil demand in Germany rather than the beginning of any recovery. Preliminary reports of strong US gasoline demand in July also account for part of the July gain; a factor that is bound to fade with the end of the summer driving season. The July bounce mostly centered on the Atlantic Basin, and skirted the Asia-Pacific region, where demand fell for the sixth consecutive month, by 1.6%

Care should be taken to note that preliminary data remain subject to revisions that can sometimes be substantial. Indeed, large downward adjustments were applied this month to first- and second-quarter Canadian deliveries, cutting the assessment of North American demand by 23 kb/d for March, 125 kb/d for April and 113 kb/d for May. In the Asia-Pacific, June demand was adjusted downwards by 53 kb/d in Korea, 23 kb/d in Australia and 8 kb/d in New Zealand. Combined with an upward adjustment of 43 kb/d in Japan, those revisions cut the estimate of OECD Asia-Pacific demand for June by an aggregate of 40 kb/d. Because of those downward adjustments to historical demand, and also because some of the July uptick in deliveries is expected to reflect "borrowed" demand from the fall and winter periods, the unexpected gain in July demand did not raise the assessment of OECD consumption for the year as a whole.

Estimated Annual World Oil Demand Growth 1997-2002

(million barrels per day)

	97-96	98-97	99-98	00-99	01-00	02-01
North America	0.48	0.38	0.68	0.33	0.10	0.24
Latin America	0.34	0.05	0.00	0.01	-0.01	0.05
FSU	-0.16	-0.06	-0.07	-0.05	0.06	0.05
Europe	0.15	0.27	-0.13	-0.12	0.03	0.10
OECD Pacific	0.13	-0.54	0.27	-0.04	-0.02	0.04
China	0.47	-0.02	0.30	0.30	0.15	0.14
Other Asia	0.33	0.06	0.39	0.10	0.02	0.02
Subtotal, Asia	0.93	-0.50	0.96	0.36	0.15	0.20
Middle East	0.16	0.17	0.12	0.09	0.16	0.13
Africa	0.07	0.06	0.05	0.01	0.03	0.03
World	1.97	0.36	1.62	0.64	0.52	0.80

Indeed, the likelihood seems high that the year-on-year increase in July oil demand stemmed largely from opportunistic buying by marketers and end-users seeking to take advantage of a dip in gasoline and distillates prices, rather than from an increase in industrial activity or further gains in consumer

spending. A downturn in the heating oil market in Germany sent price-conscious homeowners on a buying spree, fuelling a 43.4% year-on-year surge in deliveries that left residential tanks as full, if not more so, than they normally are on the onset of the heating season, in late September or October. In the US, a reported 3.8% jump in July gasoline demand gave way to a contraction in August, according to government weekly estimates. Consumer spending, which has held up relatively well so far compared to industrial demand, will likely come under increasing pressure if joblessness continues to rise, as in the US, where the unemployment rate jumped to a four-year high of 4.9% in August. This Report thus expects OECD demand to fall back in August and September following July's advance, leaving the third-quarter demand growth rate at minus 0.5%.

Preliminary Inland Deliveries – July 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	9.00	3.8	1.76	-1.0	2.32	-7.9	1.30	53.3	0.99	-9.7	4.35	-9.8	19.71	0.0
Mexico	0.54	4.6	0.05	-3.6	0.27	-3.2	0.00	-100.0	0.52	15.1	0.34	-2.3	1.73	4.3
Japan	1.11	3.4	0.29	1.0	0.73	1.1	0.44	3.0	0.61	8.1	1.52	-10.3	4.70	-1.4
Korea	0.18	3.5	0.06	-1.7	0.26	-15.7	0.02	-35.5	0.30	-1.9	0.89	0.2	1.71	-2.6
France	0.34	0.1	0.14	0.8	0.61	8.3	0.30	26.8	0.04	4.9	0.50	1.2	1.92	5.9
Germany	0.65	-4.1	0.17	-0.9	0.61	3.1	0.73	43.4	0.10	-17.0	0.51	1.6	2.76	7.7
Italy	0.40	1.8	0.08	2.8	0.43	13.9	0.08	-0.6	0.29	-10.8	0.43	9.9	1.72	4.5
Total	12.21	3.2	2.56	-0.6	5.24	-2.4	2.87	34.5	2.84	-1.8	8.53	-10.3	34.25	1.0

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, Italy Ministry of Industry, Mexico Pemex, Korea PEDCO
Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Percentage change is calculated versus last year.

The above table, showing preliminary data for the US and six other large OECD economies, illustrates how the rebound in July deliveries appears to reflect one-off seasonal factors rather than a more lasting shift in the economic outlook. Much of the 1% year-on-year gain in overall deliveries stems from a jump of nearly 35% for heating-oil consumption alone. Demand for heating oil rose the most year-on-year in its two largest markets: the US (up by an estimated 53.3%), and Germany (up 43.4%). In France too, demand increased by a hefty 26.8%, while Japanese demand gained 3%. Early restocking of heating fuels ahead of winter fosters market stability in that it places products where they are most needed and eases concerns over shortages later in the heating season. The potential for market spikes driven by demand for heating fuel appears reduced. Unless the winter proves unexpectedly cold, a substantial refilling of German residential tanks might not be necessary before the spring. Meanwhile, relatively low crude and products supply, in the face of a seasonal uptick in consumer demand, will likely result in firmer prices, thus depriving homeowners and marketers of further bargain-hunting opportunities.

Gasoline demand also posted substantial gains across the OECD, above all in North America, where deliveries rose 3.8% in the US and 4.6% in Canada. In Asia, demand posted hefty gains of 3.4% in Japan and 3.5% in Korea. While deliveries fell sharply in Germany, continuing a long trend, they rose in Italy and inched up in France for the first time in a year. Whether gasoline demand can continue to exhibit such strength appears doubtful. Gasoline deliveries swung into decline in August in the US, the product's leading market, according to weekly government data. Increases in US gasoline demand are less likely, and would also make a lesser contribution to overall demand growth, after the Labour Day weekend of early September, when baseline demand dips cyclically following the end of the peak summer driving season.

By contrast, jet fuel and diesel consumption, two products for which demand is considered a leading economic indicator, continued to contract in July, though at a slower rate than in June. Much of the decline in jet fuel demand centred on the US, where leisure and business air travel as well as cargo demand, have lost considerable ground since last year. Diesel demand fell 2.4% overall despite gains in Europe and in Japan.

As a further indication of the protracted global economic slowdown, demand for "other products" fell again, albeit at an overall marginally slower rate than in June, led by steep drops in the two main markets of Japan and the US. The decline stemmed mostly from a downturn in industrial and petrochemical demand. Reduced industrial output, along with lower natural gas prices also led to the first drop in US demand for residual fuel oil in eleven months.

Moving Annual Average Change in Oil Demand – July 2001

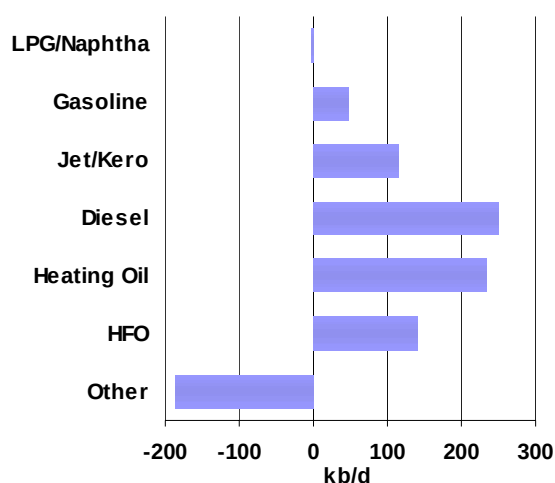
	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-7.9%	1.3%	1.4%	3.6%	6.1%	9.4%	18.5%	-6.5%	1.4%	278
Canada*	-6.9%	3.3%	1.2%	-1.5%	0.0%	4.0%	28.3%	2.2%	1.9%	38
Mexico	-1.8%	-55.4%	4.2%	4.2%	1.0%	1.0%	3.0%	-52.8%	-0.7%	-13
Japan	1.9%	-1.0%	1.7%	3.2%	-2.1%	0.5%	-5.0%	-6.8%	-0.7%	-39
Korea	0.1%	1.6%	-3.8%	-10.0%	8.8%	-14.4%	1.1%	-9.7%	-1.2%	-26
France	-4.7%	0.6%	-5.0%	1.9%	1.4%	4.1%	-16.9%	2.3%	-0.7%	-14
Germany	-1.0%	-2.6%	-5.0%	1.8%	3.7%	10.1%	13.1%	-4.9%	2.0%	55
Italy	1.5%	-1.9%	-2.2%	1.3%	8.3%	-7.5%	-10.9%	14.7%	-1.0%	-19
UK*	-9.2%	-14.2%	-0.1%	8.0%	1.8%	1.8%	4.0%	1.4%	0.1%	2
Total	-5.0%	-0.8%	0.7%	2.5%	4.0%	4.1%	4.0%	-5.5%	0.6%	249
Kb/d	-216	-21	93	90	222	152	140	-211	249	

* near-month data are estimated

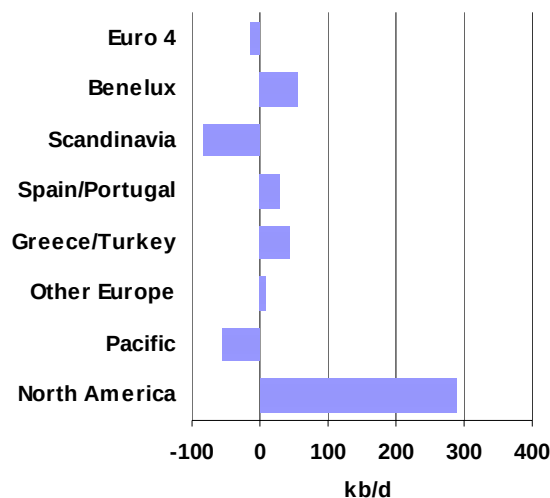
The twelve-month moving-average change in aggregate oil demand growth for the nine largest OECD markets rebounded slightly in July on the back of higher July heating oil and gasoline demand, up one tenth of a percentage point, to 0.6% (see table above). The sluggish overall growth figure continues to conceal a sharp contrast between the moving average changes for distillates and residual fuel oil, which have been clocking robust growth rates, and those for LPGs and “other oils,” which show steep declines. To some extent, however, the gap now appears to be narrowing between those two opposite ends of the products mix: lower industrial output and stabilising natural gas prices conspired to pull the heavy fuel oil-moving average change down seven tenths of a percentage point in July, even as the moving average change in “other oil” demand rose nine tenths of a percent. The twin shift reflects, in part, stabilising natural gas markets in the US, themselves an effect of reduced industrial activity. Even as they have curtailed power generation demand for heavy fuel oil, lower gas prices have allowed slightly more associated liquids to be segregated from natural gas streams and delivered onto the “other oil” market.

Likewise, regional contrasts are fading between North America, where the moving average changes in oil demand had, until recently, showed relatively high growth, and Europe, where demand had been contracting. Extending a recent series of drops, the Canadian index shed another 1.2 percentage points in July, to 1.9%, while the moving average changes for Italy and the UK rebounded from previous declines. The realignment reflects both the uptick in demand for heating fuels in Europe and stabilising natural gas markets in North America.

OECD Oil Products Demand Growth
12 Month Moving Average



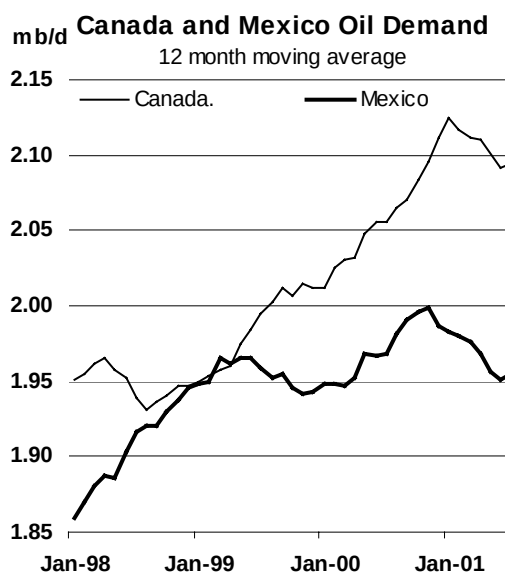
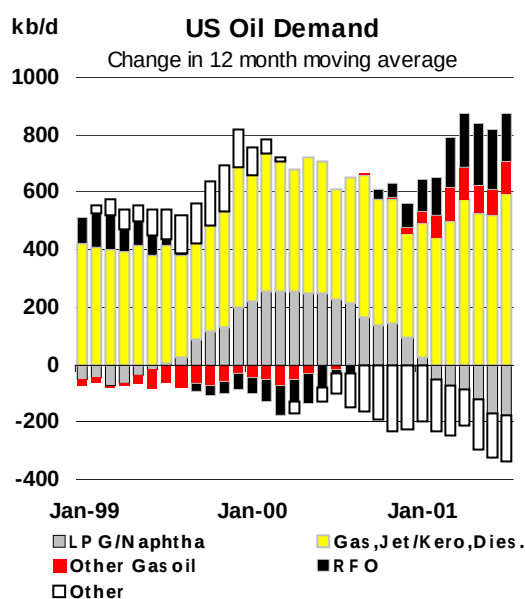
OECD Oil Demand Growth
12 Month Moving Average



North America

The economic underpinnings of North American demand continue to send mixed signals about the prospects for a rebound in activity. On the positive side, some indicators of manufacturing output suggest that the sector may be close to bottoming out. The US National Association of Purchasing Management (NAPM), a private sector group, said earlier this month that its manufacturing index had posted its biggest monthly gain in five years, increasing to 47.9 for August from 43.6 in July. While the below-50 reading still signals that business is shrinking, the index has been reflecting a consistently slowing pace of decline in recent months, and had not risen as high in nine months. Meanwhile, initial claims for unemployment insurance benefits have not risen significantly over the last month, fluctuating at or just slightly above the 400,000 mark. Economists often consider claims above that mark as a sign of a deteriorating job market.

But the NAPM also said that its monthly non-manufacturing index fell for a second straight month in August to the lowest level since the survey began in July 1997. The report provides further evidence that the US economic slowdown is spreading from the manufacturing to the services sector, which includes transportation, construction, agriculture and legal and financial services. The US Labour Department also said that the number of Americans remaining on unemployment benefits, as opposed to those filing new claims, reached its highest level in nearly nine years. Corporations face both eroding earnings and lower market capitalisation following further drops in stock indices. The Dow Jones Industrial Average retreated below 10,000 in early September. Responding to both rising unemployment and falling household assets, consumer spending, the one important element of demand that had held up well during the year-long slowdown, has been wavering. Monthly retail sale figures showed buyers were more frugal in August, spurning higher-priced department stores and speciality retailers in favour of discount chains.



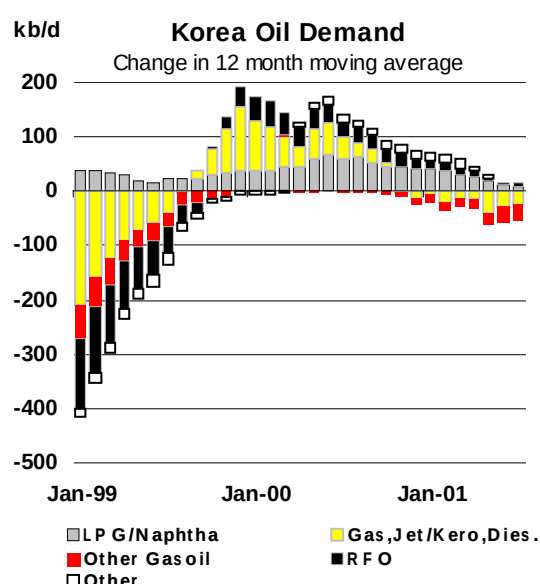
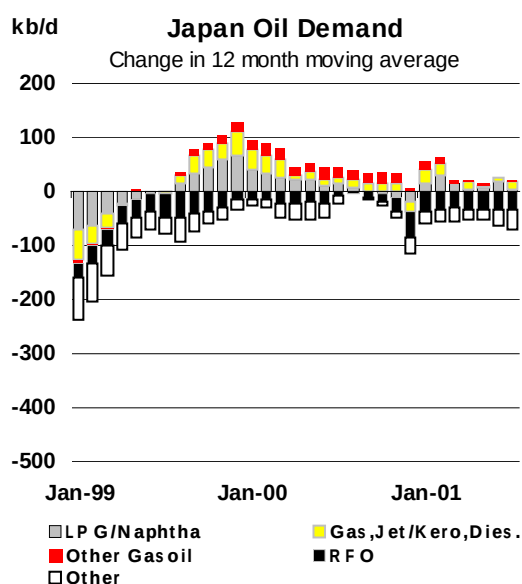
The implications of such mixed signals are as complex for oil market demand as for the economy as a whole. While manufacturing only accounts for an estimated 16% of gross domestic product, a recovery in the sector would have a greater effect on oil demand than on the broader economy. However, the prospects of a US economic recovery remain clouded by rising unemployment and its effects on consumer spending, as well as by the drop in US exports due to the economic travails faced by the US's trading partners.

Recent data on US oil deliveries add to the uncertainty. Thanks to a boost in US gasoil and gasoline demand, as shown by preliminary reports, North American deliveries recovered in July, rising by nearly 1% year-on-year after contracting 1.5% in May and 2.4% in June. Yet the data shed little light on economic trends. Robust diesel demand, which the US has experienced since the beginning of the economic slowdown, is usually seen as a sign of industrial strength, as diesel is needed to bring industrial goods from plant to market. But an economic slowdown could actually cause diesel

demand to rise if manufacturers sought to cut costs by shifting some of their shipping needs from air to road transport. Thus, the American Trucking Association reported that the amount of miles driven by trucks in the US rose consistently from February to June, ending 3.2% above year-earlier levels, while air cargo demand slid. Summer gasoline demand could also receive a boost if families substituted shorter car vacations for plane trips to save money, so that an increase in summer gasoline demand might be seen as a cause of either cheer or gloom. In the longer run, however, a protracted economic slowdown and a sustained increase in joblessness would cause further erosion of demand, while an economic recovery would stimulate consumption.

Pacific

Recent demand data is more unambiguously bearish for the Asia-Pacific region than for North America. While each of the region's countries offers a different situation, the contraction in demand for the region as a whole appears to be quickening. After rising 0.9% in the first quarter on the back of abnormally strong January demand, itself the statistical legacy of Y2K-related precautionary stock building a year earlier, deliveries fell 1.2% in the second quarter, as drops of 0.7% in May and 1.1% in June offset a 1.6% gain in April. Preliminary data point to even steeper drops in July, as demand fell 1.5% in Japan and 2.6% in Korea.



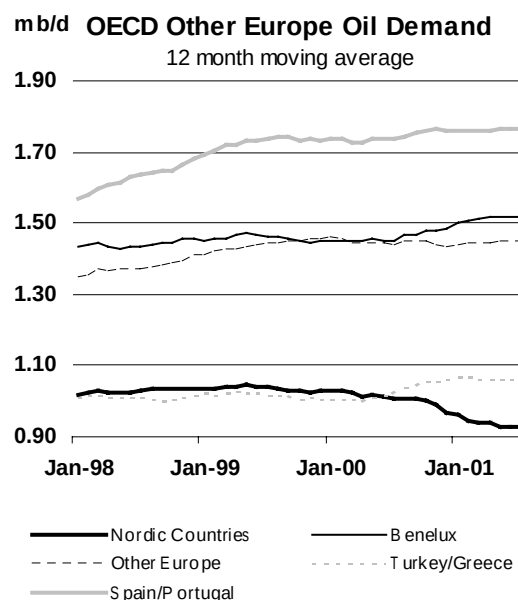
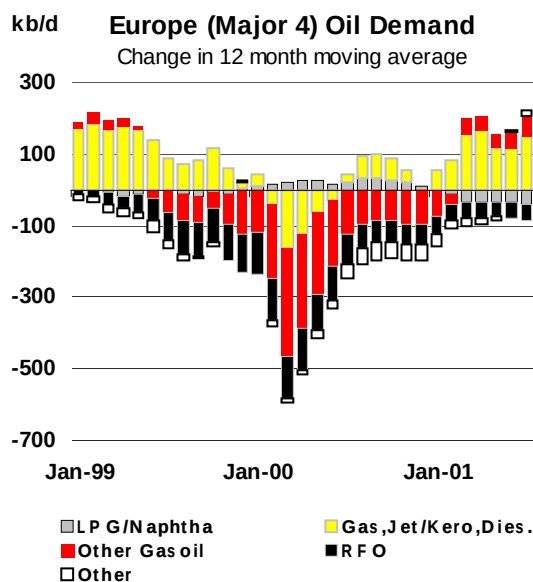
While a US economic recovery clearly would benefit Korea and Japan, a rebound in the Asia-Pacific would probably occur more slowly. Ongoing efforts to reform Japan's economic infrastructure, if they are carried through, are unlikely to spur a significant resumption of economic growth before 2003. Korea has also been particularly hard hit by a sharp downturn in demand for computer memory chips, a key export. In both countries, a policy-driven switch away from oil for power generation should further cap demand growth. Japanese deliveries of residual fuel oil to electricity generators rose in July for the first time since January, by 18 kb/d, or 8%, but that was offset by a drop of 12%, or 21 kb/d, in deliveries of crude oil for direct burning.

Australian demand remained relatively strong through the first half, rising by 2.4% in the first quarter and 0.8% in the second, thanks to a resilient economy. However, the country's overall demand of less than 1 mb/d is not substantial enough to significantly alter the regional aggregate rate of demand growth.

Europe

Preliminary data peg demand growth in the four largest European economies at nearly 5% in July, far outpacing the region's economic growth. Oil demand growth was reported the strongest in Germany, the region's largest oil consumer market, but also the economy that has come under the most pressure in recent months. German GDP is now expected to grow by less than 1% this year amid job losses, contracting business activity and lower consumer and business confidence. Most economic growth forecasts for the euro-zone as a whole have now slipped below 2%.

The apparent discrepancy between oil demand growth and economic growth in the region is less startling, however, if one considers how the increased demand breaks down by products. Most of the growth reflects heavy heating oil buying, particularly in Germany, where homeowners had been caught short by a runup in heating oil prices last year, and thus sought to avoid repeating the same mistake by buying heavily when prices dipped earlier this summer. The additional barrels purchased early this summer are that much oil as won't be bought later on, unless the weather turns unexpectedly cold, and the rise in demand should thus be offset by later declines.



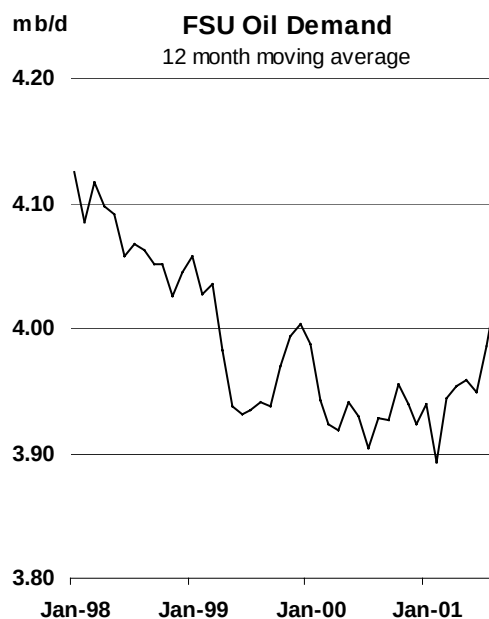
Higher residual fuel oil demand in Germany partly reflects definitional changes in the oil survey's categories. Due to the changes, products that used to fall into the "other products" category are now counted as residual fuel oil. The shift has no effect on the overall demand figures for the country, however.

Non-OECD

Relatively high oil prices and the effects of the global economic slowdown continue to take a toll on oil demand growth in Asia and Latin America. As consumers tighten their belts, Asian refiners from OECD members Japan and Korea to non-OECD member Singapore have been steadily reducing their crude oil runs. Some reports suggest that Singapore refinery may not have exceeded 55% of capacity recently, an all-time low. Data from various Latin American countries show continued demand contraction across the continent, and Latin American deliveries are now expected to edge slightly lower this year before swinging into modest growth next year. Most of the growth in non-OECD oil demand is expected to stem from three regions: China, the FSU and the Middle East.

Former Soviet Union

FSU crude oil production has risen consistently from 8.17 mb/d in January to 8.65 mb/d in July, up 485 kb/d in seven months. After rising along with output, exports appear to have stabilised, thus freeing up more production to meet increasing domestic needs. The estimate of FSU demand has thus been adjusted upwards by an average of 60 kb/d for the year, to 3.68 mb/d, with most of the increase in the third and fourth quarters. This would translate into demand growth of 1.8%, or 60 kb/d, for the year, the first gain since FSU demand started declining following the break-up of the Soviet Union.

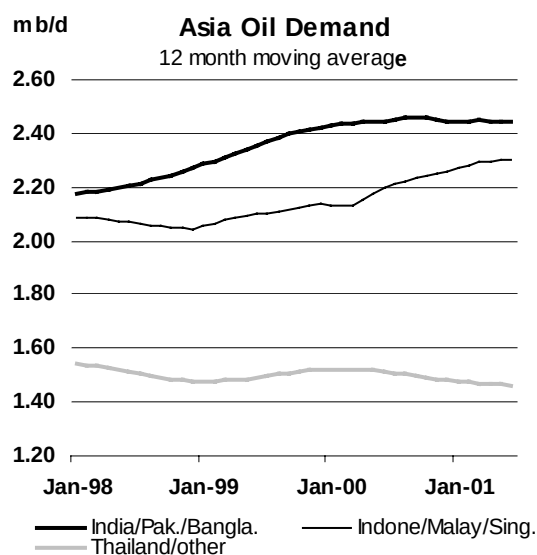
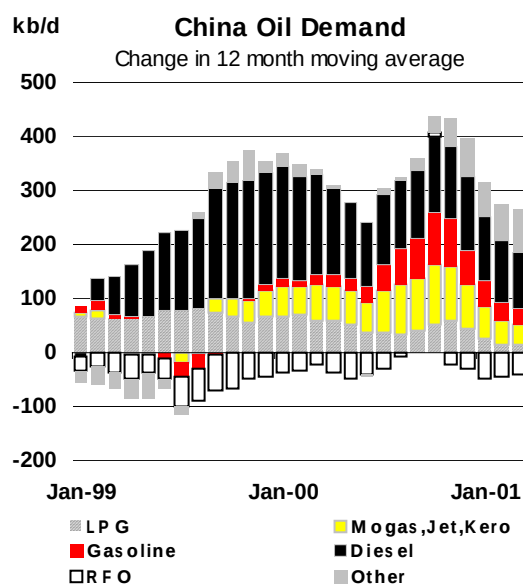


Despite the existence of pent-up demand in the FSU, from both industry and consumers, the potential for further gains in domestic deliveries seems limited, however. Regional governments seem unlikely to give up the quest for heightened foreign-denominated export income. Indeed, exports could receive a boost as early as August from a sharp cut in export tariffs for crude and products deliveries through Russian export sea ports. Exports should decline seasonally with the start of the Russian heating season, however, as domestic demand rises by an expected 180 kb/d from the third quarter to the fourth.

China

Chinese demand continued to defy expectations through the second quarter. Stronger-than-expected oil imports in June translated into implied demand of 5.19 mb/d, up a robust 10.5% on the year, following gains of 12.6% and 17.5% in May and April. On average, the increases brought second-quarter demand growth to 13.5%, more than offsetting a first-quarter contraction of 1.4%.

The strong second-quarter performance should in turn be offset by a retrenchment of imports in the third quarter, however, as refiners seek to carry out a government mandate to draw down brimming crude and products inventories. China has apparently been an aggressive reseller of crude oil bought on a term basis in July and August, even as it refrained from spot purchases. Chinese traders have also been selling products aggressively, particularly gasoline.



While a slowdown in implied demand growth appears all but certain in the third quarter, the prospects for the fourth quarter are more uncertain. Aggressive government spending on large-scale structural projects, financed mostly through bond issues, should continue to fuel robust GDP and oil demand growth, as should an influx of foreign investment. However, Chinese exports growth has been hard hit by the global economic slowdown, causing industrial production to slip. Expectations of Chinese GDP growth, although still comparatively high, are being revised down. Persistently high oil prices and unfavourable currency exchange rates also work to inhibit demand. While it should remain a leading engine of global oil demand growth this year and next, Chinese consumption might not increase by more than 150 kb/d on average this year.

Other Non-OECD

Indian oil demand edged down slightly in July, following flat to slightly lower growth in the first half of the year, according to government reports. The overall growth figure conceals a much sharper decline in gasoil demand, of about 7%. Gasoil accounts for roughly 40% of Indian product demand.

The drop is puzzling since Indian gasoil demand has been contracting each month since June 2000; the possibility of misreporting cannot be ruled out. Gasoil demand lost some ground to high oil prices since last year as commercial transportation shifted from trucks to lower-priced trains, but that structural shift should now be completed. While Indian industrial output has declined due to heightened competition from imports, the drop alone seems unlikely to account for such a sharp decline in gasoil consumption.

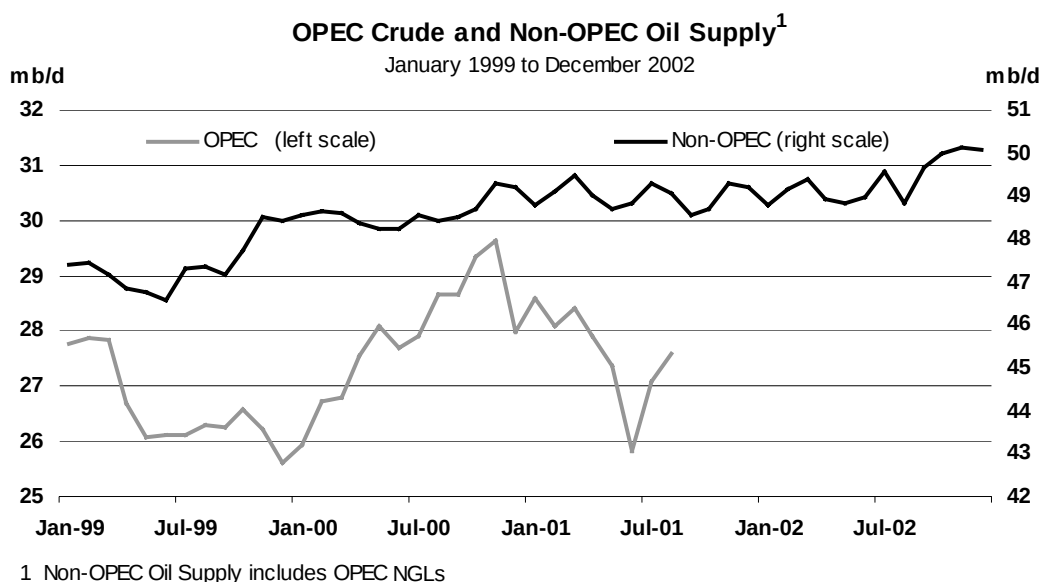
Summary of Global Oil Demand

	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
Demand (mb/d)																
North America	23.77	23.65	23.84	24.45	24.43	24.10	24.16	23.75	24.40	24.48	24.20	24.25	23.91	24.72	24.85	24.44
Europe	15.21	15.17	14.62	15.16	15.40	15.09	15.18	14.77	15.13	15.36	15.11	15.18	14.81	15.26	15.54	15.20
Pacific	8.69	9.35	8.09	8.35	8.81	8.65	9.44	7.99	8.22	8.90	8.64	9.40	8.04	8.29	8.98	8.67
Total OECD	47.68	48.17	46.56	47.96	48.64	47.84	48.78	46.52	47.74	48.74	47.94	48.83	46.77	48.27	49.37	48.31
FSU	3.66	3.65	3.49	3.55	3.77	3.61	3.77	3.62	3.57	3.75	3.68	3.81	3.65	3.61	3.83	3.73
Europe	0.71	0.77	0.72	0.67	0.72	0.72	0.77	0.73	0.67	0.73	0.73	0.78	0.74	0.68	0.74	0.73
China	4.49	4.73	4.55	5.05	4.82	4.79	4.67	5.16	4.93	4.99	4.94	4.90	5.18	5.10	5.14	5.08
Other Asia	7.21	7.23	7.40	7.35	7.26	7.31	7.34	7.42	7.30	7.25	7.33	7.33	7.42	7.34	7.29	7.34
Latin America	4.85	4.72	4.89	4.96	4.87	4.86	4.71	4.84	4.95	4.87	4.84	4.75	4.88	5.01	4.94	4.90
Middle East	4.29	4.27	4.41	4.52	4.32	4.38	4.41	4.57	4.69	4.48	4.54	4.54	4.71	4.83	4.61	4.67
Africa	2.37	2.40	2.34	2.36	2.41	2.37	2.42	2.36	2.39	2.44	2.40	2.44	2.40	2.42	2.48	2.43
Total Non-OECD	27.57	27.76	27.80	28.45	28.17	28.05	28.10	28.70	28.51	28.52	28.46	28.56	28.98	29.01	29.02	28.89
World	75.25	75.93	74.36	76.41	76.81	75.88	76.87	75.22	76.25	77.26	76.40	77.39	75.74	77.28	78.39	77.20
Of which:																
US	19.52	19.27	19.48	20.02	19.98	19.69	19.80	19.56	19.97	20.07	19.85	19.85	19.69	20.22	20.37	20.03
Euro 4	8.54	8.46	8.08	8.43	8.56	8.38	8.41	8.23	8.46	8.54	8.41	8.40	8.26	8.53	8.65	8.46
Japan	5.60	6.01	5.01	5.41	5.63	5.51	6.10	4.97	5.33	5.70	5.52	6.07	4.99	5.37	5.73	5.54
Korea	2.08	2.33	2.06	1.95	2.18	2.13	2.32	2.00	1.91	2.18	2.10	2.32	2.02	1.93	2.20	2.11
Mexico	1.94	2.00	2.00	2.00	1.94	1.99	1.96	1.90	1.97	1.94	1.94	1.96	1.92	2.00	1.98	1.96
Canada	2.01	2.06	2.07	2.14	2.19	2.11	2.06	1.98	2.15	2.14	2.08	2.08	2.00	2.18	2.16	2.10
Brazil	2.15	2.07	2.16	2.20	2.16	2.15	2.07	2.12	2.17	2.15	2.13	2.09	2.14	2.19	2.17	2.15
India	2.00	2.09	2.04	2.00	1.97	2.03	2.10	2.03	2.01	1.99	2.03	2.11	2.05	2.03	2.01	2.05
Annual Change (% per annum)																
North America	3.0	0.6	1.9	1.6	1.4	1.4	2.1	-0.4	-0.2	0.2	0.4	0.4	0.7	1.3	1.5	1.0
Europe	-0.5	-4.4	1.1	2.6	-2.2	-0.8	0.1	1.1	-0.2	-0.2	0.2	0.0	0.3	0.9	1.2	0.6
Pacific	3.2	-1.2	2.1	1.6	-3.7	-0.4	0.9	-1.2	-1.5	1.0	-0.2	-0.4	0.5	0.8	0.9	0.5
Total OECD	1.9	-1.4	1.7	1.9	-0.7	0.3	1.3	-0.1	-0.5	0.2	0.2	0.1	0.5	1.1	1.3	0.8
FSU	-1.9	-3.9	1.6	-1.1	-1.4	-1.2	3.4	3.7	0.5	-0.3	1.8	1.2	0.9	1.3	1.9	1.3
Europe	-7.7	1.1	1.4	1.3	1.3	1.3	0.0	1.3	0.9	0.7	0.7	0.8	1.0	1.3	1.4	1.1
China	7.2	8.2	-1.4	16.7	3.9	6.7	-1.4	13.5	-2.5	3.5	3.1	5.1	0.3	3.6	3.0	2.9
Other Asia	5.7	1.4	2.3	1.9	0.1	1.4	1.6	0.2	-0.6	-0.2	0.3	-0.2	0.0	0.5	0.6	0.2
Latin America	0.1	0.5	1.0	0.5	-1.0	0.2	-0.2	-1.1	0.0	0.2	-0.3	1.0	1.0	1.2	1.3	1.1
Middle East	3.0	0.1	1.4	3.5	3.5	2.1	3.4	3.6	3.8	3.7	3.6	2.9	3.0	3.1	2.9	3.0
Africa	2.1	1.8	0.0	-0.1	-0.6	0.3	1.1	1.1	1.3	1.5	1.3	0.9	1.3	1.2	1.4	1.2
Total Non-OECD	2.8	1.4	1.0	3.7	0.8	1.7	1.2	3.2	0.2	1.3	1.5	1.7	1.0	1.8	1.7	1.5
World	2.2	-0.4	1.4	2.5	-0.2	0.8	1.2	1.2	-0.2	0.6	0.7	0.7	0.7	1.3	1.5	1.0
Annual Change (mb/d)																
North America	0.68	0.15	0.45	0.38	0.33	0.33	0.51	-0.09	-0.06	0.04	0.10	0.09	0.16	0.32	0.37	0.24
Europe	-0.07	-0.70	0.15	0.38	-0.35	-0.13	0.01	0.15	-0.04	-0.03	0.02	0.00	0.04	0.13	0.18	0.09
Pacific	0.27	-0.12	0.17	0.13	-0.34	-0.04	0.09	-0.10	-0.12	0.09	-0.02	-0.03	0.04	0.07	0.08	0.04
Total OECD	0.88	-0.67	0.78	0.89	-0.36	0.16	0.60	-0.04	-0.22	0.10	0.11	0.05	0.25	0.52	0.63	0.36
FSU	-0.07	-0.15	0.06	-0.04	-0.05	-0.05	0.12	0.13	0.02	-0.01	0.06	0.05	0.03	0.05	0.07	0.05
Europe	-0.06	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01
China	0.30	0.36	-0.06	0.72	0.18	0.30	-0.07	0.61	-0.13	0.17	0.15	0.24	0.02	0.18	0.15	0.14
Other Asia	0.39	0.10	0.16	0.14	0.01	0.10	0.12	0.02	-0.04	-0.01	0.02	-0.02	0.00	0.04	0.04	0.02
Latin America	0.00	0.02	0.05	0.02	-0.05	0.01	-0.01	-0.05	0.00	0.01	-0.01	0.05	0.05	0.06	0.06	0.05
Middle East	0.12	0.00	0.06	0.15	0.15	0.09	0.15	0.16	0.17	0.16	0.16	0.13	0.14	0.14	0.13	0.13
Africa	0.05	0.04	0.00	0.00	-0.02	0.01	0.03	0.03	0.03	0.04	0.03	0.02	0.03	0.03	0.03	0.03
Total Non-OECD	0.74	0.39	0.28	1.00	0.23	0.48	0.34	0.90	0.06	0.35	0.41	0.46	0.28	0.50	0.50	0.44
World	1.62	-0.28	1.05	1.89	-0.13	0.64	0.94	0.86	-0.16	0.45	0.52	0.52	0.53	1.03	1.12	0.80
Changes from Last Month's Report																
North America	-	-	-	-	-	-	-0.01	-0.03	-0.06	-0.01	-0.03	-0.01	-0.03	-0.06	-0.01	-0.03
Europe	-	-	-	-	-	-	-0.01	0.04	0.08	-0.02	0.02	-0.02	0.04	0.08	-0.02	0.02
Pacific	-	-	-	-	-	-	-	-0.01	-	-	-	-	-0.01	-	-	-
Total OECD	-	-	-	-	-	-	-0.02	-	0.02	-0.03	-0.01	-0.03	-	0.02	-0.03	-0.01
FSU	-	-	-	-	-	-	0.02	0.07	0.08	0.08	0.06	0.02	0.06	0.10	0.12	0.08
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	0.16	-0.12	-0.10	-0.01	-	0.17	-0.12	-0.10	-0.01
Other Asia	-	-	-	-	-	-	-	-0.02	-0.01	-0.01	-0.01	-	-0.02	-0.01	-0.01	-0.01
Latin America	-	-	-	-	-0.01	-	-0.04	-0.04	-	-0.01	-0.02	-0.04	-0.04	-	-0.01	-0.02
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-0.01	-	-0.02	0.17	-0.06	-0.03	0.01	-0.01	0.16	-0.04	0.01	0.03
World	-	-	-	-	-0.01	-	-0.03	0.17	-0.04	-0.06	0.01	-0.04	0.16	-0.02	-0.02	0.02

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 76.82 mb/d for August, an increase of 260 kb/d from the previous month (see Table 4). An increase of 660 kb/d in Iraqi output was partly offset by a fall in North Sea production. **OPEC crude supply** including Iraq's rose by 520 kb/d to 27.59 mb/d, compared to 27.07 mb/d in July. OPEC output excluding Iraq's fell by 140 kb/d to 24.79 mb/d, which was 590 kb/d higher than the August OPEC target of 24.2 mb/d. On 25 July OPEC lowered its output target by 1 mb/d, to 23.2 mb/d, with effect from 1 September.
- **OECD** output decreased by an estimated 250 kb/d, to 21.48 mb/d, in August (see Table 4A). While production started at the 40 kb/d Glitne field at the end of the month, total Norwegian production fell due to the summer maintenance programme and technical problems at a couple of fields. Output from Mexico's offshore Cantarell field is estimated to have decreased by 70 kb/d due to technical problems. In the deepwater US Gulf of Mexico the 40 kb/d Typhoon field and 100 kb/d Brutus field started operation at the end of July and the beginning of August.
- **Non-OECD** oil production appears to have remained high, following strong growth over the previous two months. This is especially true of Russian production, which contributed to this year's non-OECD growth. Although Chinese output was lower than in the first quarter, it remained well above last year's levels. In Angola, the 40 kb/d North Nemba platform started up in mid-August.
- The "**call on OPEC crude plus stock change**" for the third and fourth quarters of 2001 has been revised downwards by 0.1 mb/d and 0.2 mb/d, to 26.9 mb/d and 27.2 mb/d, due mainly to the latest stronger-than-expected Russian production data (see Table 1). The "call" for the second quarter of this year has been revised upwards by 0.3 mb/d, because of revisions in both demand and supply. As a result, the "call" for the year 2001 remained unchanged at 27.0 mb/d. The "call" for 2002 stands at 26.8 mb/d, unchanged from the last Report.



All world oil supply figures for August discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary August crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 200 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

The preliminary estimate shows that August OPEC crude supply, excluding Iraq's, fell slightly by 140 kb/d from the previous month, to 24.79 mb/d, some 590 kb/d above the target. Including Iraq, output averaged 27.59 mb/d, an increase of 520 kb/d. As to revisions for July, total OPEC crude production has not been changed, as upward revisions for Iran and Iraq are offset by downward revisions for Saudi Arabia and the UAE. Following OPEC's agreement on 25 July, a target reduction of 1 mb/d went into effect on 1 September (see the table below). This was the third output cut this year, after a 1.5 mb/d reduction from 1 February and 1 mb/d from 1 April. The next OPEC meeting is scheduled for 26 September.

OPEC Crude Production

(million barrels per day)

	1 Apr 2001 Target	Cut	1 Sep 2001 Target	Aug 2001 Production	Sustainable Production Capacity ¹	Spare Capacity vs. 1 Sep 2001 target
Algeria	0.773	0.032	0.741	0.85	0.90	0.16
Indonesia	1.255	0.052	1.203	1.21	1.25	0.05
Iran	3.552	0.146	3.406	3.75	3.90	0.49
Kuwait ³	1.941	0.080	1.861	2.03	2.50	0.64
Libya	1.296	0.054	1.242	1.39	1.45	0.21
Nigeria	1.993	0.082	1.911	2.07	2.20	0.29
Qatar	0.627	0.026	0.601	0.70	0.75	0.15
Saudi Arabia ³	7.865	0.324	7.541	7.89	10.50	2.96
UAE	2.113	0.088	2.025	2.10	2.50	0.48
Venezuela	2.786	0.116	2.670	2.81	3.05	0.38
Subtotal	24.201	1.000	23.201	24.79	29.00	5.80
Iraq				2.79	2.80	0.01 ²
Total				27.58	31.80	5.81

¹ Capacity levels can be reached within three months and maintained for more than six months

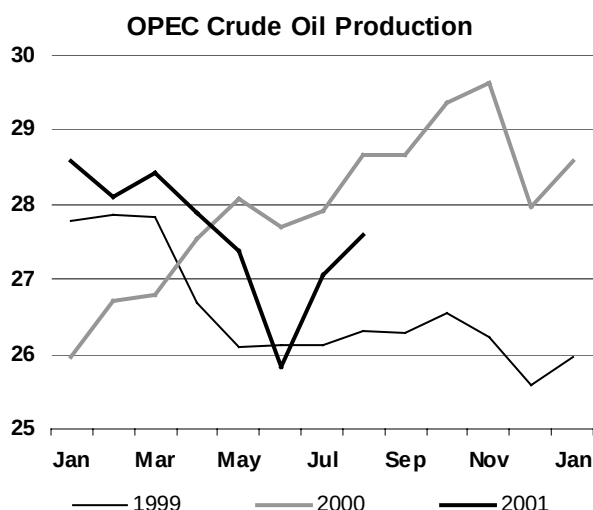
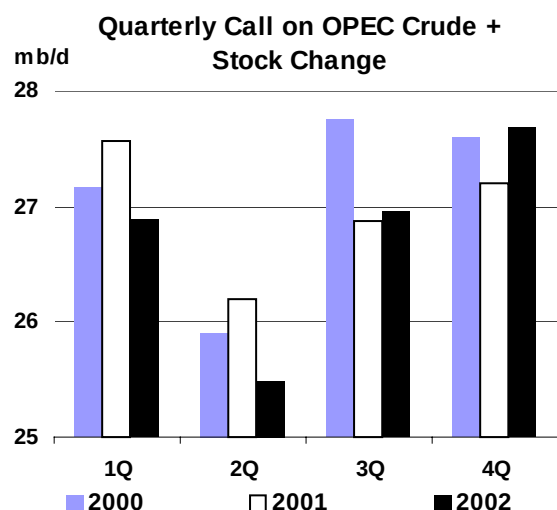
² Capacity versus August production

³ Includes half of Neutral Zone production

Iraqi oil-for-food exports averaged 2.09 mb/d for the month of August. With an estimated 700 kb/d of domestic consumption and border trade, Iraqi production averaged an estimated 2.79 mb/d, an increase of 660 kb/d over July. **Saudi Arabian** crude supply (excluding the Neutral Zone, but including the Abu Safa field) decreased by 90 kb/d to 7.57 mb/d, while production from **Kuwait** (excluding the Neutral Zone) remained unchanged at 1.71 mb/d. **Neutral Zone** production averaged 640 kb/d, a drop of 40 kb/d from the previous month. **UAE** output fell to 2.10 mb/d from the downwardly revised 2.13 mb/d for July.

Iranian production is estimated to have decreased from 3.84 mb/d in July, to 3.75 mb/d in August. It was reported in late August that the Iranian Ministry of Petroleum protested against an oil industry publication, which reported the country's July production at 4.1 mb/d. Iranian official data indicate that output averaged 3.56 mb/d for both July and August against the country's quota of 3.55 mb/d.

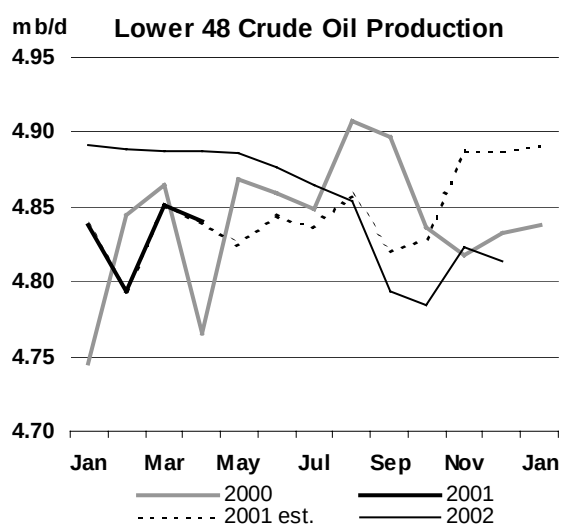
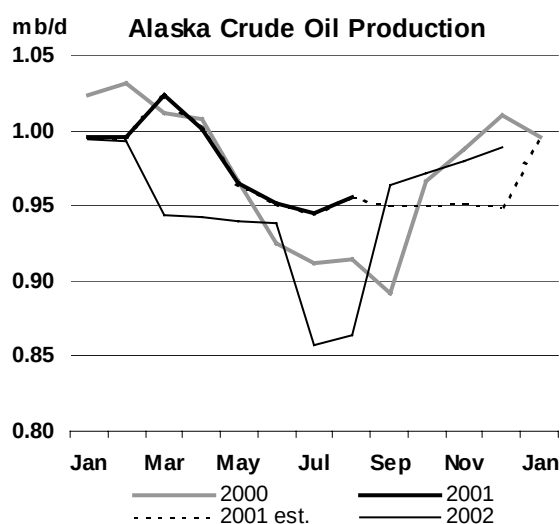
Venezuelan crude production remained unchanged at 2.81 mb/d. In late August, the Venezuelan Government released a draft hydrocarbon law, designed to replace the fragmented and outdated laws that currently govern the country's oil and gas sector. The draft law includes some controversial provisions such as increases in royalty rates from 16.7% to 30% and raising government participation from 35% to 51%. Critics have been quick to point out the potential negative long-term consequences of this legislation. Under the previous administration's "Apertura", the country was one of the most successful OPEC countries in terms of introducing foreign investment in the 90s. The new law has not been well received by industry and could lead to less foreign investment in the future and, therefore, lower production.



OECD

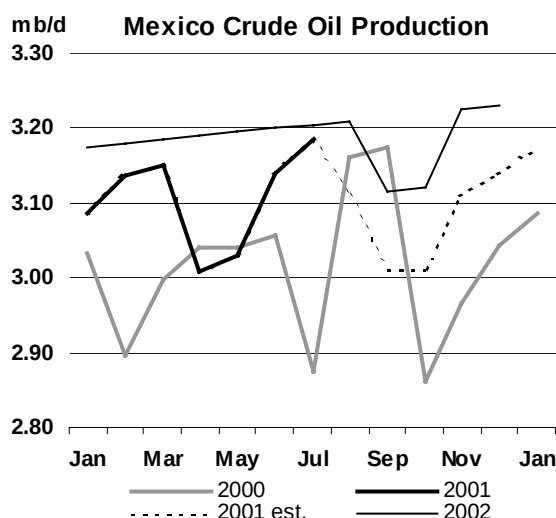
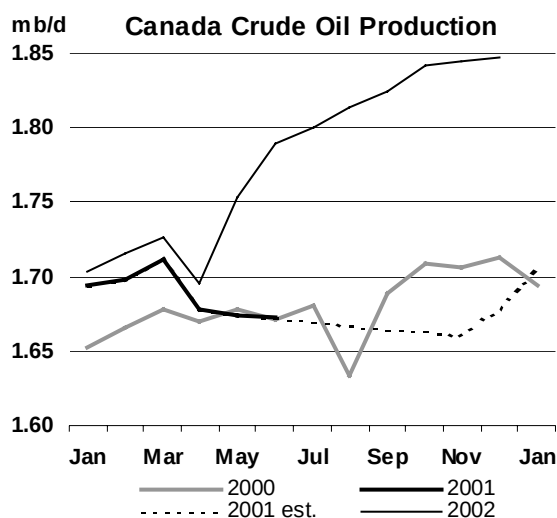
North America

US - August - Alaska actual, other estimate: US crude production is estimated to have averaged 5.81 mb/d in August, up 30 kb/d from the previous month. Alaskan production increased slightly, to 960 kb/d. The increase came from the Prudhoe Bay and Alpine fields. Production in the Gulf of Mexico increased by an estimated 40 kb/d. Two deepwater fields, Typhoon and Brutus, began operating at the end of July and the beginning of August. Both fields are in deep water of more than 600 meters and were developed using tension leg platforms (TLP) and subsea well completion technology. Output from the Typhoon field is expected to reach 40 kb/d during the fourth quarter this year, while the Brutus production will peak at 100 kb/d in the second quarter of 2002. Crude supply remained unchanged in California. Output from other states is thought to have decreased by 10 kb/d. The latest data suggest that June NGL production decreased by 10 kb/d from the previous month, to 1.91 mb/d.



Canada - June actual, July and August estimates: Canadian crude production in June remained low for the third consecutive month, as price differentials hampered heavy crude production. Heavy crude output in Alberta and Saskatchewan stagnated at around 240 kb/d and 320 kb/d. Output from the offshore Hibernia field remained unchanged at 140 kb/d. Synthetic crude production fell by 60 kb/d, to 300 kb/d in June, due to scheduled maintenance. The maintenance work continued into July and August, and is thought to have affected output. June NGL production was up 20 kb/d, to 700 kb/d.

Mexico - July actual, August estimate: Mexican crude production rose by 50 kb/d, to 3.19 mb/d, in July. The increase came from the offshore Cantarell field, which produces the heavy Maya grade. The Maya grade accounts for 60% of the country's crude output and a nitrogen enhanced oil recovery project is under way at the Cantarell field. Mexico's state-owned Pemex said that it would cut output by 70 kb/d from August to November, due to technical problems at the Cantarell field. Mexican crude production for 2001 average an estimated 3.09 mb/d, revised upwards by 30 kb/d from the last Report because of stronger-than-expected performance in July. June NGL production also increased by 20 kb/d, to 460 kb/d.



North Sea

UK – June actual, July and August estimates: UK offshore crude and NGL production in June fell by 150 kb/d to 2.31 mb/d, due mainly to maintenance work. The Ninian system produced 50 kb/d less, while output from the Flotta system decreased by 40 kb/d. Nonetheless, production from the Elgin gas/condensate field, which came onstream in April, rose to 60 kb/d from a meagre 5 kb/d in the previous month. UK offshore crude and NGL production increased to an estimated 2.49 mb/d in July and 2.54 mb/d in August.

North Sea Oil Production Outlook

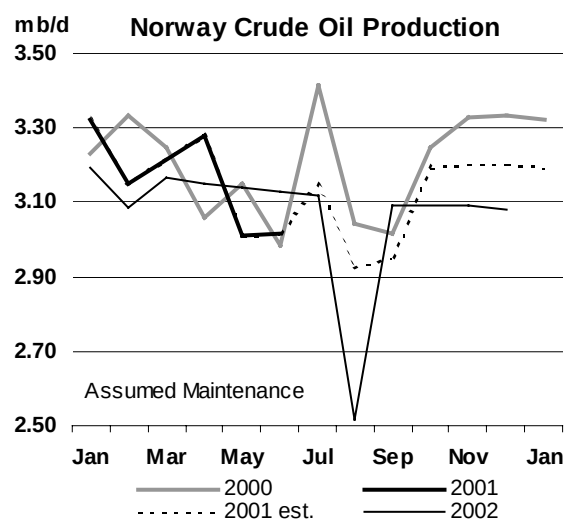
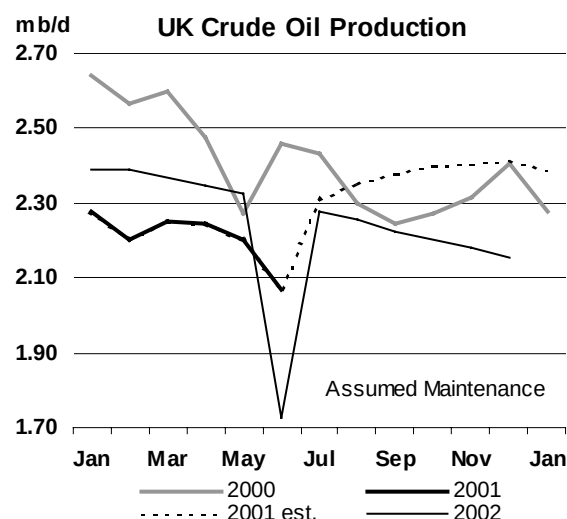
August 2001 - January 2002
(thousand barrels per day)

	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02
UK	2539	2597	2649	2677	2705	2647
Norway	3117	3119	3361	3413	3415	3405
Denmark	266	336	335	335	331	328
Other ¹	33	33	43	52	57	57
Total	5955	6085	6387	6478	6508	6438

¹ offshore Netherlands and offshore Germany

Norway – June actual, July and August estimates: Despite the summer maintenance programme, Norwegian crude and NGL production in June fell only by 10 kb/d, to 3.23 mb/d. Production losses in the Oseberg/Troll system were compensated by gains in the Statfjord/Gullfalks and Haltenbanken systems. Norwegian crude and NGL production is estimated to have risen to 3.36 mb/d in July but fallen to 3.12 mb/d in August. August was an eventful month for the Norwegian sector of the North Sea. The 45 kb/d Asgard B platform was shut down and production at the Asgard A ship was reduced to 145 kb/d from 165 kb/d, following a gas leak in a flowline between the Asgard A and B on 13 August. Shutdown of the Asgard B is likely to continue until mid-October, while the operator, Norway's Statoil, had no estimate as to when full production would resume at the Asgard A. In addition, production from the 180 kb/d Gullfalks field was halved for two weeks, due to a technical problem. Meanwhile, the 40 kb/d Glitne field came on stream at the end of the month.

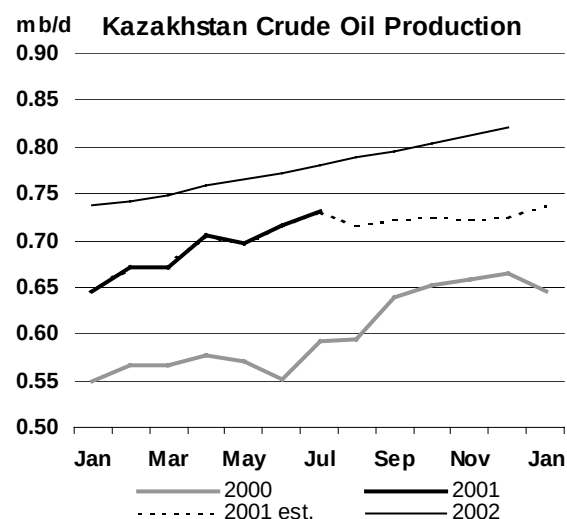
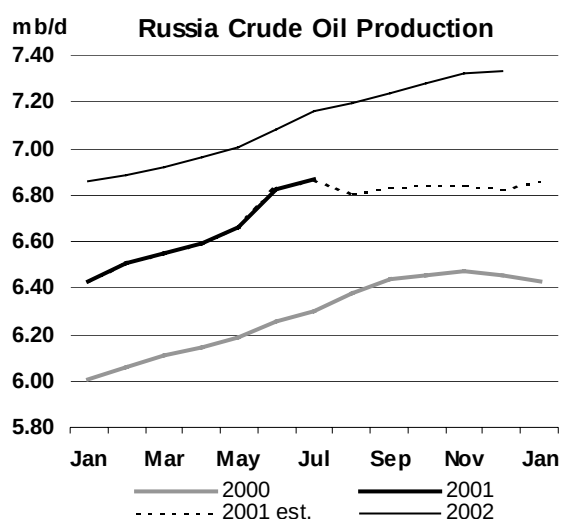
Denmark – July actual, August estimate: Danish crude production rose by 50 kb/d to 270 kb/d in July, as the Halfdan field resumed production. The field was originally shut down, due to a gas explosion on the Gorm C platform on 20 May. In late August, the Danish Energy Agency approved the resumption of oil production at the other fields affected by the accident. The Gorm and its satellite fields are expected to resume full production at the beginning of September. Danish crude production is expected to increase to 340 kb/d in September from an estimated 270 kb/d for August.



Former Soviet Union (FSU)

Russia - July actual, August estimate: Russian output (crude plus NGLs) continued to rise in July, gaining another 50 kb/d after a 160 kb/d growth in the previous month. Stronger-than-expected July production almost reached 7.1 mb/d, posting another record for the post-Soviet era. These high production figures are supported by large FSU export volumes, which averaged around 5 mb/d in recent months (see Trade section). Output from the Sakhalin II project, which resumed production in May, remained unchanged from the previous month at 90 kb/d. Among Russian oil companies, Sibneft posted the largest gain, followed by Yukos and Rosneft. Russian supply is forecast to average 6.95 mb/d for this year, revised upwards by 30 kb/d from the last Report.

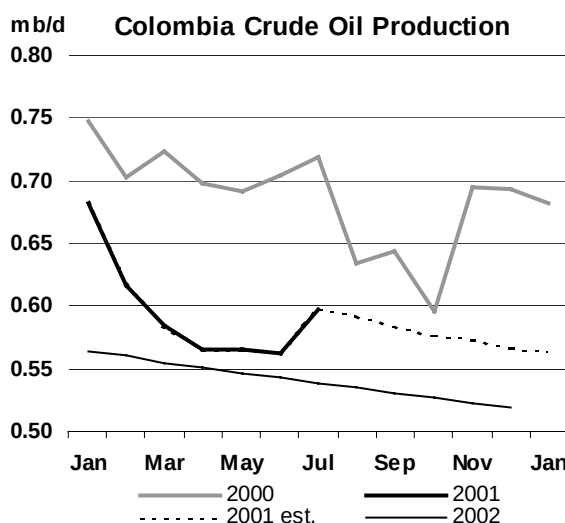
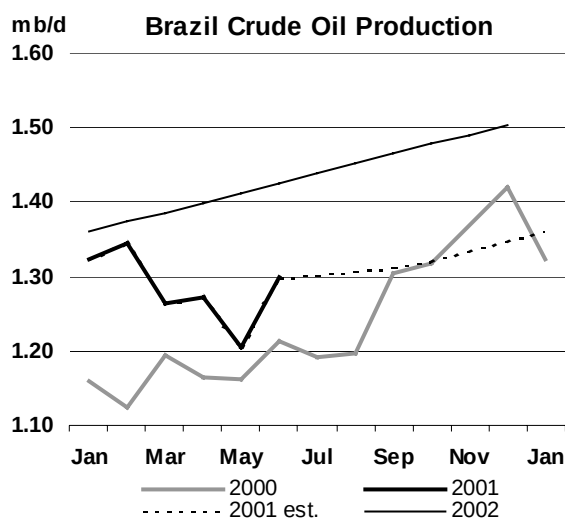
Kazakhstan - July actual, August estimate: Kazakhstan crude and NGL production remained unchanged at 820 kb/d in July. Tengiz output averaged 260 kb/d, almost unchanged from the previous month. Decreases in the Karachaganak output were offset by increases from the other fields. This Report forecasts the country's output to average 810 kb/d for this year and 870 kb/d for next year. Meanwhile, inauguration of the Caspian Pipeline Consortium (CPC) pipeline has been scheduled for 20 September after a delay of several weeks for technical reasons. A ceremony will be held at the CPC terminal near Novorossiysk in the presence of the Russian and Kazakhstan presidents. The 1,580 km pipeline connects the Tengiz field in Kazakhstan with the Russian port of Novorossiysk on the Black Sea, with a capacity of transporting 560 kb/d of crude.



Other Non-OPEC

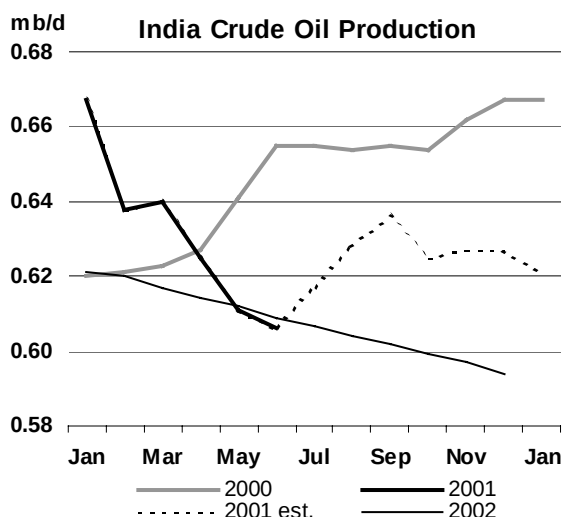
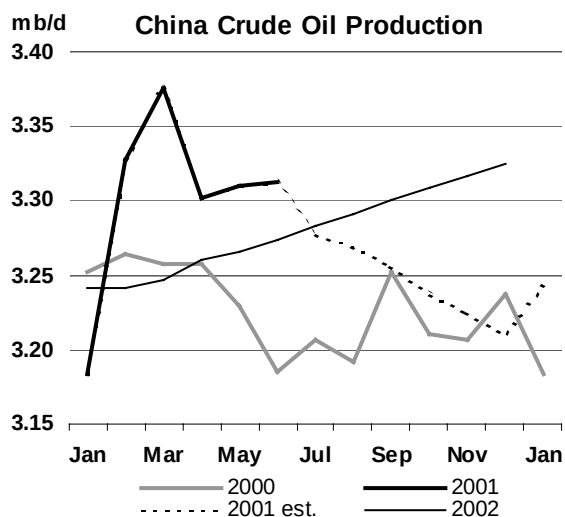
Brazil - June actual, July and August estimates: Brazilian crude production rose by 90 kb/d from the previous month, to 1.30 mb/d in June. The increase came entirely from the offshore Rio de Janeiro area. The offshore production seems to have started recovering following the sinking of the offshore production platform P-36 in March and the subsequent oil spill from P-7 in April. Brazil's production is projected to average 1.30 mb/d for this year and 1.43 mb/d for next year.

Colombia – July actual and August estimate: Colombian supply in July increased by 40 kb/d to 610 kb/d. Production from the Cano Limon field in the eastern part of the country resumed, averaging 70 kb/d for the month, after a four-month long shutdown resulting from guerrilla attacks on the pipeline. Occidental Petroleum, the company operating the field, declared force majeure on crude delivery during the shutdown. Currently 3,000 troops are said to be protecting the pipeline. Meanwhile, production at the Cusiana/Cupiagua field declined further to 280 kb/d in July. Output from the field peaked at 440 kb/d in 1999, before falling to 340 kb/d last year.



China - June actual, July and August estimates: Chinese crude production remained high at 3.31 mb/d in June. Production from the onshore Daqing and Shengli fields averaged 1.03 mb/d and 540 kb/d, unchanged from the previous month. Other onshore fields gained ground, offsetting decreases in offshore output. Chinese production is estimated to average 3.27 mb/d this year, some 40 kb/d higher than last year.

India - June actual, July and August estimates: In contrast, Indian output remained low at 700 kb/d. Production from the offshore Bombay High field averaged 290 kb/d for June, a decrease of 50 kb/d from the January level of 340 kb/d. The decline was due to scheduled maintenance that started at the end of January. Output from onshore fields remained unchanged. Indian production is expected to fall by 20 kb/d from the previous year, to 720 kb/d in 2001.



Egypt - July actual, August estimate: Egyptian crude output remained unchanged at 630 kb/d in July, while NGL production fell slightly, by 10 kb/d, to 110 kb/d. The Egyptian Oil Minister told a local news agency that the country was considering sending an observer to the next OPEC meeting, which is scheduled for 26 September. Non-OPEC producers, such as Angola, Kazakhstan, Mexico, Oman and Russia, participated in OPEC meetings earlier this year as observers.

Revisions to Non-OPEC Oil Supply

The estimated non-OPEC supply growth for 2001 has been increased by 20 kb/d to 600 kb/d, while the growth in 2002 remains almost unchanged at 790 kb/d. The revision results from the latest data that indicate higher-than-expected production in Mexico and Russia. (For details, see the relevant country sections.)

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2001	2002	02 vs. 01	2001	2002	02 vs. 01	2001	2002	02 vs. 01
North America	14.32	14.74	0.42	14.31	14.75	0.44	-0.01	0.01	0.02
Europe	6.66	6.59	-0.07	6.65	6.55	-0.10	0.00	-0.04	-0.04
Pacific	0.79	0.73	-0.06	0.79	0.73	-0.05	0.00	0.00	0.00
Total OECD	21.76	22.06	0.30	21.75	22.03	0.28	-0.01	-0.03	-0.02
Former USSR	8.46	8.90	0.44	8.50	8.96	0.46	0.04	0.06	0.03
Europe	0.18	0.17	-0.01	0.18	0.17	-0.01	0.00	0.00	0.00
China	3.27	3.28	0.01	3.27	3.28	0.01	0.00	0.00	0.00
Other Asia	2.40	2.37	-0.04	2.39	2.35	-0.04	-0.01	-0.01	0.00
Latin America	3.76	3.82	0.06	3.77	3.82	0.05	0.01	0.00	-0.01
Middle East	2.00	1.96	-0.04	2.00	1.96	-0.04	0.00	0.00	0.00
Africa	2.86	2.88	0.02	2.86	2.89	0.03	0.00	0.01	0.01
Total Non-OECD	22.94	23.37	0.44	22.97	23.43	0.46	0.03	0.05	0.02
Processing Gains	1.76	1.81	0.05	1.76	1.81	0.05	0.00	0.00	0.00
Total Non-OPEC	46.46	47.25	0.78	46.49	47.27	0.79	0.02	0.03	0.00

OMR = Oil Market Report

TRADE

Crude trade has been changing far more materially of late than has product trade, and the primary factor swinging crude trade has been OPEC. OPEC members cut their production from 28.4 mb/d in March to 27.4 mb/d in May, and the interruption of Iraqi Oil-for-Food exports reduced June production to just 25.8 mb/d. Those exports resumed on 10 July, and OPEC crude production recovered to an average 27.1 mb/d in July and to 27.7 mb/d in August. September's OPEC production is likely to fall 1 mb/d short of that, reducing crude imports in October.

Despite rising tensions in the Middle East, Iraqi crude exports have been relatively steady since their recent return. But opposing positions on Iraq are being staked out, and an extended interruption of Iraqi supply seems increasingly likely to begin later this year.

Net OECD Crude and Product Trade

About six barrels of crude oil out of every ten produced by OPEC are imported by an OECD country, after a delay to allow for shipment. Moving a barrel from Ras Tanura, Saudi Arabia to the refining centre of Chiba, in Japan, takes about three weeks; moving it to Rotterdam takes between three and five weeks; and moving it to Houston takes between four and six weeks. When OPEC cuts production 1 mb/d, then - all other things being equal - OECD crude imports from OPEC fall at least 600 kb/d about a month later.

OECD countries imported 22.2 mb/d of non-OECD crude in April, and just 21.5 mb/d in June. OPEC crude represented 16.5 mb/d in April but only 15.6 mb/d by June. That is, as OPEC cut production 1 mb/d between March and May, OECD countries experienced about 90% of the loss a month later. Between April and June, Europe's net imports of crude oil rose from 6.6 mb/d to 7.5 mb/d, primarily to offset a 0.6 mb/d decline in its production which was related to North Sea field maintenance and accidents. Normally, OPEC crude is shared relatively evenly among OECD regions, with European refiners taking somewhat less than a third and Pacific refiners, somewhat more. In this case, however, heavy European buying caused the 880 kb/d loss of OPEC crude to the OECD between April and June to result in a 450 kb/d loss for North America, a 700 kb/d loss for the Pacific, and a 270 kb/d gain for Europe.

A few items in the aggregated product balances are worthy of note. North America's gasoline imports remained strong at 600 kb/d, 290 kb/d higher than a year earlier. Preliminary US weekly statistics suggest that North American gasoline imports continued to be about 250 kb/d higher than last year through August. OECD Europe's net gasoline exports in June echoed May, at only 100 kb/d, and North American imports were bolstered by supply from Central and South America instead. June's uptick in Europe's fuel oil imports was related to gains for residual fuel oil in the UK and Italy. Figures for both countries showed June demand about 50 kb/d higher than in May, with electric power generators most likely to be responsible. June electricity statistics confirm thermal generation gains for the UK, but are not yet available for Italy. Finally, the downturn in June in OECD Pacific imports of naphtha for petrochemicals and higher exports of jet and kerosene for export may signal increasing weakness in local demand.

OECD North America Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Apr 01	May 01	Jun 01	Latest month vs. May 01 Jun 00	
Net Imports/(Exports) of:											
Crude Oil	7.19	7.38	7.97	7.35	7.47	7.79	7.91	8.05	7.39	-0.66	-0.46
Products & Feedstocks	1.16	1.13	1.10	1.29	1.78	1.53	1.58	1.51	1.50	-0.01	0.37
Gasoil/Diesel	0.00	0.03	-0.03	0.05	0.36	0.06	0.08	0.07	0.03	-0.04	0.00
Gasoline	0.45	0.36	0.34	0.38	0.50	0.58	0.61	0.55	0.60	0.04	0.29
Heavy Fuel Oil	0.13	0.18	0.19	0.31	0.34	0.33	0.37	0.32	0.30	-0.02	0.08
LPG	0.03	0.04	0.06	0.05	0.03	0.03	0.03	-0.01	0.05	0.06	0.03
Naphtha	0.04	0.08	0.08	0.10	0.10	0.04	0.07	0.03	0.02	-0.02	-0.03
Jet & Kerosene	0.09	0.11	0.13	0.12	0.17	0.16	0.15	0.20	0.13	-0.07	0.01
Other	0.41	0.34	0.33	0.28	0.29	0.33	0.28	0.34	0.38	0.04	-0.01
Total	8.34	8.50	9.07	8.64	9.25	9.31	9.49	9.56	8.89	-0.67	-0.09

Source: IEA MOS imports and exports data for extra-regional trade

OECD Europe Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Apr 01	May 01	Jun 01	Latest month vs.	
										May 01	Jun 00
Net Imports/(Exports) of:											
Crude Oil	6.95	7.14	7.30	7.76	7.29	7.01	6.63	6.87	7.53	0.66	0.65
Products & Feedstocks	1.02	1.19	1.39	0.99	1.21	1.36	1.07	1.33	1.68	0.35	0.04
Gasoil/Diesel	0.28	0.32	0.38	0.28	0.38	0.38	0.29	0.41	0.45	0.04	0.02
Gasoline	-0.29	-0.23	-0.18	-0.27	-0.27	-0.17	-0.31	-0.11	-0.10	0.00	0.02
Heavy Fuel Oil	0.08	0.09	0.11	0.03	0.11	0.05	-0.01	0.03	0.11	0.08	-0.01
LPG	0.17	0.19	0.16	0.22	0.18	0.14	0.16	0.13	0.13	0.00	-0.02
Naphtha	0.23	0.19	0.22	0.11	0.21	0.26	0.25	0.25	0.28	0.03	0.02
Jet & Kerosene	0.07	0.14	0.17	0.16	0.13	0.21	0.17	0.23	0.25	0.02	0.02
Other	0.47	0.50	0.51	0.46	0.46	0.49	0.51	0.39	0.56	0.18	0.00
Total	7.96	8.32	8.69	8.76	8.50	8.37	7.69	8.20	9.21	1.01	0.69

Source: IEA MOS imports and exports data for extra-regional trade

OECD Pacific Crude & Product Trade

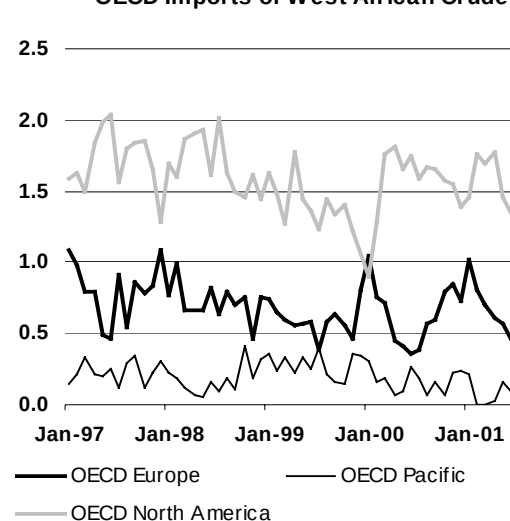
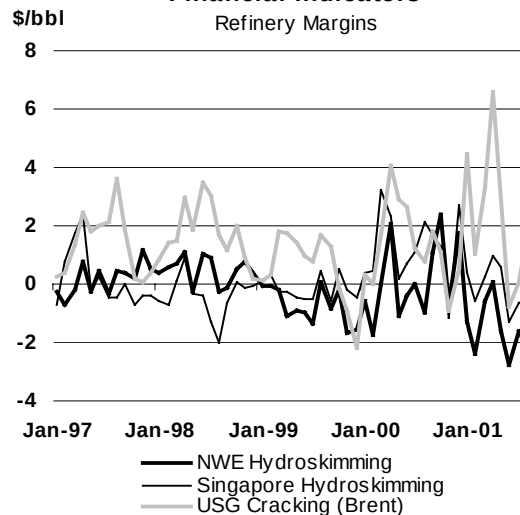
(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Apr 01	May 01	Jun 01	Latest month vs.	
										May 01	Jun 00
Net Imports/(Exports) of:											
Crude Oil	6.90	6.71	6.45	6.94	7.50	6.31	6.73	6.23	5.97	-0.26	-0.32
Products & Feedstocks	1.01	1.05	0.98	0.94	1.00	0.92	0.95	0.92	0.89	-0.03	-0.18
Gasoil/Diesel	-0.20	-0.20	-0.24	-0.23	-0.22	-0.14	-0.07	-0.23	-0.11	0.12	0.04
Gasoline	-0.01	0.00	0.02	-0.02	0.00	-0.02	-0.02	0.00	-0.02	-0.02	-0.05
Heavy Fuel Oil	-0.16	-0.11	-0.11	-0.18	-0.18	-0.12	-0.14	-0.09	-0.11	-0.02	-0.02
LPG	0.55	0.56	0.61	0.51	0.51	0.56	0.55	0.59	0.55	-0.04	0.03
Naphtha	0.65	0.66	0.66	0.70	0.66	0.58	0.60	0.62	0.53	-0.08	-0.17
Jet & Kerosene	-0.01	-0.03	-0.12	0.01	0.09	-0.13	-0.12	-0.11	-0.17	-0.06	-0.04
Other	0.19	0.16	0.15	0.13	0.15	0.18	0.16	0.16	0.22	0.06	0.02
Total	7.91	7.75	7.43	7.88	8.50	7.23	7.68	7.15	6.86	-0.30	-0.50

Source: IEA MOS imports and exports data for extra-regional trade

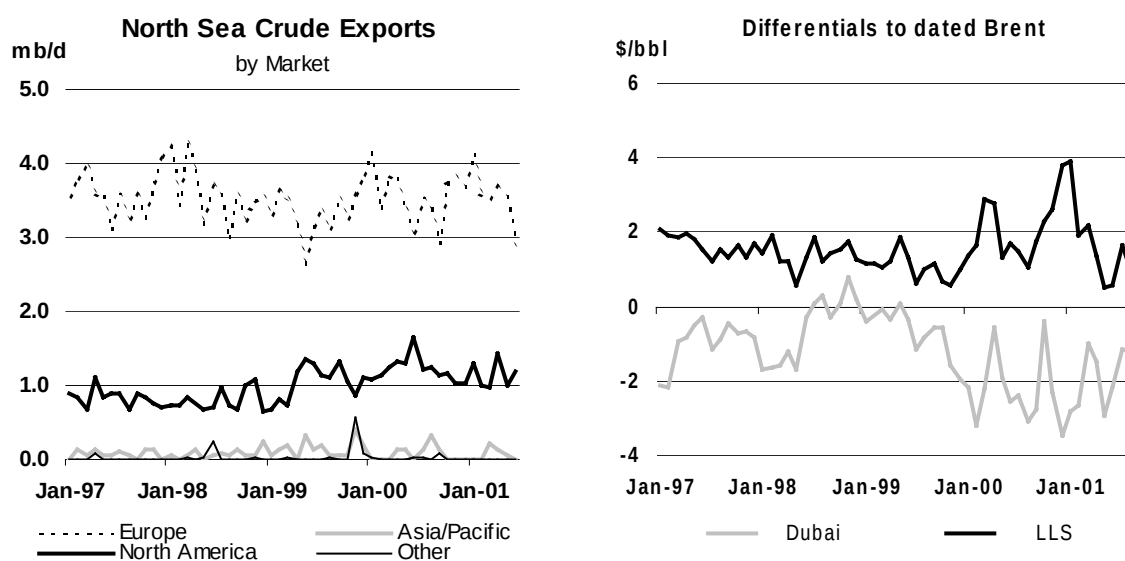
West African & North Sea Crude Trades

OECD imports of crude oil from **West Africa** dropped from 2.4 mb/d in April to 1.9 mb/d in June, yet only a quarter of the drop can be explained by Nigerian production cuts. The OECD's share of the region's output has slipped from a normal 70% in April to an unusually low figure of about 55% in June. Non-OECD Asia seems to be bidding West African crude away from the Atlantic Basin again, as Chinese and Indian trade statistics and the arbitrage tend to confirm.

m b/d OECD Imports of West African Crude**Financial Indicators**

West African crude is priced on a Brent-related basis, and Brent's premium to Asian marker crude Dubai was relatively narrow in March and April, suggesting Asian demand pull on spot crude. North Sea field maintenance inflated Brent prices in May, making Brent-related spot purchases expensive, but the differentials eased 70 cents in June and another \$1 in July, improving the economics of such purchases by Asian refiners. In China, imports of West African crude doubled in June from the level prevailing for February through May, with the incremental 130 kb/d probably loaded in April. Indian Oil Corporation (IOC) also hiked its imports of West African crude 160 kb/d between June and July; these would have been May loadings.

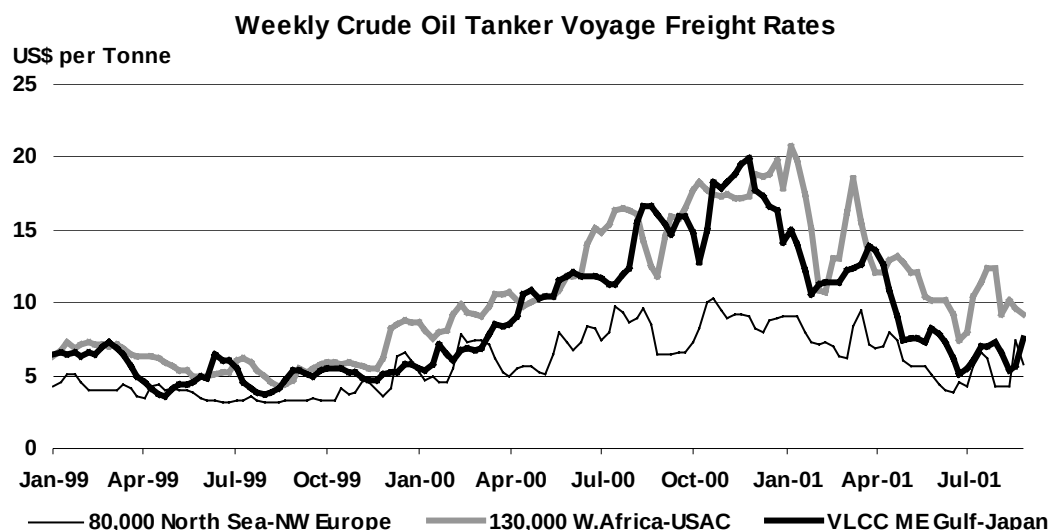
The higher Asian pull reflects two separate phenomena: a pick-up in the total quantity of crude purchased (suggesting rising local demand for petroleum products in general), and an increased preference for light, sweet crude oils such as that from West Africa (suggesting demand gains for low-sulphur diesel). Less complex refineries without expensive desulphurisation equipment can make low-sulphur products by processing sweeter (lower-sulphur) crude oil. Only the Chinese statistics support the case for demand strength, with apparent demand in the second quarter 13% higher than a year earlier and 11% higher than in the first quarter. In India, the figures show local demand moving sideways instead.



North Sea exports of crude oil dropped from 5.2 mb/d in April to 4.6 mb/d in May and just 4 mb/d in June. Maintenance at North Sea fields, reducing production, and higher local use of North Sea crude, reducing its availability for export, were each responsible for half of the 1.2 mb/d lost between April and June. Production fell from 6.4 mb/d in April to 6 mb/d in May and 5.8 mb/d in June, and about 80% of the crude stayed in Europe: 4.8 mb/d in April, 5 mb/d in May and 4.6 mb/d in June. North American gasoline propelled WTI to a \$2.75 premium over Brent in March and to an average \$1.75 in April, attracting exports of 1.4 mb/d of North Sea crude to North America in April. By May, North Sea supply was down and Europe's demand for it up; Brent prices climbed to within 10 cents of WTI, and North Sea exports to North America fell to 1 mb/d. In June, with Brent costing a quarter more than WTI, European refiners trimmed their North Sea requirements, and exports to North America rose by 0.2 mb/d.

Freight

Spot freight rates for crude tankers surged in July, buoyed by the 10 July resumption of Iraqi exports under the Oil-for-Food programme and by the anticipated return of Far East refineries from maintenance. The effect was most dramatic on rates for the largest ships, used to carry long-haul barrels from the Persian Gulf. By the end of July, chartering a VLCC from the Middle East to Japan cost 44% more than a month earlier. But once Iraqi exports were factored into the market and the tankers to carry it chartered, rates softened before temporarily rallying at end-August as the last ships before OPEC 10's 1 September cutback of 1 mb/d were chartered and loaded.



For the month as a whole, chartering crude tankers in August cost about 5% less than in July and 30-60% less than a year earlier. VLCC rates are unlikely to increase appreciably until crude stocks draw and OPEC increases its production later this fall or winter. Freight rates for clean product tankers moved sideways to slightly down, with rates on routes to Asia still softening.

Non-OECD Trade

Preliminary statistics suggest that **FSU net exports** of crude and products averaged 4.9 mb/d in August, 10% more than a year earlier, with the final figures likely to be 100-300 kb/d higher. FSU exports temporarily seem to have levelled out, caught between infrastructure bottlenecks and slowly-rising domestic demand. But part of the momentum will be regained now that the Caspian Pipeline Consortium's new pipeline, breakout tanks and tankfarm have been filled, an effort which took an estimated 9 million barrels of CPC crude out of the market between March and August. The first CPC "test cargo" has yet to be loaded.

FSU Net Exports of Crude & Petroleum Products
(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Latest month vs.	
										Jul 01	Aug 00
Black Sea Exports	1.56	1.80	1.95	1.78	1.82	2.11	2.09	2.17	2.14	-0.04	0.25
Baltic Exports	1.09	1.37	1.42	1.19	1.41	1.59	1.68	1.59	1.42	-0.17	0.05
Total Seaborne	2.66	3.18	3.37	2.96	3.23	3.71	3.77	3.76	3.55	-0.21	0.30
Druzhba Pipeline	1.02	1.03	1.01	1.07	1.10	1.10	1.18	1.11	1.11	0.00	0.13
Other	0.08	0.12	0.19	0.13	0.04	0.04	0.04	0.03	0.08	0.05	-0.13
Total Exports	3.75	4.32	4.56	4.17	4.37	4.84	4.99	4.90	4.74	-0.16	0.31
Imports	0.03	0.02	0.01	0.02	0.01	0.01	0.00	0.00	0.00	0.00	0.00
Total Net Exports	3.71	4.31	4.56	4.15	4.36	4.84	4.99	4.89	4.74	-0.16	0.31
Crude	2.71	3.06	3.10	3.12	3.16	3.42	3.46	3.51	3.45	-0.06	0.46
Products	1.01	1.24	1.46	1.03	1.20	1.42	1.53	1.39	1.29	-0.10	-0.15

Sources: Petro-Logistics, IEA estimates

China's largest refineries processed 4 mb/d of crude in June. Crude runs at this group averaged 3.85 mb/d in the first half of 2001, nearly 6% more than last year, with runs for the country as a whole an estimated 400 kb/d higher. The rivalry between Sinopec and PetroChina boosted runs, and refinery production reportedly outstripped consumption by an estimated 80-140 kb/d during the first half. Wholesale price wars and product stockbuilds resulted, encouraging product exports, of which OECD countries took 50 kb/d during the first half. In June, the US reported receiving about 30 kb/d of Chinese product, nearly all gasoline, while Japan and Korea reported 10 kb/d each.

The Chinese authorities are encouraging the two firms to reduce crude imports (and thereby cut refinery runs) in order to draw about 15 million barrels of product stocks. Crude traders report that

the Chinese turned back crude cargoes for June, July and August. Yet China's crude imports rebounded to 1.5 mb/d in June after falling to 1 mb/d in May. Such dramatic month-to-month swings are inadvertently encouraged by China's pricing system, which links domestic price guidelines in a given month to world market prices in the previous month. While the authorities are not ready to consider decontrolling prices entirely, they do appear to be considering ways of making future domestic prices less easily predictable.

China Crude & Product Trade

(thousand barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Apr 01	May 01	Jun 01	Latest month vs. May 01 Jun 00	
Net Imports/(Exports) of:											
Crude Oil	581	1179	1348	1275	852	1352	1625	959	1486	528	624
Products & Feedstocks	436	287	356	299	282	339	387	262	369	107	22
Gasoil/Diesel	-6	-6	-2	-5	2	1	-2	3	1	-2	8
Gasoline	-96	-105	-84	-113	-128	-128	-136	-147	-101	46	35
Heavy Fuel Oil	244	192	208	137	304	319	409	247	303	56	45
LPG	174	152	159	152	131	142	126	143	157	14	-9
Naphtha	7	-14	-12	-20	-19	-12	-8	-15	-13	2	0
Jet & Kerosene	19	9	16	17	3	3	2	2	5	3	-9
Other	95	59	72	131	-12	14	-5	29	17	-12	-49
Total	1017	1466	1704	1573	1134	1691	2012	1221	1855	634	646

Source: China Oil, Gas and Petrochemicals plus IEA estimates

China limits petroleum product imports in order to protect its domestic refiners, but is more willing to grant quotas to import heavy fuel oil now that upgrading investment has reduced domestic fuel oil production. Fuel oil imports averaged 320 kb/d during the first half of this year, half of estimated demand, with 210 kb/d supplied by Korea, 20 kb/d by China, and 10 kb/d by Australia. The country is also significantly short of LPG, with supply from OECD Pacific countries averaging 20 kb/d.

Indian refineries processed 2.24 mb/d of crude oil in June, when privately-held Reliance set a new record high of 630 kb/d: 115% of its "nameplate" capacity. Runs slipped in July to 2.1 mb/d, with Reliance accounting for 0.6 mb/d of that. All other Indian refineries are achieving utilisation rates of only about 90%, and even those rates will be under pressure with Indian product demand weak and Reliance still expanding. When it is run at a high utilisation rate, a large new refinery such as Reliance has a much lower cash variable cost per unit produced than the typical Indian refinery does.

The table on the next page summarises Indian Oil Corporation's (IOC) crude and product imports and exports, and adds estimates of products imported by third parties based on available history. India's total crude imports currently are about 600 kb/d higher and its product exports, perhaps 100 kb/d higher.

Official statistics show that IOC exported less than 10 kb/d of petroleum products during the first half months of 2001, for which Korea and Japan reported 40 kb/d of product imported from India, other OECD countries 25 kb/d, and Singapore, about 20 kb/d. Reliance's much-heralded exports of gasoline to the US finally turned up in the trade statistics, though at half the volumes traders were claiming, with the East Coast reporting receipts of 10 kb/d in May and 30 kb/d in June.

IOC's crude imports in June and July basically kept pace with runs at the refineries for which IOC buys crude. The 150 kb/d uptick between June and July represented a gain for West African producers, whose share rose from a normal 255 kb/d in June to 410 kb/d in July, with the increase in Nigerian crude. These incremental barrels, although landed in India in July, would have been loaded in Nigeria in May. This reduced the volume of West African crude available to be loaded for North America in May and delivered a month later; North America's imports of West African crude fell from 1.46 mb/d in May to 1.35 mb/d in June.

Middle East producers continued to dominate IOC's crude purchases, supplying 670 kb/d in June and 620 kb/d in July. IOC imported 140-210 kb/d of crude oil from Kuwait, 130-160 kb/d from the UAE, 130 kb/d from Iran and 140 kb/d from Saudi Arabia. This was equivalent to 7% of production for Kuwait and the UAE, to 4% for Iran and to only 2% for Saudi Arabia.

India Crude & Product Trade

(thousand barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Latest month vs.	
										Jun 01	Jul 00
Net Imports/(Exports) of:											
Crude Oil	917	888	892	925	805	995	1049	1003	1154	151	150
Products & Feedstocks	408	212	138	139	174	114	92	101	94	-7	-42
Gasoil/Diesel	137	34	-1	0	0	-2	-2	-2	-2	0	0
Gasoline	0	0	0	0	0	0	0	0	0	0	0
Heavy Fuel Oil	7	15	11	7	6	8	3	12	8	-4	-1
LPG	57	22	13	19	41	11	6	0	11	11	-5
Naphtha	65	66	56	67	75	69	57	82	68	-15	28
Jet & Kerosene	138	73	60	45	52	28	28	9	9	0	-64
Other	3	2	0	1	0	0	0	0	0	0	0
Total	1325	1101	1030	1064	979	1110	1141	1104	1248	144	108

Sources: Indian Ministry of Commerce, Indian Port Authorities and IEA estimates.

Excludes private imports of crude and private exports of products, for which figures are unavailable

The Middle East provided **Singapore** with one million barrels per day of net “oil” in July, with two-thirds crude oil and nearly all the rest, residual fuel oil. Middle East producers met 85% of Singapore’s crude oil requirements, with Saudi Arabia capturing 40% of the market and Oman, Qatar, and the UAE each about 10%. Saudi Arabia was also the largest single supplier of residual fuel oil, where it again achieved a 40% market share. For the balance, Singapore’s net exports to other Asia/Pacific countries of 350 kb/d were offset by net imports of 160 kb/d from Europe, 90 kb/d from the Americas and 55 kb/d from the FSU.

Singapore Crude & Product Trade

(thousand barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Latest month vs.	
										Jun 01	Jul 00
Net Imports/(Exports) of:											
Crude Oil	885	840	729	981	996	846	781	847	736	-111	240
Products & Feedstocks	-185	-90	-29	-188	-145	-51	-107	12	228	215	406
Gasoil/Diesel	-202	-157	-149	-184	-152	-132	-133	-117	-139	-22	19
Gasoline	-83	-82	-87	-61	-78	-84	-92	-48	-25	23	124
Heavy Fuel Oil	306	341	373	293	323	323	277	320	507	188	192
LPG	-24	-22	-24	-23	-25	-21	-21	-20	-15	6	9
Naphtha	-28	-33	-19	-47	-46	-24	-15	-11	-31	-19	-15
Jet & Kerosene	-106	-93	-78	-121	-121	-66	-77	-55	-24	32	78
Other	-47	-45	-46	-46	-45	-48	-48	-55	-46	8	0
Total	700	750	700	792	851	795	674	859	963	105	647

Source: Singapore Monthly Oil Statistics, IEA estimates

If stock changes and refinery losses are assumed to be zero, then Singapore’s total retained net imports of crude oil, feedstocks and petroleum products should be equal to Singapore’s oil demand. Indeed, the net import figure of 750 kb/d shown for 2000 matches the IEA’s estimate of Singapore demand. Some market observers consider this figure implausibly high given Singapore’s size, and suggest that product exports from Singapore to neighbouring coastal markets tend to be undercounted in official statistics. This may be particularly true recently, for Singapore’s net retained oil imports were 9.5% higher in the first half of 2001 than for the same period last year, though part may represent stockbuilds. But informal trade misrepresents only the country in which demand is reported, without distorting the global balance; demand overestimated in the exporting country (if exports are undercounted) because will tend to be offset by demand underestimated for the informal trade’s recipients.

OECD STOCKS

OECD Industry Stock Changes in July 2001

Preliminary estimates for July indicate that OECD total oil industry stocks have reversed traditional seasonal trends. After building steadily from February to June, total oil stocks declined significantly in July by some 25.5 million barrels to end the month at 2577.2 million barrels. Regionally, only North American stocks of total oil have shown growth and have remained above year-ago levels as both Europe and the Pacific declined, falling below July 2000 levels.

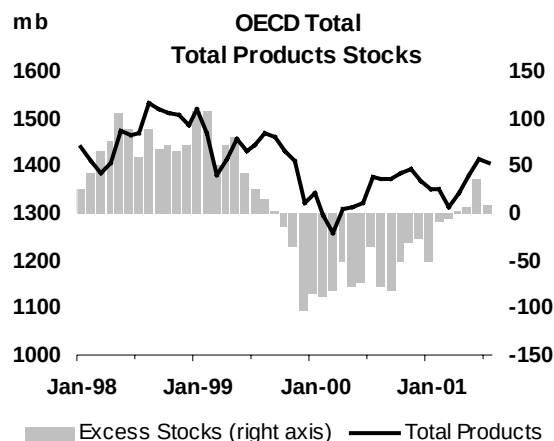
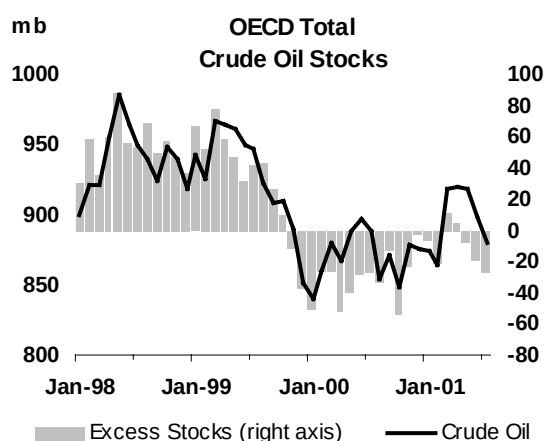
The drop in industry stocks of total oil by 0.82 mb/d stemmed essentially from strong draws of crude stocks whilst the draw of product stocks was more moderate. The drop in global arrivals following the decline in long haul liftings due to OPEC production cuts and the interruption of Iraqi exports in June began to affect the Atlantic Basin in July. European arrivals were down with the fall of Middle East liftings during the second quarter in spite of increased imports from the former Soviet Union. This, in conjunction with higher refinery runs, contributed to the 0.31 mb/d decline in European crude oil stocks in July. Crude stocks in the Pacific registered the strongest draws with a decline of 0.51 mb/d. Regional weakness in Pacific oil demand has prompted export oriented Asian refineries to cut back on purchases and run down stocks. Asian runs were seasonally weaker in an effort to prop up low refining margins. Following a sharp draw in June, North American crude stocks rebounded by 0.22 mb/d during July as US refiners curbed runs.

Preliminary Industry Stock Change in July and the Second Quarter 2001
(million barrels per day)

	July (preliminary)				Second Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.22	-0.31	-0.51	-0.60	-0.12	-0.11	0.01	-0.22
Gasoline	-0.45	-0.25	-0.03	-0.72	0.25	-0.01	0.00	0.24
Distillates	0.22	-0.33	0.17	0.07	0.16	0.16	0.08	0.39
Residual Fuel Oil	-0.06	-0.05	-0.02	-0.14	0.04	0.00	-0.01	0.03
Other Products	0.47	0.00	0.07	0.53	0.36	0.04	0.05	0.45
Total Products	0.18	-0.63	0.19	-0.26	0.81	0.18	0.12	1.11
Other Oils ¹	0.00	0.00	0.03	0.04	0.06	-0.01	-0.01	0.04
Total Oil	0.41	-0.94	-0.29	-0.82	0.76	0.06	0.11	0.93

other oils includes NGLs, feedstocks and other hydrocarbons

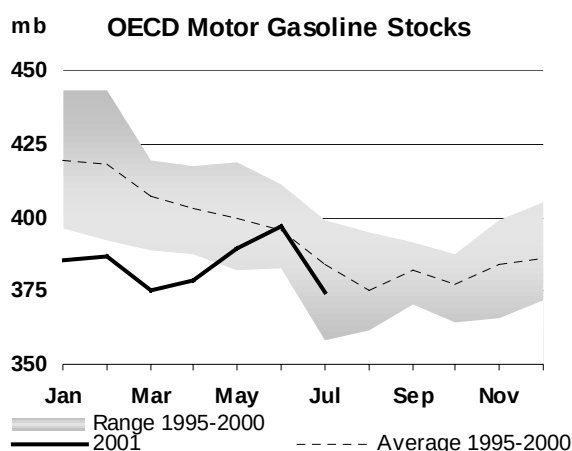
As July arrivals of crude into the Atlantic Basin declined from June levels, the picture of crude inventories remains divided between Europe and North America. European stocks of crude oil, at 306.9 million barrels, have fallen since March, excluding the month of June, and are now below year-ago levels. July figures for North American crude stocks were up by 6.8 million barrels and did not reflect the shortfall in Iraqi exports due to the typical six-week sailing lag. However, crude inventories in the Atlantic Basin should loosen in the coming month as westbound oil at sea from the Mideast Gulf has rebounded to 150 million barrels in July, up by 23 million barrels from the previous month.



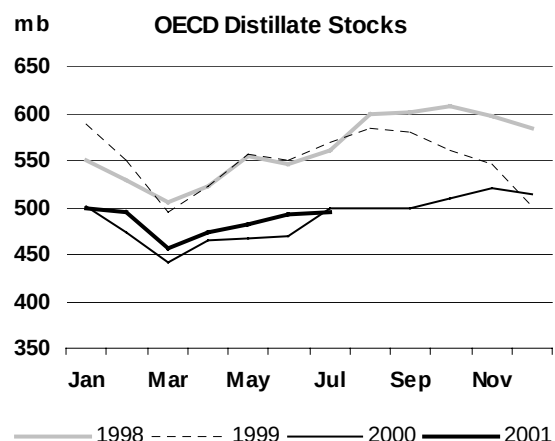
Crude stocks in the Pacific will probably continue to tighten. Crude arrivals in Asia peaked in February at 13.93 mb/d before declining to 12 mb/d by July. Regional refiners replenished crude stocks early in the year ahead of OPEC cuts in production. With lower than expected oil demand, the region will move into turnarounds in the third quarter in order to draw down surplus crude stocks. "Excess stocks" shown in the charts above represents the difference between the current level of stocks and the previous five year moving average. OECD crude stocks are now in a similar situation to that of last year in July, posting a deficit of roughly 27 million barrels to the previous five-year average. If the third quarter picture remains sustainable, looking ahead to the fourth quarter, crude stocks are likely to tighten further under the influence of a seasonal uptick in demand, anticipated economic recovery, and additional OPEC production restraints effective September first.

OECD total product stocks dipped unusually for this time of the year, by some 8.1 million barrels, instead of building into the third quarter. The draw in product stocks was centred in Europe, which experienced a sharp decline of 0.63 mb/d or 19.5 million barrels over the previous month. North America, supported by gasoline and distillate imports, and the Pacific, where regional demand was depressed, both added 5.7 million barrels to their respective inventories.

July gasoline stocks in the OECD were down by 0.72 mb/d or 22.3 million barrels over the previous month. While Pacific stocks remained virtually flat, there were sharp draws on both sides of the Atlantic after reaching peak levels in June. North American stocks declined by 0.45 mb/d followed by Europe, with 0.25 mb/d. European gasoline stocks declined in spite of higher throughputs. A surge in US demand opened arbitrage opportunities for European refiners, leaving European gasoline stocks at their lowest level since the beginning of the year. Due to weaker margins, refiners in the US opted for turnarounds ahead of the autumn season as throughputs fell to 15.4 mb/d by the end of July, down from an average 15.7 over the months of May and June. Despite the decline in July, gasoline stocks remain at comfortable levels. As the US summer driving season winds down, OECD gasoline stocks remain well within their 1995-2000 range. By the end of August, unleaded gasoline futures on the NYMEX moved into steeper backwardation, removing the incentive to hedge forward and build stocks.



Ahead of autumn, the OECD distillate stock change remained virtually flat over the previous month, posting a meagre gain of 0.07 mb/d or 2.1 million barrels. Distillate stocks, at 495.2 million barrels, are now tracking year-ago levels, posting a modest deficit of 3.2 million barrels. Albeit low by historical standards, the level of distillates this year is less worrying than in the previous year as demand is relatively weak. Additionally, distillates have begun to move into tertiary storage in Europe. Last year, record-low stock levels and severe backwardation in the futures markets prompted a surge in consumer stockpiling. However, the NYMEX prompt month heating oil contract at the end of August posted a discount of 21.8 cents for a gallon compared to year-ago prices. Moreover, the NYMEX futures strip has been in contango since June, encouraging stock builds. The gasoil contract on the IPE echoed this reassuring mood, albeit the futures contango at the end of July and August was shallower than in New York. Regionally, only Europe went against the anticipated seasonal build as distillate stocks declined by 0.33 mb/d. Distillate stocks in North America rose by 0.22 mb/d or 6.9 million barrels. The gain was less than expected as US production limited builds in inventories. Lower US natural gas prices, if sustained, should curtail some of the demand switching into fuel oil seen in the recent months and moderate distillate deliveries. In the Pacific, distillates stocks also posted a gain of 0.17 mb/d amid weak oil demand, namely for gasoil in the Asia-Pacific as shown by gasoil prices in Singapore, falling below 30 \$/bbl during July and August.



Revisions and Preliminary OECD Stocks at the End of July

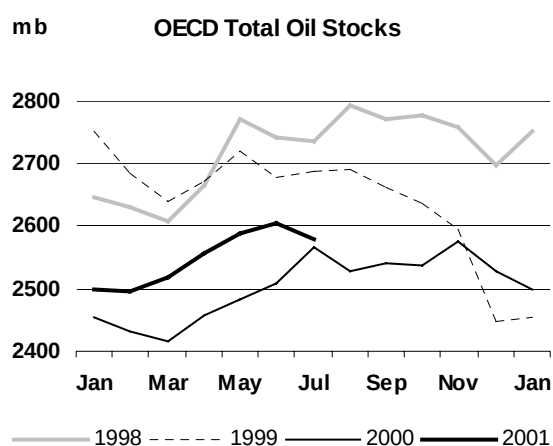
Last month's June preliminary estimates of total oil stocks for the OECD have been revised upwards by 10.3 million barrels. The direction of revision for crude and products was opposite as crude stocks for the OECD were incremented by 2.4 million barrels whereas products were trimmed by 2.8 million barrels. The most significant revision came from "other oils", as the official June number adds an additional 10.6 million barrels to OECD inventories with North America being incremented by 8.3 million barrels. On the product side, the downward revision to OECD gasoline stocks (8.7 million barrels), essentially out of North America, left total products stocks at 1414.4 million barrels in June. The downward revision in gasoline stocks was somewhat offset by increments in residual fuel oil (4.8 million barrels) that were evenly distributed across North America and Europe. On the crude side, revisions made to Atlantic Basin stocks cancelled each other out as North America witnessed a downward adjustment by 9.3 million barrels whereas 9.9 million barrels bolstered Europe's crude stock levels. Revised figures in June for OECD crude stocks now stand at 898.9 million barrels.

Revisions versus 10 August 2001 Oil Market Report

	(million barrels)							
	North America		Europe		Pacific		OECD	
	May 01	Jun 01	May 01	Jun 01	May 01	Jun 01	May 01	Jun 01
Crude Oil	3.0	-9.3	-1.1	9.9	0.0	1.8	1.9	2.4
Gasoline	-2.3	-8.3	0.0	0.0	0.0	-0.4	-2.3	-8.7
Distillates	0.7	0.3	-0.4	-1.7	0.0	0.8	0.4	-0.6
Residual Fuel Oil	0.7	2.2	-0.4	3.3	0.0	-0.6	0.4	4.8
Other Products	-0.1	-4.3	-0.8	1.4	0.0	4.6	-0.9	1.7
Total Products	-0.9	-10.1	-1.6	3.0	0.0	4.3	-2.5	-2.8
Other Oils ¹	2.3	8.3	-0.2	1.9	0.0	0.4	2.1	10.6
Total Oil	4.4	-11.1	-2.9	14.8	0.0	6.6	1.5	10.3

¹ other oils includes NGLs, feedstocks and other hydrocarbons

OECD industry stocks of total oil ended the month of July at 2577.2 million barrels, up on the previous year by 10.5 million barrels but still significantly below 1998 and 1999 levels. Regionally, North America closed the month at 1233.4 million barrels, Europe at 894.9 million barrels and the Pacific at 448.9 million barrels. Industry crude stocks for the OECD, at 880.4 million barrels, posted an 8.7 million barrels deficit to the previous year. Product stocks, at 1406.3 million barrels, remained above the year-ago level by 30.4 million barrels. On a regional basis, only North America managed to maintain a positive margin for both crude and products above the previous year. In the Pacific, crude stocks, at 167 million barrels, ended the month at the lower end of their five-year range. Pacific products remained at comparable levels with last year, up by 1.4 million barrels on the year at 199.5 million barrels. European stocks in both products and crude were below the year-ago levels. Crude oil stocks ended at 306.9 million barrels whereas products declined to 524.8 million barrels. The July European product decline wiped out the second quarter's build.



Year-on-Year Industry Stock Comparisons for July 2001

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	24.2	-8.7	-24.2	-8.7	Total Oil	2.4	-0.1	-2.3	0.7
Total Products	34.5	-5.4	1.4	30.4	Versus 1999	-2.7	-4.9	-0.7	-3.0
Other Oils ¹	-6.9	-4.3	0.0	-11.2	Versus 1998	-5.5	-4.2	-4.3	-5.0
Total Oil	51.8	-18.4	-22.8	10.5	Total Products	1.5	0.3	0.4	0.9
Versus 1999	-47.0	-57.0	-6.4	-110.4	Versus 1999	-0.7	-3.3	1.5	-1.1
Versus 1998	-77.4	-62.2	-16.8	-156.4	Versus 1998	-2.7	-2.9	0.7	-2.3

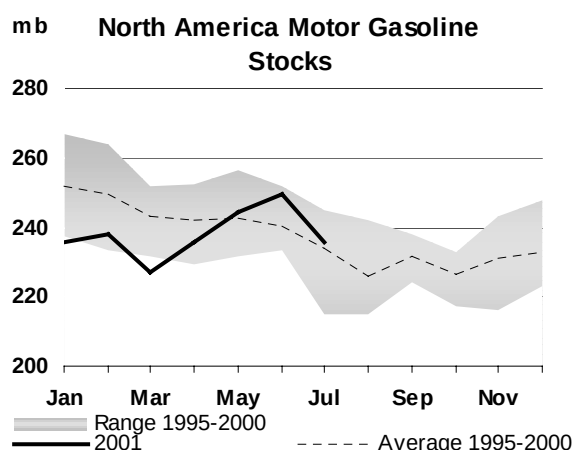
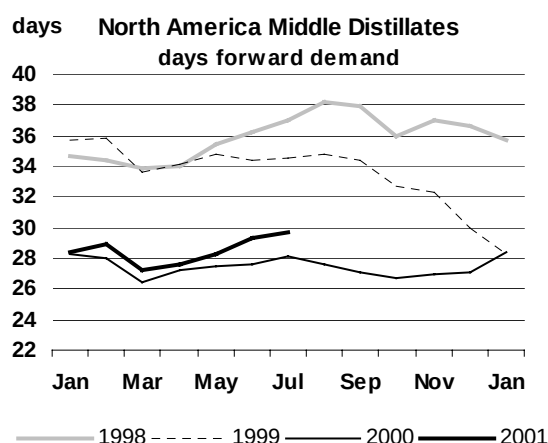
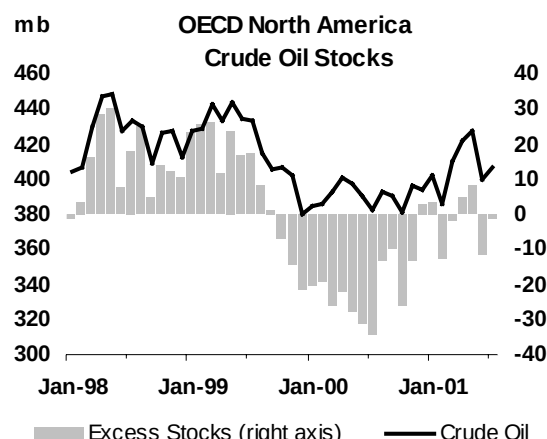
¹ other oils includes NGLs, feedstocks and other hydrocarbons

Regional Stock Developments

North America

Crude oil stocks in North America rebounded by 6.8 million barrels in July to reach 406.6 million barrels following the previous month's draw of 27.6 million barrels. The boost in inventories came from an increase in **Mexican** crude stocks. **US** crude inventories remained virtually flat from June to July, dipping only by 0.9 million barrels to level off at 316.4 million barrels. This leaves July crude stocks near the middle of their five-year range, with excess inventories showing a slight deficit of 1.3 million barrels to the five year moving average.

In the **US**, the interruption in early June of Iraqi exports of crude oil took a little over the typical six-week transit time to have an effect on crude oil inventories. Weekly figures from the DOE showed downward momentum in crude inventories materialising in the first week of August as inventories dropped by 6.5 million barrels before reaching a low of 301.8 million barrels by mid-month. The fall in inventories followed consecutive declines in crude oil imports starting mid-July through to the week ending August 17. Tightness in the Midwest, with crude stocks below 60 million barrels, continues to stand out as stocks fell from July through August due in part to lower Canadian shipments through the Enbridge pipeline from Alberta. Upon resumption of Iraqi exports on July 10, the **US** was reportedly the destination of 90 per cent of Iraqi crude and 80 per cent of exports in August. Imports of crude rebounded in the week ending August 24 as crude stocks increased to 304.5 million barrels. Direction of crude stocks by the end of August remained unclear as API and DOE posted conflicting figures. The figures from the former held crude stocks flat at 304.9 million barrels while the latter resumed their downward trend, falling to 302.5 million barrels. Both sources reported however a drop in crude imports in the last week of August, with DOE numbers posting a decline of 1.1 mb/d over the previous week, leaving imports at 8.26 mb/d. As refiners opt for early maintenance, with significant refining capacity scheduled to



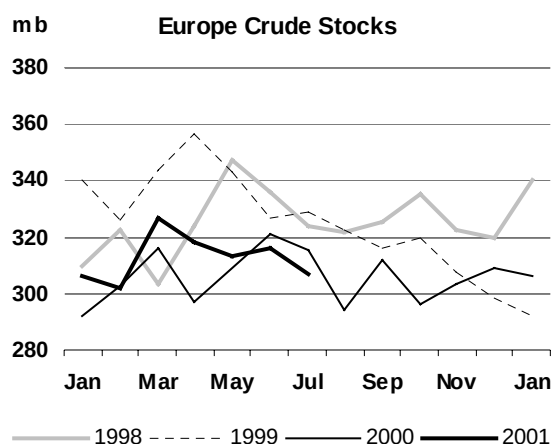
come off-line in September, third quarter crude stocks should remain comfortable. The DOE August average utilisation rate was down to 93.8 per cent from 95.2 in July. Although some of the turnarounds may be deferred with rising margins, the expected fall in operable capacity should slacken demand for crude. Nevertheless, it is uncertain as to how long crude stocks will remain at the current comfortable level, as refiners will need crude just as OPEC's latest cuts produce their effects. Looking ahead over the next 16 months, crude from last September's SPR swap should be returned. Some 3.44 million barrels are scheduled to return in September and 5.82 million barrels are to be replaced by the end of the year.

As the summer driving season winds down, gasoline inventories in North America contracted in July to year-ago levels as US motorists took back to the roads with lower average retail prices. In the US, demand averaged around 9 mb/d in July and August. Both motor gasoline and RFG stocks fell steadily from July through August with increased demand and lower production. Further decline in motor gasoline is expected as refiners unload low RVP gasoline ahead of winter requirements. Motor

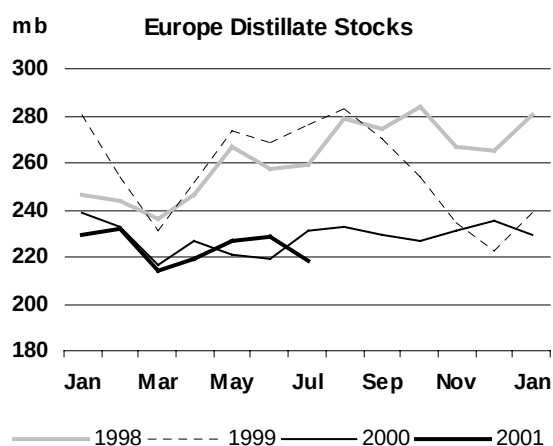
gasoline stocks in primary storage at the end of August were 194.7 million barrels or about 2 million barrels below last year's levels. Distillate stocks in North America built in July to 198.9 million barrels, up 6.9 million barrels on the previous month. This build was mirrored by an increase in days of forward demand. In the US, the DOE reported distillate stocks, which include diesel and heating oil, climbing to 121.5 million barrels at the end of July, backed by strong production levels averaging 3.8 mb/d. However, the DOE reported distillates falling counter seasonally to 120.4 million barrels at the end of August. Although unusual, the draw is taking place amid persistent strength in distillates deliveries that averaged 3.8 mb/d in August, suggesting early movement into secondary and tertiary storage. Moreover, DOE weekly figures place primary distillate stock levels for PADD I at 47.1 million barrels by the end of August. This leaves stocks in the Northeast at surplus of approximately 8 million barrels versus last year, allowing for a comfortable supply cushion ahead of winter.

Europe

OECD European crude stocks fell in July by 9.6 million barrels to reach 306.9 million barrels, some 8.7 million barrels short of last year's level. The decline in crude arrivals following the interruption of Iraqi exports in June and a surge in throughputs in response to rising import demand from the **US** for gasoline were responsible for this decline. The build of crude stocks in the **Netherlands** (3.7 mb) was offset by declines in **France** (4.1 mb), **Italy** (4.4) and **Germany** (1.9 mb). Despite apparent tightness in European crude stocks, levels remained just short of their five-year average level by 7.5 million barrels for July. Barring further increases in runs, the rise in westbound liftings from the Middle East should ease stocks in the near future – but for how long?

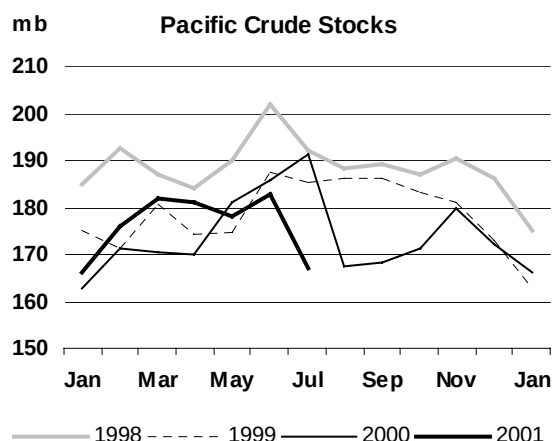


Total products fell in July by 19.5 million barrels reversing the 0.18 mb/d build of the second quarter. Gasoline exports and growth in heating oil deliveries outpaced the increase of throughputs during July. The fall in products was driven mainly by declines in gasoline (7.7 mb) and middle distillates (10.2 mb). Europe assumed its role as swing producer of gasoline to the **US** and drained its stocks down to 113.6 million barrels as New York Harbour gasoline premiums over Rotterdam pulled cargoes to the **US**. Middle distillates, ending at 218 million barrels, were pressured by local demand as German households began their pre-winter stockpiling two months earlier than usual, effectively borrowing demand over the next months. By the end of July, German tanks were reportedly over 60 per cent full, as price sensitive end-users took advantage of falling prices from mid-June through most of July.

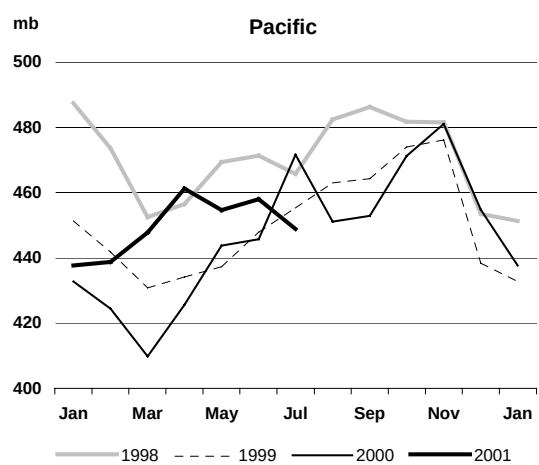
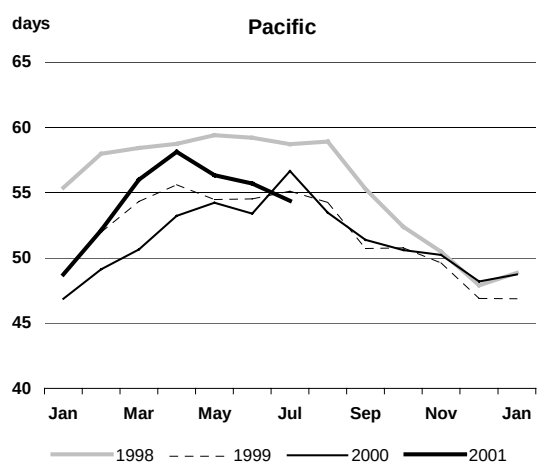
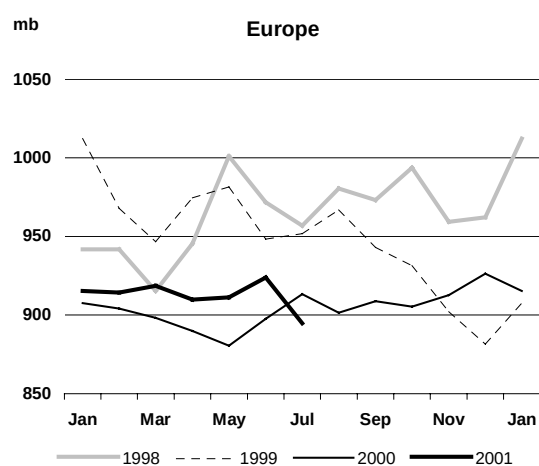
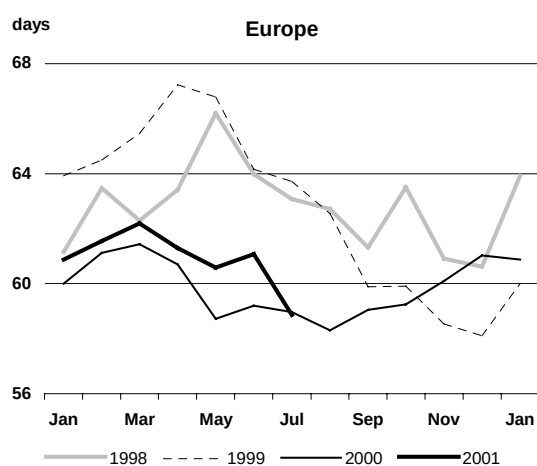
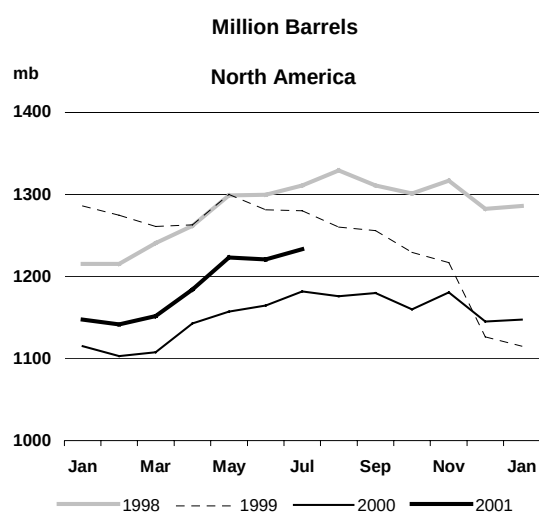
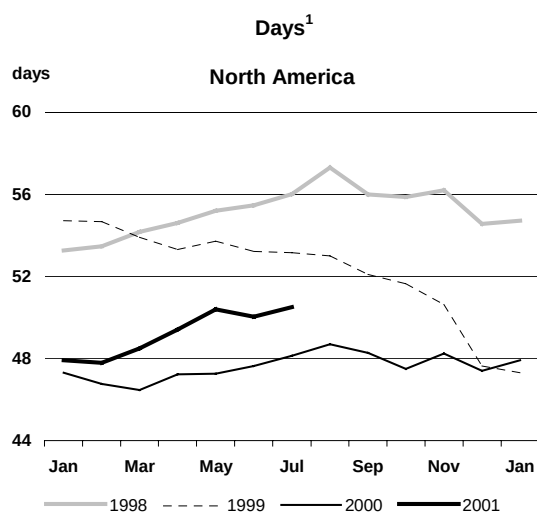


Pacific

As total products continued to climb seasonally to reach 199.5 million barrels by July, crude stocks plummeted by 15.7 million barrels, ending the month at 167 million barrels. Amid regional weakness in oil demand and poor margins, Asian refiners are poised to run down crude stocks purchased earlier in the year. Eastbound liftings in July are down from their peak in March. High inventories and poor margins constrained Korean refiners in August to cut throughput to two thirds of their 2.7 mb/d capacity and Japanese refiners to below 68 per cent of their 5.3 mb/d capacity. Elsewhere in the region, Singapore lowered utilisation to 64 per cent of its 1.3 mb/d capacity.



Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

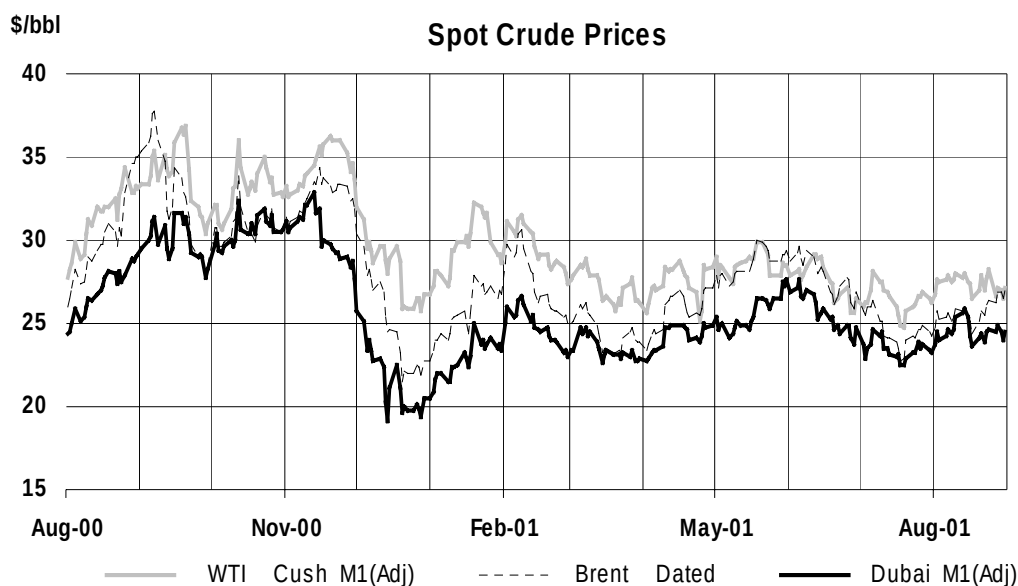


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- Average spot prices for the three main marker **crudes** increased by one dollar in August compared to July. Prices were mostly range-bound through August, however. The exception was **dated Brent**, which gained strongly in the second half of the month, reportedly due to heavy buying by one of the European super-majors.
- Tightening fundamentals for supply, demand, and, above all, inventories, exerted upward pressure on crude prices. But concern and uncertainty about world economic and oil demand growth have continued and intensified, causing an offsetting downward pressure on crude prices.
- **Product prices** generally strengthened in August, led by a late-season rally in US **gasoline**. The US gains were driven by falling gasoline stocks and unplanned refinery outages. The price rise in US gasoline rippled across to Europe and Asia. **High-sulphur fuel oil** was also strong, especially in New York Harbour and Singapore.
- The gasoline rally in the US drove US Gulf Coast **refining margins** back into positive territory, from just over breakeven in July to just under two dollars in August. The situation was bleak elsewhere. Margins became more negative in Northwest Europe and the Mediterranean, and were almost unchanged in Singapore, remaining poor.
- OECD **refinery throughput** in July averaged 38.2 mb/d, a gain of 220 kb/d from the previous month. However, the July versus June increment was much smaller than in each of the previous three years, when it exceeded 1 mb/d. July throughput was also 1.1 mb/d lower than a year earlier. The low runs reflected sluggish demand and the poor refining margins seen in July.
- The autumn **refinery maintenance** season, which had an early start in August, gets into full swing in September. The resulting lower level of Atlantic Basin crude demand is expected to be a major feature of the markets this month.



Note: As of the Report dated 11 May 2001, the IEA changed the source of its Platt's price data. As a result, historical price data may differ slightly from that shown in previous Reports.

Crude Oil Prices

Spot Crude Prices and Differentials

Crude prices were mostly range-bound during August. Although monthly averages increased compared to July, most prices moved sideways during the month more than upwards. On one hand, the supply and demand fundamentals tightened in July and August, putting upward pressure on prices. By the end of July, OECD inventories of crude and products were roughly the same as a year earlier. The substantial year-on-year surplus that built up in the first half of 2001 has largely dissipated. The weekly US DOE and API inventory statistics released in August were also mainly bullish. On the other hand, concern and uncertainty about world economic and oil demand growth have continued, and even intensified, providing downward pressure on prices to offset the tightening stocks situation.

Monthly average prices for both **spot WTI** and **Dubai** gained around \$1, but more importantly, as described above, prices trended sideways during August. In the US, although crude inventories fell during August, arrivals from Iraq began again, and helped to keep WTI broadly steady. Although the prospects of OPEC's September cuts might have been expected to prop up Dubai in August, this was offset by weak Asian demand for Middle East crude.

Dated Brent also rose by around \$1 for the month. Unlike WTI and Dubai, dated Brent gained strongly in the second half of August, as one of the European super-majors reportedly bought 14 consecutive physical Brent cargoes - essentially every cargo that was available. This pushed dated Brent up by more than \$2.50 in two weeks. In addition, dated Brent moved from a discount to front month IPE Brent, to a premium. The buying spree appears to have ended in early September. As a result, dated Brent prices have begun to ease again, and have gone back to a discount to front month IPE Brent.

Urals had the biggest monthly increase, of \$1.40. Urals prices were supported by the reluctance of some buyers to lift Iraqi Kirkuk, due to the disagreement at the UN over Iraqi prices. In addition, Urals began to show signs of its normal seasonal price strength. Urals has a high yield of residual fuel oil, which makes it a relatively more attractive refinery feedstock as the winter approaches.

Spot Crude Oil Prices and Differentials*

(monthly and weekly averages, \$/bbl)

	Jun	Jul	Aug	Aug-Jul		Week Beginning:				
				Change	%	30 Jul	06 Aug	13 Aug	20 Aug	27 Aug
Crudes										
Brent Dated	27.83	24.58	25.74	1.16	4.7	24.91	25.48	25.29	25.78	26.69
WTI Cushing 1 month (adjusted)	27.57	26.43	27.40	0.96	3.6	27.29	27.75	27.44	27.58	26.89
Urals (Mediterranean)	25.50	23.09	24.50	1.41	6.1	23.66	24.19	23.99	24.52	25.59
Dubai 1 month (adjusted)	25.65	23.43	24.53	1.10	4.7	24.11	24.63	25.63	na	na
Tapis	28.13	25.80	25.32	-0.48	-1.9	25.19	25.84	25.36	24.38	25.77
Differential to Dated Brent										
WTI Cushing 1month (adjusted)	-0.26	1.86	1.66	-0.20		2.38	2.26	2.15	1.80	0.20
Urals (Mediterranean)	-2.33	-1.48	-1.24	0.25		-1.25	-1.30	-1.31	-1.25	-1.10
Dubai	-2.18	-1.15	-1.21	-0.07		-0.80	-0.86	0.34	na	na
Tapis	0.30	1.22	-0.42	-1.65		0.28	0.35	0.07	-1.40	-0.93
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	-0.37	-0.67	-0.07	0.60		-0.17	-0.25	-0.10	-0.06	0.00
WTI Cushing 1mth-2mth (adjusted)	-0.56	0.18	0.70	0.52		0.76	0.67	0.83	1.14	0.00

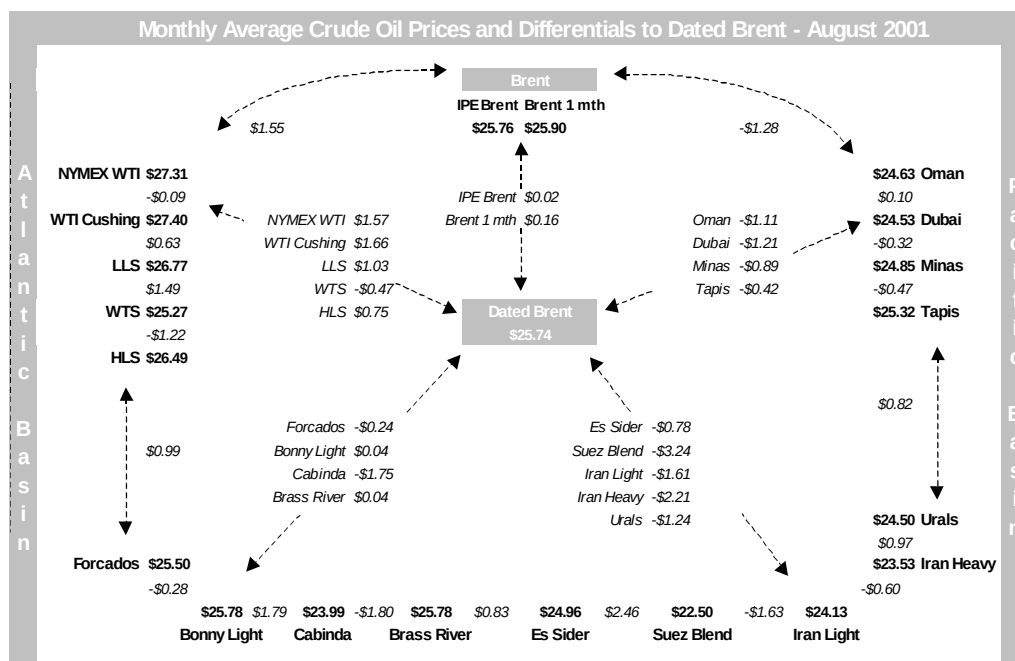
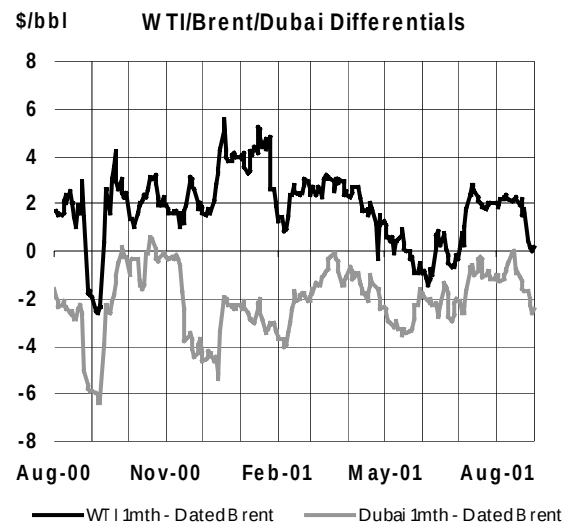
* Weekly data for Brent and WTI 1st month and 2nd month are unadjusted

The **Brent-WTI** differential held steady at around \$2 for the first half of the month. This spread was in the normal range, and favourable for trans-Atlantic exports to the US. However, it fell to zero by late August, due to the Brent price surge discussed above. The **Brent-Dubai** differential was a narrow \$1 early in the month, fell to zero for a couple of days due to a brief spike in Dubai, and then widened to over \$2, due once again to the Brent surge. The relatively narrow spread gave West African crude the opportunity to swing eastward into Asia. However, between underlying Asian demand weakness and maintenance and discretionary run cuts at regional refineries, it is uncertain how much incremental oil actually flowed east. The **WTI-WTS** spread remained at around \$2 in August. This relatively narrow differential, which compares to \$4 for much of the first half of 2001,

was a further indication - along with lower inventories - of tightening fundamentals. OPEC production cuts have caused medium and heavy sour crudes to strengthen against light sweet grades.

Looking ahead, there is, as usual, a range of views. Most supply and demand outlooks indicate that the markets should continue to physically tighten in the fourth quarter, putting more upward pressure on prices. The bulls are focused on the current and forecast oil market fundamentals. The bears are willing to overlook the fundamentals because they are more worried about weak world economic and oil demand growth, and believe that the worst may still lie ahead. The supply and demand balances in this Report (see Table 1) position the IEA in the bullish camp. However, the IEA acknowledges the concerns about the world economy, and considers there to be downside risk.

Despite the latest round of OPEC cuts, the autumn refinery turnaround season will reduce crude demand in September. In products, it is a "shoulder" month between the summer driving season, which is over, and the winter heating season, which has not yet begun. So September could turn out like August - prices going sideways or gaining modestly. But as the fourth quarter unfolds, if the economic situation stabilises or begins to improve (as the IEA assumes), crude and product prices will have a bias to the upside that will strengthen with time. Given the stocks situation discussed elsewhere, an event could jolt the markets, such as an early cold snap in one of the main consuming regions or another disruption to Iraqi exports. At the same time, it should be noted that two key price-supportive elements that were present last year are not expected to be factors this winter. First, OPEC spare capacity is much higher than it was a year ago. Second, US natural gas prices are not expected to surge, eliminating the incremental fuel-switching demand that reached 300-500 kb/d in the US last year.

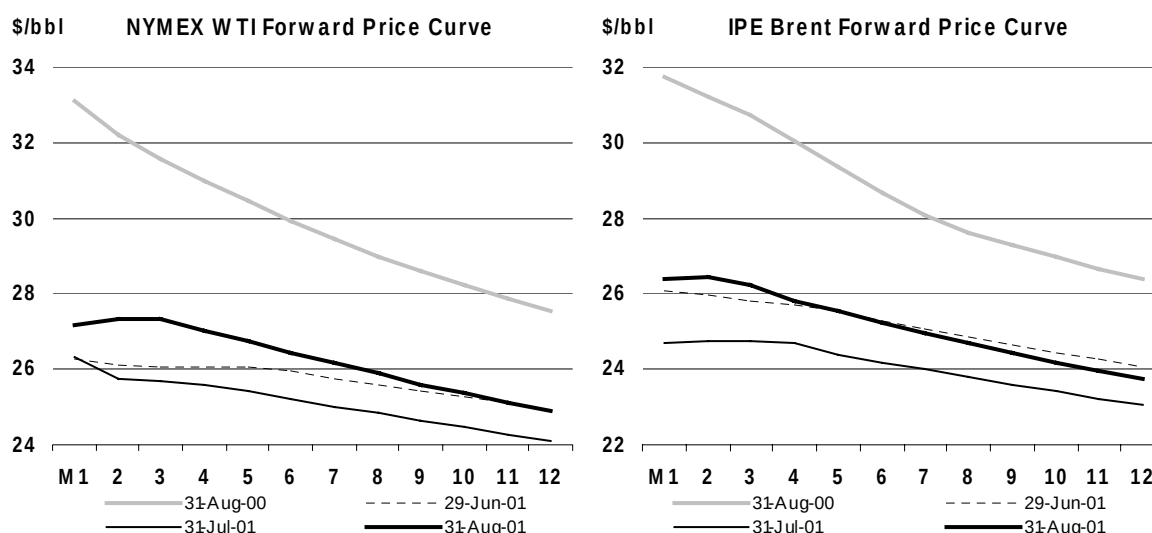


Crude Futures

Compared to a month earlier, the end-August **NYMEX WTI** futures curve shifted upwards, and changed shape, moving from shallow backwardation (downward slope) to shallow contango (upward slope). The front month moved in line with spot WTI, gaining 85 cents, while the second and third months rose by around \$1.60. The contango indicates that the prompt physical market is still adequately supplied. More importantly, the flatness indicates the uncertainty regarding the future

direction of prices. Will tightening fundamentals push prices higher? Or will weak economic and oil demand growth pull them lower?

This uncertainty is also reflected in the NYMEX WTI positions held by the "non-commercials". Late in July, the number of "short", or bearish, positions was extremely high - the highest since the price crash in 1998. However, the number of short positions was quickly cut in half, as a number of speculators bailed out and covered their short positions. This added momentum to the late July/early August crude price rally. It is important to note, though, that even though it has been cut in half, the number of short positions is still quite significant. If events jolt the markets into another price rally, "short covering" could again add momentum to the gains.

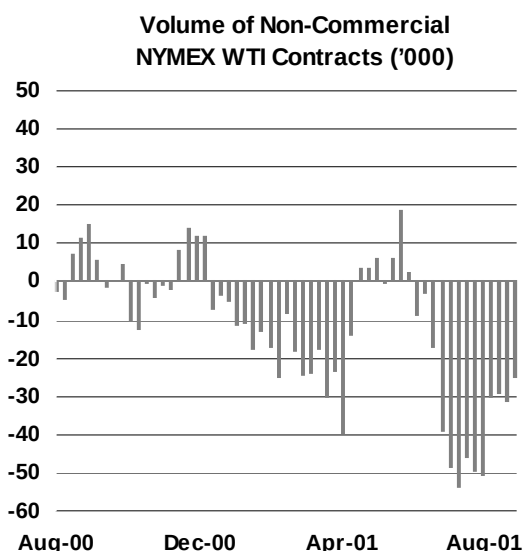


The **IPE Brent** futures curve also moved higher, and the shallow contango that existed at the end of July became even shallower by the end of August, a further indication of uncertainty. The end-August front month and second month rose by \$1.70, while the third month gained \$1.45. Although it did not keep pace, IPE Brent prices were pulled up by the dated Brent price surge in the second half of August.

Delivered Crude Prices

Crude import prices into IEA countries averaged \$25.99 in June, almost the same as the previous month's \$25.95 (see Table 8 at the back of the Report). However, the trends were different in the Atlantic Basin and in Asia. Import prices into **IEA North America** and **IEA Europe** fell by a modest 22 cents and 16 cents, respectively. These declines were less than the decreases in spot crude prices, but reflect the fact that most of the drop in spot prices in June only took place in the middle of the month. Early-June crude price support from the Iraqi suspension of exports proved to be short-lived. With gasoline prices collapsing and refiners cutting crude runs in the face of poor margins, the crude market had nothing left to prop it up by mid-June.

Moving in the opposite direction, **IEA Pacific** import prices gained \$1.14. Given the longer time needed for shipments from the Middle East to Asia, the June increase reflects crude market strength the previous month. In particular, May Dubai prices rose due to OPEC production cuts and a generally tighter market for Middle Eastern crudes.



Product Prices

Spot Product Prices

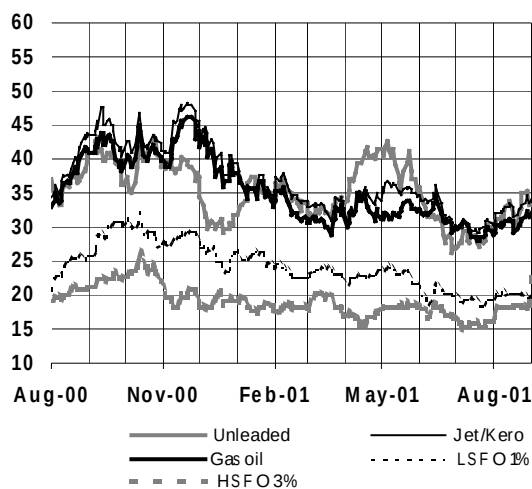
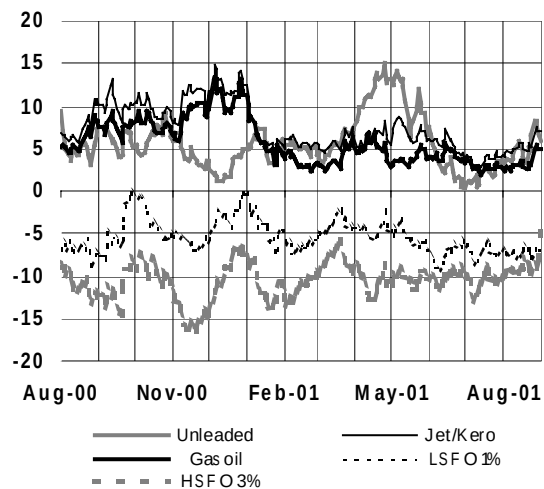
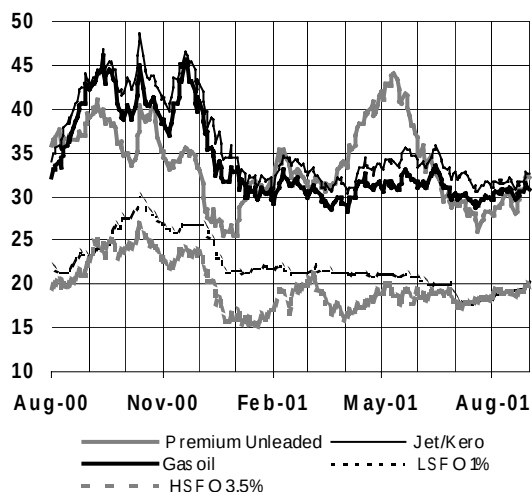
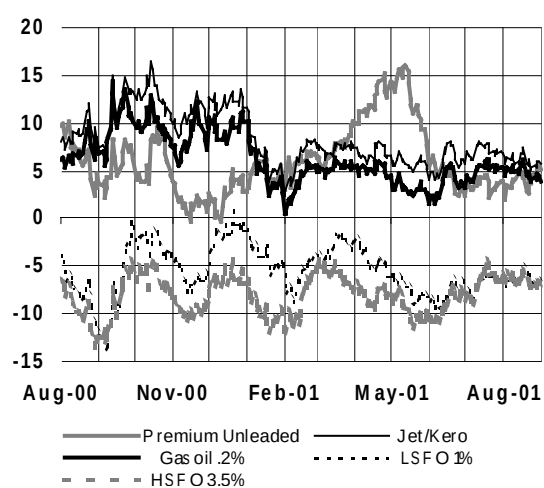
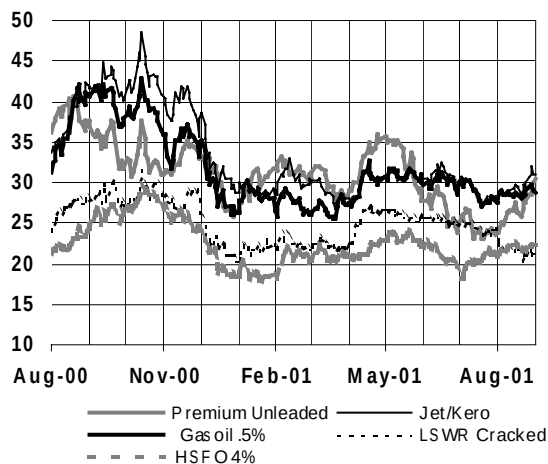
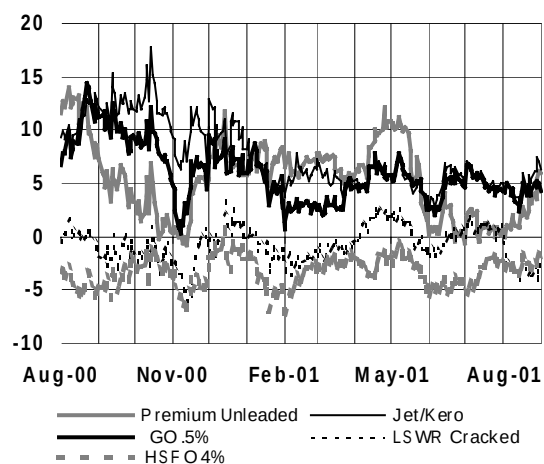
Product prices generally strengthened last month, led by the US. While all US products were higher in August, the most significant development was a late-season rally in gasoline prices, which had a ripple effect in Europe and Asia. The US gasoline price gains were driven by tightening gasoline balances, most notably falling stocks. Several unscheduled refinery outages around the country reduced gasoline production. Most notably, a mid-August fire at Citgo's 162 kb/d Lemont, Illinois refinery caused a shutdown that will last up to 6 months for some units. The outage pushed up prices in the key mid-continent region, and was an example of the "regional imbalances" that can result when inventories are lean. The markets functioned, however, with the high prices drawing in supplies from other regions of the US, including the Northeast and the Gulf Coast. In addition, the US EPA allowed the plant to start producing winter-grade gasoline ahead of the September 15th start date. Some other refiners in the mid-continent also deferred scheduled maintenance, though their actions may have had more to do with recovering refining margins in the US than anything else. Nevertheless, both the government and industry responses have helped to ease the situation, and prices have started to ease again.

Spot Product Prices

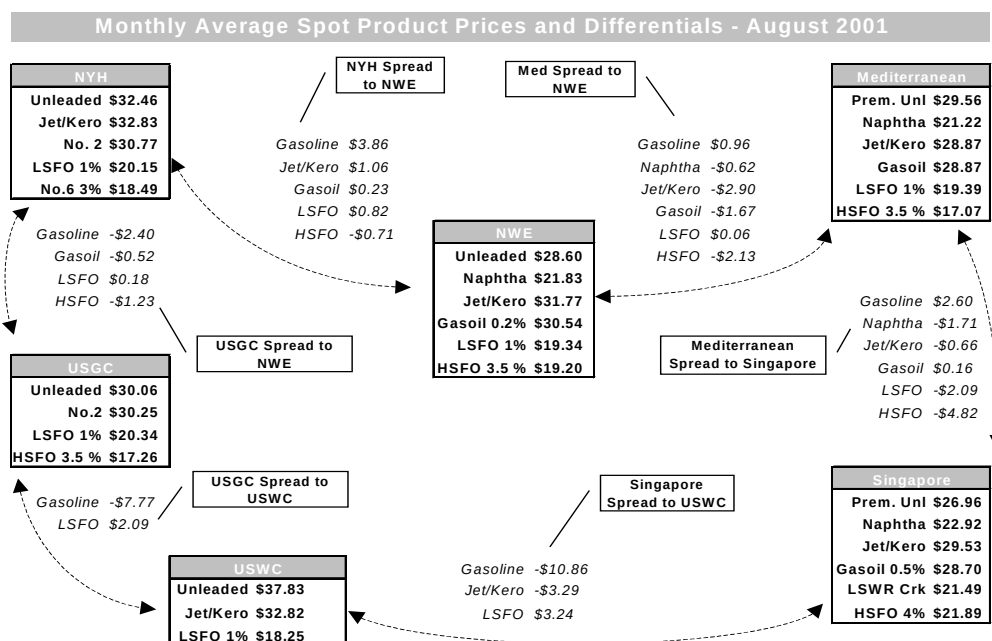
(monthly and weekly averages, \$/bbl)

	Jun	Jul	Aug	Aug-Jul		Week Beginning:					Jun	Jul	Aug
				Change	%	30 Jul	06 Aug	13 Aug	20 Aug	27 Aug			
Rotterdam, Barges FOB											Differential to Brent		
Premium Unleaded (Cargo)	32.17	28.18	29.74	1.56	5.5	28.17	29.22	29.89	29.26	32.02	4.34	3.60	4.00
Regular Unleaded	30.60	27.17	28.60	1.43	5.2	27.35	28.42	28.86	27.64	30.67	2.77	2.60	2.86
Naphtha	26.96	21.84	21.83	-0.01	0.0	20.39	22.13	22.43	21.56	22.22	-0.87	-2.73	-3.91
Jet/Kerosene	33.85	31.72	31.77	0.05	0.2	31.38	31.67	31.80	31.38	32.57	6.02	7.14	6.03
Gasoil	31.56	29.72	30.54	0.81	2.7	30.00	30.56	30.74	30.10	31.07	3.73	5.15	4.80
Fuel Oil 1.0%S	19.95	17.99	19.34	1.34	7.5	18.53	19.05	19.35	19.44	20.00	-7.88	-6.58	-6.40
Fuel Oil 3.5%	18.77	17.97	19.20	1.23	6.9	18.66	19.17	19.16	18.95	19.75	-9.06	-6.61	-6.54
Mediterranean – Basis Italy, Cargoes FOB											Differential to Urals		
Premium Leaded (0.15 g/l)	32.63	28.74	30.37	1.63	5.7	28.81	29.94	30.54	29.72	32.68	7.13	5.65	5.87
Premium Unleaded	31.91	28.02	29.56	1.54	5.5	28.10	29.22	29.63	28.89	31.84	6.41	4.93	5.06
Naphtha	25.89	21.08	21.22	0.13	0.6	19.56	21.31	21.91	21.03	21.79	0.38	-2.01	-3.29
Jet/Kerosene	30.19	28.58	28.87	0.29	1.0	28.18	28.58	28.70	28.53	30.31	4.68	5.49	4.37
Gasoil	30.24	28.17	28.87	0.70	2.5	27.99	29.08	29.43	28.26	29.21	4.74	5.08	4.37
Fuel Oil 1.0%S	18.50	19.06	19.39	0.34	1.8	19.17	19.21	19.57	19.47	19.55	-7.00	-4.03	-5.11
Fuel Oil 3.5%S	16.22	16.03	17.07	1.04	6.5	16.74	17.10	17.10	16.82	17.44	-9.28	-7.06	-7.43
NY Harbour, Barges											Differential to WTI		
Premium Unleaded 93	34.06	31.99	36.43	4.44	13.9	34.64	36.12	35.96	36.17	38.24	6.49	5.55	9.03
Regular Unleaded 87	30.33	28.58	32.46	3.88	13.6	30.26	31.76	32.53	32.41	34.22	2.77	2.14	5.06
Jet/Kerosene	33.01	30.14	32.83	2.69	8.9	31.21	32.49	32.83	32.67	34.03	5.45	3.71	5.43
No.2 Heating Oil	31.73	29.29	30.77	1.47	5.0	29.57	30.57	30.62	30.49	31.94	4.17	2.86	3.37
Fuel Oil 1.0%S (Cargo)	20.21	19.22	20.15	0.93	4.9	19.81	20.40	20.29	20.19	19.81	-7.36	-7.22	-7.24
Fuel Oil 3.0%S (Cargo)	17.48	15.70	18.49	2.79	17.8	16.96	18.38	18.29	18.49	19.43	-10.08	-10.73	-8.90
Singapore, Cargoes											Differential to Dubai		
Premium Unleaded 95	26.87	24.43	26.96	2.53	10.4	24.15	25.82	26.68	27.22	29.43	1.22	1.00	2.44
Naphtha	26.63	22.99	22.92	-0.07	-0.3	23.12	23.54	22.86	22.39	22.82	0.98	-0.44	-1.60
Jet/Kerosene	30.86	28.82	29.53	0.71	2.5	28.34	28.83	29.42	29.33	31.07	5.21	5.39	5.00
Gasoil	30.00	28.56	28.70	0.14	0.5	28.20	28.62	28.51	28.48	29.28	4.34	5.13	4.18
LSWR (0.3%S)	25.35	24.28	21.49	-2.80	-11.5	22.31	21.76	22.03	20.93	21.23	-0.31	0.85	-3.04
HSFO (3.5%S 180cst)	21.46	20.30	22.04	1.73	8.5	21.22	21.81	22.20	21.92	22.60	-4.20	-3.13	-2.49
HSFO 4%S	21.07	20.25	21.89	1.64	8.1	21.19	21.80	22.22	21.63	22.25	-4.59	-3.18	-2.64

In **New York Harbour**, gasoline prices rose by \$4, enough to increase the pull on supplies from Europe. West Coast gasoline prices also rallied in August, due to several unplanned shutdowns that have taken place since mid-July. As with the East Coast pull on European gasoline, the high West Coast prices increased the pull on Asian gasoline. Both the mid-continent and West Coast situations highlight the susceptibility of the refining system to unplanned outages, when inventories are low and utilisation rates are high. **Heating oil** prices rose by \$1.50. Inventories stopped building in August, but US stock levels are still considered comfortable, especially in the Northeast, where most US winter heating oil is consumed. **High-sulphur fuel oil** prices were up sharply, by almost \$3. Export demand, mainly from the US Gulf Coast to Asia and northwest Europe, was strong. In addition, late

\$/bbl New York Harbour Spot Product Prices**\$/bbl New York Harbour Spreads to WTI****\$/bbl Rotterdam Spot Product Prices****\$/bbl Rotterdam Spreads to Dated Brent****\$/bbl Singapore Spot Product Prices****\$/bbl Singapore Spreads to Dubai**

in August, problems at Tosco's Bayway, New Jersey refinery are thought to have caused a brief spike in New York Harbour HSFO prices.



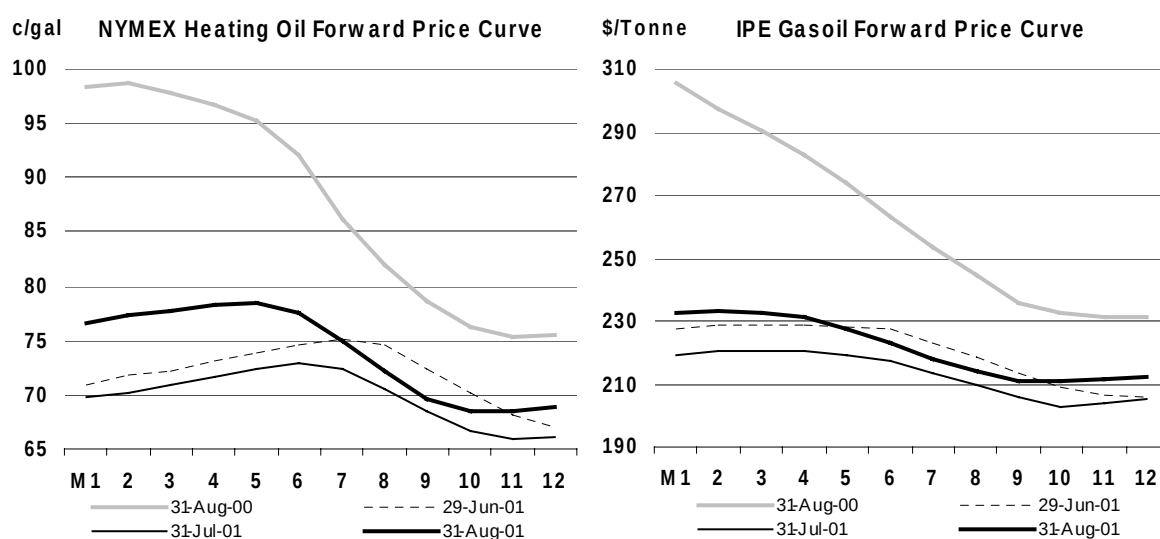
In **Northwest Europe** and the **Mediterranean**, **gasoline** prices increased by about \$1.50, in direct response to developments in the US. **Gasoil** markets were uneventful, with prices gaining 70-80 cents. **Low-sulphur fuel oil** rose in Rotterdam, while **high-sulphur fuel oil** was higher in both European refining centres. HSFO demand was reported as being particularly strong in the Mediterranean.

Unlike the Atlantic Basin refining centres, where all products gained, the situation in Asia was more mixed. In **Singapore**, **gasoline** prices were up \$2.50, due to strong **US West coast** prices and healthy Indonesian demand. **High-sulphur fuel oil** was also higher, gaining \$1.50-1.75 on strong demand from China and from Indonesian and Korean utilities. Refinery run cuts also helped to support HSFO prices, and a squeeze play by a large Asian trader was also thought to be a factor. However, **low-sulphur waxy residuum** fell by almost \$3, due to weak buying interest from Korea, Japan, and Taiwan.

Product Futures

The **NYMEX heating oil** futures curve shifted upwards, in synch with the spot price movements, but by a slightly larger amount. The important feature of this curve is that the same slight contango present a month earlier remained at the end of August. The contango, which extends out five months, indicates an adequately supplied prompt physical market. As was the case with the crude futures curves, however, the tentative nature of the contango demonstrates a lack of conviction about the future direction of the market.

The number of short positions held by the non-commercials for heating oil also dropped. With heating oil inventories in the US moving sideways in August, as opposed to the previous builds, the speculators' move out of short positions was more convincing than the decline in their short positions for crude.

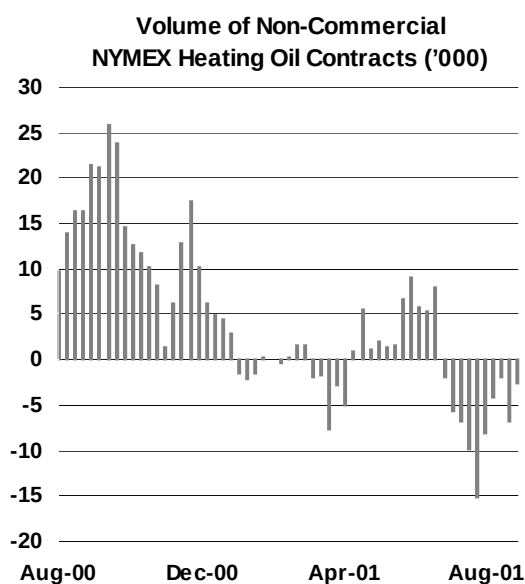


The futures curve for **IPE gasoil** also moved higher, and became almost totally flat in the near four months. Once again, this is evidence of a product market searching for direction amidst opposing forces, tightening fundamentals and weak economic and demand growth.

End-User Product Prices

End-user **gasoline** prices fell in Europe, were flat to slightly up in Japan and the US, and rose by a surprising 10% in Canada (see Table 9 at the back of the Report). Given the time that it takes for wholesale price movements to reach the retail market, the Canadian increase is not related to the August price rally in the spot gasoline market. Instead, it may be the result of lower output of Canadian synthetic crude in June. This could have forced Canadian refiners to buy more expensive Atlantic Basin crude to process, with the cost increase reaching the retail market in August.

Automotive diesel prices fell or were flat in all countries. **Domestic heating oil** prices also declined everywhere, except for Germany and the UK. In Germany, although retail heating oil demand appears to have subsided in August, it has been strong in recent months, as consumers took advantage of relatively low prices to fill their home tanks for the upcoming winter. With data only available for Europe and Japan, changes for **industrial heavy fuel oil** were mixed.



Refining Margins

The gasoline rally in the US drove a recovery in refining margins on the **US Gulf Coast**. Gross product worth in the US was up 10%, while the crude cost increased by only 4-5%, hence the higher profit margin. Tanker rates in August were not much different from July, so were not a factor, in the US or elsewhere. US margins went from just over breakeven in July to \$1.60-1.90 in August, still well below the lofty heights of the first half of this year, but back into positive territory. Lower US refinery throughputs, due to discretionary run cuts, early maintenance, and technical problems, have also played a role.

Refining Margins in Major Refining Centres

(\$/bbl)

	Monthly Averages			Aug-Jul		End of Week:				
	Jun 01	Jul 01	Aug 01	Change	%	03 Aug	10 Aug	17 Aug	24 Aug	31 Aug
Refining Margins										
NW Europe										
Brent (Hydroskimming)	-2.77	-1.58	-2.17	-0.59		-2.00	-1.86	-1.06	-2.67	-2.51
Brent (Cracking)	-0.82	-0.28	-0.67	-0.39		-0.60	-0.26	0.31	-1.08	-0.74
Mediterranean										
Urals (Hydroskimming)	-1.10	-0.27	-0.92	-0.65		-0.90	-0.49	0.49	-1.53	-1.75
Urals (Cracking)	1.12	1.27	0.75	-0.52		0.65	1.33	2.03	0.20	0.19
US Gulf Coast										
Brent (Cracking)	1.24	0.09	1.90	1.81		0.34	1.58	0.95	2.40	3.73
WTI (Cracking)	-0.77	0.04	1.64	1.60		0.66	2.04	1.10	2.24	2.04
Singapore										
Dubai (Hydroskimming)	-1.30	-0.62	-0.52	0.10		-0.44	-1.45	0.31	-0.48	0.34
Dubai (Cracking)	0.43	0.86	0.89	0.03		0.90	-0.08	1.60	1.06	2.03
Gross Product Worth										
NW Europe										
Brent (Hydroskimming)	26.14	24.19	24.84	0.65	2.7	24.53	25.02	24.64	25.10	25.65
Brent (Cracking)	28.19	25.59	26.44	0.85	3.3	26.04	26.72	26.11	26.79	27.53
Mediterranean										
Urals (Hydroskimming)	24.60	23.03	23.78	0.76	3.3	23.34	24.20	23.72	23.83	24.48
Urals (Cracking)	26.92	24.67	25.55	0.88	3.6	24.99	26.12	25.36	25.67	26.52
US Gulf Coast										
Brent (Cracking)	29.90	27.63	30.40	2.77	10.0	28.92	30.74	28.53	31.70	31.98
WTI (Cracking)	29.64	27.39	30.04	2.65	9.7	28.60	30.33	28.25	31.31	31.62
Singapore										
Dubai (Hydroskimming)	24.84	23.28	24.48	1.20	5.2	24.05	24.38	24.34	24.69	25.35
Dubai (Cracking)	26.67	24.86	26.00	1.14	4.6	25.49	25.85	25.74	26.32	27.14

For the purposes of this Report, refining margins are calculated on the basis of an 'average' refinery that is running a 'typical' crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

In **Northwest Europe** and the **Mediterranean**, margins declined by around 50 cents in August, growing more negative. Gains in gross product worth of 3-4% did not keep pace with crude cost increases of 5-6%. In **Singapore**, price increases for crude and products matched each other at 5%. As a result, margins were almost unchanged and remained poor.

OECD Refinery Throughput

Preliminary monthly data indicate that **total OECD** refinery throughput in **July** averaged 38.16 mb/d, an increase of 220 kb/d from the previous month. However, July throughput was 1.1 mb/d lower than a year earlier. In a clear display of slowing OECD demand growth, the graph shows that throughputs in 2001 have moved from the top of the 1998-2001 range early in the year, to the middle of the range in March through June, and were at the bottom of the range in July.

In addition, the July versus June increase of 220 kb/d this year was dramatically smaller than in each of the previous three years, when it was over 1 mb/d. This reflects both sluggish demand and the poor refining margins seen in July, which resulted in discretionary run cuts. The lower throughputs translated directly into the leaner end-July OECD product inventories. The run cuts are, in fact, aimed at improving refining margins, and they are perhaps intended to reduce product inventories as a means of doing so. However, another key element of the current market dynamic is that uncertain oil demand makes refiners reluctant to build inventory that there may be little demand for. From a refiner's business perspective, the same level of inventory considered to be appropriate in a robust demand environment may be too high in a sluggish environment.

As with July, every **August** since 1998 has seen higher throughputs than the previous month. Partial preliminary data (not shown in the table or graphs) gives a mixed picture. Weekly **US** figures indicate August runs of 15.27 mb/d, down 120 kb/d from July, and the third consecutive monthly decline. The **US** August data show a drop of 0.5 mb/d since the May peak. Early **Japanese** statistics show August throughputs of 4.15 mb/d, a gain of 210 kb/d.

Refinery Crude Throughput and Utilisation in OECD Countries

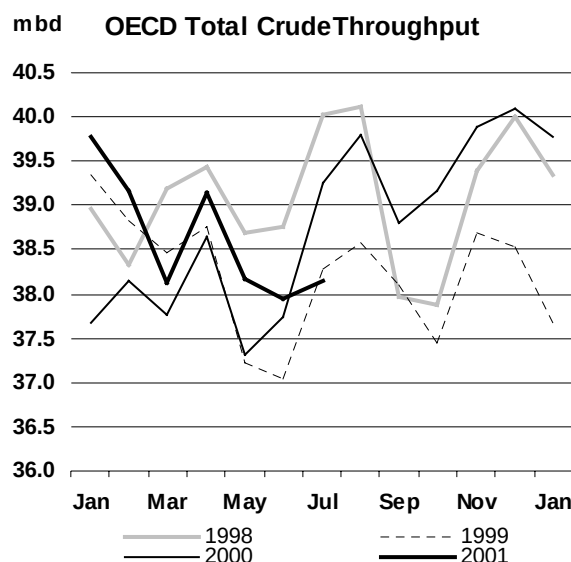
	million barrels per day						Change from Jul 00		Utilisation rate ²	
	Feb 01	Mar 01	Apr 01	May 01	Jun 01	Jul 01 ¹	mb/d	%	Jul 01	Jul 00
OECD North America										
US ³	14.81	14.64	15.54	15.77	15.65	15.39	-0.437	-2.8	92.7	95.9
Canada	1.85	1.81	1.66	1.71	1.75	1.70	-0.023	-1.3	92.1	93.4
Mexico	1.16	1.18	1.18	1.14	1.11	1.07	0.003	0.2	68.6	73.6
Total	17.82	17.63	18.37	18.62	18.51	18.15	-0.458	-2.5	90.8	93.5
OECD Europe										
France	1.81	1.57	1.73	1.75	1.75	1.76	-0.025	-1.4	101.1	102.5
Germany	2.19	2.06	2.20	2.24	2.08	2.23	-0.081	-3.5	98.5	102.1
Italy	1.61	1.73	1.89	1.69	1.72	1.76	0.249	16.5	86.7	74.4
Netherlands	1.14	1.10	1.18	1.14	1.02	1.02	-0.144	-12.4	84.3	96.2
Spain	1.10	1.06	1.14	1.09	1.08	1.08	-0.017	-1.6	84.9	86.2
UK	1.55	1.54	1.40	1.43	1.36	1.47	-0.123	-7.8	84.2	91.2
Other OECD Europe	3.85	3.62	3.64	3.57	3.74	3.80	-0.093	-2.4	87.2	89.3
Total	13.25	12.68	13.19	12.89	12.76	13.11	-0.235	-1.8	89.7	91.3
OECD Pacific										
Japan	4.69	4.46	4.23	3.64	3.49	3.94	-0.121	-3.0	79.5	76.9
Korea	2.58	2.54	2.55	2.21	2.36	2.14	-0.287	-11.8	86.9	98.5
Other OECD Pacific	0.81	0.82	0.80	0.82	0.82	0.82	-0.005	-0.6	98.7	99.3
Total	8.09	7.82	7.58	6.67	6.67	6.90	-0.413	-5.6	83.6	85.3
OECD Total	39.16	38.13	39.14	38.18	37.94	38.16	-1.105	-2.8	89.0	91.1

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$0

Throughputs usually drop in **September**. Along with October, it is a month when seasonal product demand is in transition from summer gasoline to winter heating oil. As a result, September usually heralds the beginnings of the **autumn refinery maintenance** season. This year, with margins low, maintenance started early in the US, getting underway in August. In September, industry estimates for planned crude capacity shutdowns in the US range from 0.6 mb/d to 1.2 mb/d. The higher estimates may include some maintenance programmes that have since been deferred, due to recovering refining margins in the US. In Europe, one source estimated that up to 0.7 mb/d of crude capacity could be shut down in September. With margins low in Europe, heavy maintenance can be expected. Reduced Atlantic Basin prompt physical crude demand from refiners appears as though it will be a major factor in the markets in September, and probably in October as well.



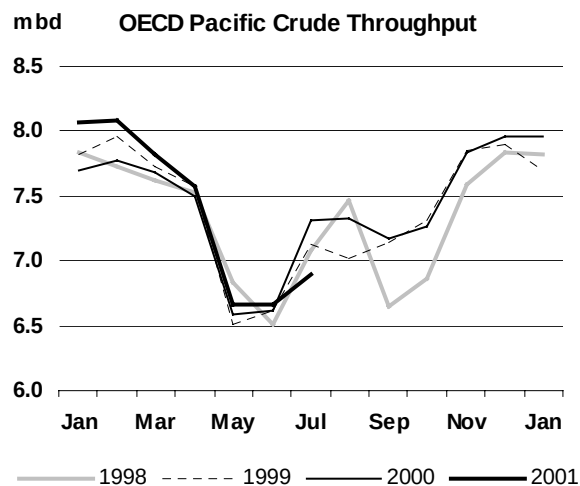
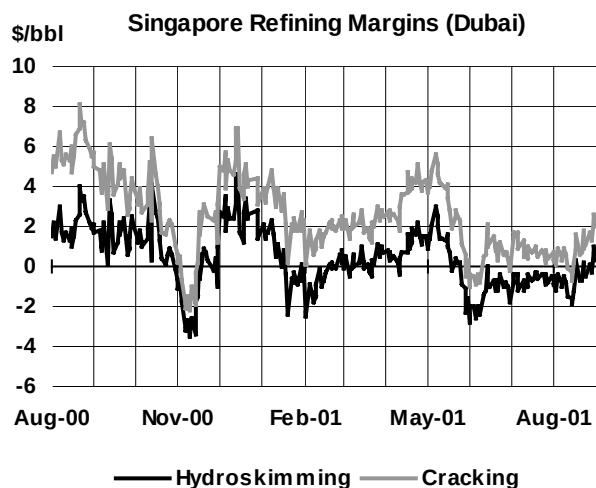
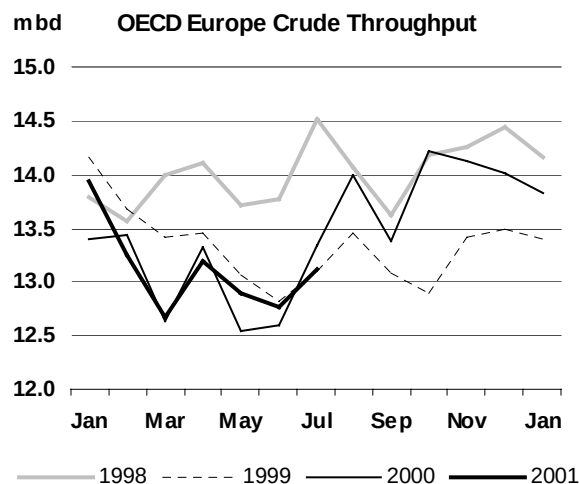
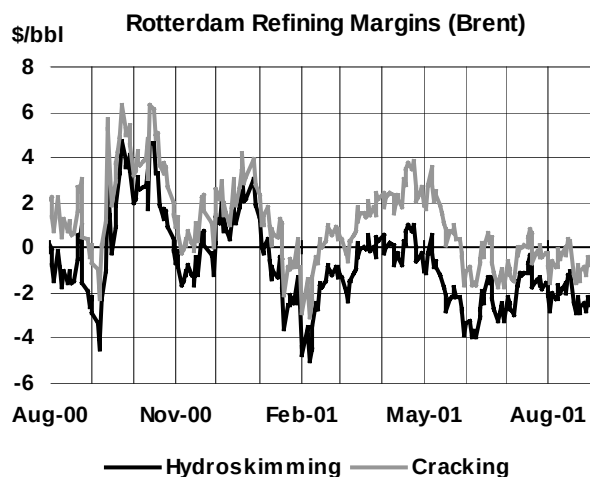
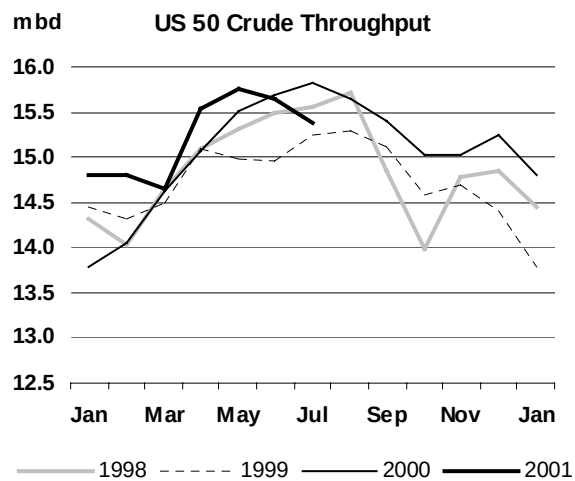
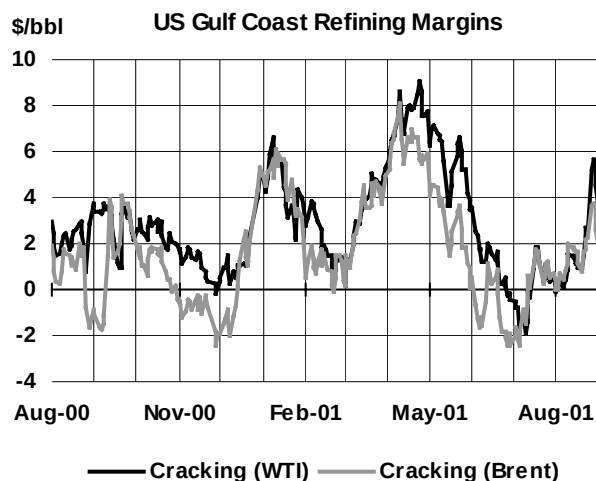


Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	23.1	23.8	23.7	23.8	24.5	24.4	24.1	24.2	23.7	24.4	24.5	24.2	24.2	23.9	24.7	24.9	24.4
Europe	15.3	15.2	15.2	14.6	15.2	15.4	15.1	15.2	14.8	15.1	15.4	15.1	15.2	14.8	15.3	15.5	15.2
Pacific	8.4	8.7	9.4	8.1	8.3	8.8	8.7	9.4	8.0	8.2	8.9	8.6	9.4	8.0	8.3	9.0	8.7
Total OECD	46.8	47.7	48.2	46.6	48.0	48.6	47.8	48.8	46.5	47.7	48.7	47.9	48.8	46.8	48.3	49.4	48.3
NON-OECD DEMAND																	
FSU	3.7	3.7	3.6	3.5	3.6	3.8	3.6	3.8	3.6	3.6	3.8	3.7	3.8	3.7	3.6	3.8	3.7
Europe	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7
China	4.2	4.5	4.7	4.6	5.1	4.8	4.8	4.7	5.2	4.9	5.0	4.9	4.9	5.2	5.1	5.1	5.1
Other Asia	6.8	7.2	7.2	7.4	7.3	7.3	7.3	7.3	7.4	7.3	7.3	7.3	7.3	7.4	7.3	7.3	7.3
Latin America	4.8	4.8	4.7	4.9	5.0	4.9	4.9	4.7	4.8	5.0	4.9	4.8	4.8	4.9	5.0	4.9	4.9
Middle East	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5	4.5	4.7	4.8	4.6	4.7
Africa	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.4
Total Non-OECD	26.8	27.6	27.8	27.8	28.5	28.2	28.0	28.1	28.7	28.5	28.5	28.5	28.6	29.0	29.0	29.0	28.9
Total Demand¹	73.6	75.2	75.9	74.4	76.4	76.8	75.9	76.9	75.2	76.3	77.3	76.4	77.4	75.7	77.3	78.4	77.2
OECD SUPPLY																	
North America	14.5	14.0	14.3	14.4	14.3	14.1	14.3	14.2	14.3	14.3	14.5	14.3	14.8	14.7	14.7	14.8	14.8
Europe	6.7	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.5	6.9	6.7	6.8	6.5	6.4	6.5	6.5
Pacific	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7
Total OECD	21.9	21.4	22.3	21.8	21.7	21.8	21.9	21.8	21.5	21.6	22.1	21.8	22.3	22.0	21.8	22.0	22.0
NON-OECD SUPPLY																	
FSU	7.3	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.5	8.6	8.6	8.5	8.7	8.8	9.1	9.2	9.0
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.2	3.3	3.2	3.3	3.3	3.3	3.3
Other Asia	2.3	2.3	2.3	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.3	2.3	2.4
Latin America	3.6	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Middle East	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	2.0
Africa	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Total Non-OECD	21.3	21.6	21.9	22.0	22.4	22.8	22.3	22.8	22.9	23.1	23.1	23.0	23.2	23.3	23.5	23.7	23.4
Processing Gains ²	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Non-OPEC	44.8	44.7	45.9	45.6	45.8	46.3	45.9	46.4	46.1	46.4	47.0	46.5	47.4	47.1	47.1	47.5	47.3
OPEC																	
Crude	28.0	26.6	26.5	27.8	28.4	29.0	27.9	28.4	27.0								
NGLs	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.2	3.2	3.2	3.2	3.2
Total OPEC	30.8	29.4	29.3	30.7	31.3	31.9	30.8	31.3	30.0								
Total Supply³	75.6	74.2	75.3	76.2	77.1	78.2	76.7	77.7	76.1								
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.2	-0.7	-0.4	1.0	0.4	-0.2	0.2	-0.1	0.9								
Government	0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0	0.0								
Total	0.3	-0.7	-0.4	1.0	0.4	-0.5	0.1	-0.1	0.9								
Floating Storage/Oil in Transit	0.1	-0.1	0.0	0.1	0.0	0.4	0.1	0.1	-0.5								
Miscellaneous to balance ⁴	1.6	-0.3	-0.3	0.7	0.2	1.5	0.6	0.8	0.5								
Total Stock Ch. & Misc	2.0	-1.1	-0.7	1.9	0.7	1.4	0.8	0.8	0.8								
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	26.1	27.7	27.2	25.9	27.7	27.6	27.1	27.6	26.2	26.9	27.2	27.0	26.9	25.5	27.0	27.7	26.8
Total Demand ex. FSU	69.9	71.6	72.3	70.9	72.9	73.0	72.3	73.1	71.6	72.7	73.5	72.7	73.6	72.1	73.7	74.6	73.5
Total demand exc. FSU (% ch) ⁶	0.6	2.4	-0.2	1.4	2.7	-0.1	1.0	1.1	1.0	-0.2	0.6	0.6	0.6	0.7	1.3	1.4	1.0

¹ Measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers, refinery fuel, crude for direct burning,

oil from non-conventional sources and other sources of supply

² Net volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ Comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ Includes changes in non-reported stocks in OECD and non-OECD areas

⁵ Equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ Year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-0.1	-	-0.1	-	-0.1
Europe	-	-	-	-	-	-	-	-	0.1	0.1	-	-	-	-	0.1	-0.1	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-	-	-	-
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1	-	0.1	0.1	0.1	0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	0.2	-0.1	-0.1	-0.1	-	0.2	-0.1	-0.1	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1
Latin America	-	-	-	-	-	-	-	-	-0.1	-	-	-0.1	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	0.2	-0.1	-0.1	0.1	-	0.2	-	-	-
Total Demand	-	-	-	-	-	-	-	-	0.1	-	-	-	-	0.1	-	-	-
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1
Europe	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-0.1	-	-	-0.1
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-0.1	-	-	-	-0.1	-	-	-	-
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	0.1	-	0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	0.1	-	0.1	0.1	-	-	0.1	-
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	-	-	-	-	-0.1	0.1	0.1	-	0.1	0.1	-	-	0.1
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-	-
Miscellaneous to balance	-	-	-	-	-	-	0.1	-	-0.1	-	-	-	-	-	-	-	-
Total Stock Ch. & Misc	-	-	-	-	-	-	-	-	-0.3	-	-	-	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	-	-	-	-	-	0.3	-0.1	-0.2	-	-	0.1	-	-	-
Total Demand ex. FSU	-	-	-	-	-	-0.1	-	-0.1	0.1	-0.1	-0.2	-0.1	-	0.1	-0.1	-0.1	-

When submitting their monthly oil statistics, OECD Member countries periodically update data for prior periods. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	February			March			First Quarter			April			May		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
North America															
LPG	3.42	2.78	-18.7	3.05	2.82	-7.5	3.34	2.85	-14.6	2.90	2.69	-7.1	2.75	2.35	-14.4
Naphtha	0.37	0.37	-0.3	0.52	0.34	-34.5	0.42	0.38	-10.3	0.30	0.34	11.2	0.38	0.29	-24.0
Motor Gasoline	9.53	9.46	-0.7	9.55	9.76	2.2	9.29	9.51	2.3	9.56	9.78	2.3	9.96	10.04	0.9
Jet/Kerosene	1.98	2.04	3.2	1.95	2.04	4.6	1.96	2.05	4.6	1.91	1.89	-1.3	1.91	1.98	4.0
Gasoil	4.73	5.15	8.7	4.60	5.05	9.7	4.67	5.14	9.9	4.22	4.60	8.9	4.59	4.62	0.8
Residual Fuel Oil	1.59	1.76	10.8	1.50	1.78	18.8	1.55	1.83	18.6	1.56	1.77	13.7	1.53	1.77	15.5
Other Products	2.48	2.40	-3.2	2.52	2.49	-1.1	2.42	2.41	-0.6	2.46	2.51	2.0	3.03	2.73	-9.9
Total	24.11	23.97	-0.6	23.68	24.27	2.5	23.65	24.16	2.1	22.92	23.58	2.9	24.13	23.78	-1.5
Europe															
LPG	1.08	1.06	-2.1	1.05	1.00	-4.6	1.08	1.03	-4.5	0.92	0.95	3.1	0.87	0.88	0.2
Naphtha	1.30	1.23	-4.9	1.25	1.17	-7.0	1.25	1.23	-1.7	1.20	1.21	0.7	1.18	1.18	-0.5
Motor Gasoline	2.99	2.83	-5.1	3.07	2.94	-4.3	2.91	2.82	-3.1	3.05	3.02	-0.7	3.16	3.09	-2.5
Jet/Kerosene	1.06	1.09	3.0	1.09	1.12	2.9	1.06	1.09	3.5	1.05	1.10	4.2	1.09	1.09	0.2
Gasoil	5.89	5.77	-1.9	5.66	5.82	2.8	5.65	5.86	3.7	5.12	5.34	4.3	5.07	5.21	2.7
Residual Fuel Oil	2.13	2.05	-3.8	2.05	1.95	-4.7	2.09	2.01	-4.1	1.89	1.83	-3.3	1.84	1.80	-2.3
Other Products	1.13	1.14	0.9	1.22	1.20	-2.3	1.14	1.15	0.8	1.19	1.28	8.3	1.34	1.40	5.0
Total	15.57	15.18	-2.5	15.39	15.19	-1.3	15.17	15.18	0.1	14.42	14.73	2.2	14.56	14.64	0.5
Pacific															
LPG	1.04	1.09	4.5	1.08	1.00	-7.6	1.02	1.04	2.3	0.91	0.90	-1.5	0.87	0.89	2.2
Naphtha	1.45	1.56	7.3	1.51	1.48	-1.8	1.46	1.52	4.5	1.46	1.44	-1.9	1.32	1.38	4.2
Motor Gasoline	1.51	1.47	-2.8	1.52	1.53	0.8	1.46	1.48	1.8	1.48	1.49	0.4	1.56	1.54	-1.5
Jet/Kerosene	1.76	1.69	-3.9	1.39	1.32	-5.3	1.55	1.60	3.2	0.94	0.84	-10.5	0.77	0.75	-2.0
Gasoil	2.11	2.06	-2.6	2.12	2.04	-3.8	2.00	1.97	-1.2	1.86	1.81	-2.7	1.84	1.81	-1.2
Residual Fuel Oil	1.28	1.29	1.0	1.24	1.18	-4.9	1.24	1.24	0.1	1.18	1.09	-7.5	1.09	1.04	-4.4
Other Products	0.65	0.55	-15.6	0.69	0.61	-12.0	0.63	0.58	-8.7	0.52	0.55	6.5	0.56	0.56	-0.5
Total	9.81	9.71	-1.0	9.56	9.16	-4.1	9.35	9.44	0.9	8.35	8.11	-2.9	8.00	7.96	-0.4
OECD															
LPG	5.55	4.93	-11.1	5.19	4.83	-6.9	5.43	4.92	-9.5	4.74	4.54	-4.1	4.49	4.12	-8.3
Naphtha	3.13	3.17	1.3	3.28	2.99	-9.0	3.13	3.13	0.0	2.96	2.98	0.5	2.88	2.84	-1.4
Motor Gasoline	14.02	13.77	-1.8	14.14	14.22	0.6	13.67	13.82	1.1	14.09	14.29	1.4	14.68	14.67	-0.1
Jet/Kerosene	4.80	4.83	0.5	4.43	4.48	1.1	4.57	4.74	3.9	3.91	3.83	-2.0	3.76	3.82	1.7
Gasoil	12.73	12.98	1.9	12.38	12.90	4.3	12.32	12.97	5.3	11.21	11.75	4.9	11.49	11.64	1.3
Residual Fuel Oil	5.00	5.10	2.1	4.79	4.91	2.6	4.87	5.08	4.1	4.62	4.68	1.4	4.46	4.61	3.3
Other Products	4.26	4.09	-4.0	4.43	4.29	-3.1	4.19	4.13	-1.5	4.17	4.35	4.3	4.93	4.69	-4.8
Total	49.49	48.86	-1.3	48.63	48.63	0.0	48.17	48.78	1.3	45.69	46.42	1.6	46.69	46.38	-0.7

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	First Quarter			April			May			June			Second Quarter		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
LPG	2.51	2.13	-15.1	2.12	2.05	-3.2	1.92	1.71	-11.3	2.08	1.84	-11.5	2.04	1.86	-8.6
Naphtha	0.32	0.30	-8.3	0.23	0.26	11.3	0.30	0.21	-28.7	0.30	0.17	-42.2	0.28	0.21	-22.4
Motor Gasoline	8.08	8.25	2.1	8.38	8.55	2.0	8.66	8.72	0.7	8.80	8.72	-0.9	8.61	8.66	0.6
Jet/Kerosene	1.75	1.84	4.9	1.73	1.71	-1.2	1.70	1.77	4.5	1.75	1.81	3.5	1.73	1.77	2.3
Gasoil	3.77	4.20	11.7	3.46	3.81	10.3	3.68	3.73	1.3	3.55	3.62	1.9	3.56	3.72	4.4
Residual Fuel Oil	0.79	1.01	28.6	0.78	1.01	28.4	0.72	0.96	33.2	0.95	1.00	5.9	0.81	0.99	21.2
Other Products	2.05	2.06	0.8	2.13	2.21	4.0	2.62	2.40	-8.5	2.61	2.44	-6.3	2.45	2.35	-4.1
Total	19.27	19.80	2.8	18.82	19.59	4.1	19.60	19.49	-0.5	20.03	19.61	-2.1	19.48	19.56	0.4
Japan³															
LPG	0.67	0.69	2.6	0.60	0.58	-4.0	0.56	0.57	1.1	0.50	0.57	14.2	0.56	0.57	3.1
Naphtha	0.81	0.85	5.3	0.85	0.81	-3.8	0.74	0.76	3.5	0.73	0.71	-2.4	0.77	0.76	-1.0
Motor Gasoline	0.93	0.95	2.1	0.94	0.97	3.1	1.00	0.99	-1.2	0.98	0.98	0.4	0.97	0.98	0.7
Jet/Kerosene	1.04	1.12	7.3	0.60	0.57	-6.0	0.48	0.49	2.9	0.42	0.46	9.3	0.50	0.51	1.1
Diesel	0.68	0.67	-2.3	0.68	0.66	-2.5	0.65	0.62	-3.2	0.68	0.67	-0.6	0.67	0.65	-2.1
Other Gasoil	0.66	0.67	0.8	0.53	0.52	-1.7	0.48	0.49	1.5	0.48	0.48	-1.1	0.50	0.49	-0.5
Residual Fuel Oil	0.67	0.67	0.1	0.62	0.58	-6.9	0.55	0.55	-0.5	0.65	0.55	-14.9	0.61	0.56	-7.7
Direct use of Crude Oil	0.18	0.10	-42.1	0.07	0.07	7.4	0.11	0.11	2.9	0.16	0.10	-39.1	0.11	0.09	-16.0
Other Products	0.36	0.39	5.9	0.34	0.36	8.3	0.33	0.33	-0.4	0.31	0.33	4.6	0.33	0.34	4.1
Total	6.01	6.10	1.5	5.23	5.13	-1.9	4.90	4.92	0.4	4.91	4.85	-1.2	5.01	4.97	-0.9
Germany															
LPG	0.09	0.09	-4.4	0.09	0.10	6.7	0.09	0.10	12.8	0.09	0.10	12.9	0.09	0.10	10.7
Naphtha	0.41	0.38	-7.9	0.39	0.39	-0.2	0.40	0.40	-0.1	0.37	0.36	-2.8	0.39	0.38	-1.0
Motor Gasoline	0.62	0.58	-6.5	0.69	0.66	-4.4	0.72	0.68	-5.4	0.68	0.68	0.2	0.70	0.67	-3.3
Jet/Kerosene	0.14	0.14	1.0	0.15	0.15	-2.6	0.16	0.15	-7.2	0.16	0.16	0.3	0.16	0.15	-3.2
Diesel	0.46	0.47	2.2	0.50	0.50	-0.9	0.58	0.54	-6.8	0.53	0.51	-3.1	0.54	0.52	-3.8
Other Gasoil	0.62	0.75	21.9	0.54	0.60	10.2	0.47	0.54	15.0	0.59	0.71	21.5	0.53	0.62	15.7
Residual Fuel Oil	0.17	0.19	9.6	0.17	0.19	12.3	0.16	0.18	14.0	0.15	0.18	19.4	0.16	0.19	15.1
Other Products	0.10	0.09	-14.7	0.12	0.12	7.0	0.12	0.14	15.3	0.14	0.14	-0.2	0.13	0.14	7.2
Total	2.63	2.70	2.7	2.66	2.71	1.9	2.69	2.73	1.2	2.72	2.86	5.2	2.69	2.76	2.8
Italy															
LPG	0.17	0.17	-3.8	0.13	0.13	1.2	0.11	0.11	1.0	0.11	0.11	-3.4	0.12	0.12	-0.3
Naphtha	0.12	0.11	-4.4	0.11	0.12	7.2	0.11	0.10	-6.1	0.10	0.10	-1.1	0.11	0.11	0.0
Motor Gasoline	0.38	0.38	0.4	0.41	0.40	-2.1	0.40	0.39	-2.0	0.42	0.41	-3.7	0.41	0.40	-2.6
Jet/Kerosene	0.07	0.08	8.6	0.07	0.07	-5.1	0.08	0.07	-7.1	0.09	0.08	-4.2	0.08	0.08	-5.4
Diesel	0.37	0.42	14.2	0.35	0.39	9.6	0.38	0.40	5.1	0.40	0.43	7.9	0.38	0.40	7.5
Other Gasoil	0.22	0.17	-24.3	0.16	0.17	5.7	0.13	0.14	6.4	0.14	0.15	2.8	0.14	0.15	5.0
Residual Fuel Oil	0.47	0.39	-17.4	0.40	0.35	-12.1	0.38	0.36	-4.4	0.49	0.41	-16.7	0.42	0.37	-11.5
Other Products	0.11	0.15	41.9	0.13	0.14	3.7	0.16	0.16	2.4	0.16	0.16	2.9	0.15	0.15	3.0
Total	1.90	1.86	-2.2	1.78	1.77	-0.2	1.75	1.75	-0.2	1.91	1.84	-3.5	1.81	1.79	-1.3
France															
LPG	0.16	0.15	-5.9	0.11	0.11	1.1	0.09	0.10	12.9	0.08	0.08	-5.1	0.09	0.10	3.0
Naphtha	0.20	0.20	1.5	0.21	0.21	0.4	0.19	0.19	0.4	0.20	0.20	0.4	0.20	0.20	0.4
Motor Gasoline	0.31	0.29	-5.6	0.32	0.32	0.0	0.33	0.31	-5.5	0.37	0.35	-3.9	0.34	0.33	-3.2
Jet/Kerosene	0.14	0.13	-2.6	0.14	0.14	-3.5	0.13	0.13	0.6	0.14	0.15	1.8	0.14	0.14	-0.4
Diesel	0.55	0.57	2.7	0.54	0.58	7.9	0.58	0.57	-1.0	0.58	0.60	3.2	0.57	0.58	3.2
Other Gasoil	0.46	0.48	2.7	0.32	0.33	4.6	0.24	0.28	16.4	0.27	0.29	8.1	0.28	0.30	9.3
Residual Fuel Oil	0.16	0.13	-22.8	0.12	0.11	-11.9	0.11	0.10	-12.4	0.11	0.10	-10.7	0.12	0.10	-11.7
Other Products	0.16	0.15	-4.5	0.18	0.22	17.4	0.18	0.21	15.1	0.20	0.21	5.8	0.19	0.21	12.5
Total	2.14	2.09	-2.1	1.94	2.01	3.7	1.86	1.90	2.2	1.96	1.99	1.3	1.92	1.96	2.4
United Kingdom															
LPG	0.15	0.13	-14.7	0.14	0.16	16.5	0.14	0.14	2.1	0.12	0.12	3.8	0.13	0.14	7.5
Naphtha	0.08	0.06	-28.6	0.07	0.06	-16.6	0.04	0.05	9.5	0.07	0.03	-60.6	0.06	0.04	-26.5
Motor Gasoline	0.49	0.49	-0.6	0.46	0.48	4.5	0.48	0.49	2.0	0.48	0.46	-3.7	0.47	0.48	0.9
Jet/Kerosene	0.32	0.35	9.9	0.29	0.33	12.7	0.28	0.31	10.2	0.31	0.32	4.1	0.30	0.32	8.9
Diesel	0.32	0.33	2.3	0.29	0.33	13.5	0.32	0.34	7.2	0.33	0.33	-0.8	0.31	0.33	6.3
Other Gasoil	0.20	0.17	-12.0	0.17	0.16	-10.0	0.18	0.15	-12.8	0.18	0.14	-17.6	0.18	0.15	-13.4
Residual Fuel Oil	0.09	0.10	5.9	0.08	0.08	0.3	0.08	0.09	22.6	0.08	0.15	88.1	0.08	0.11	36.4
Other Products	0.15	0.14	-4.7	0.15	0.14	-5.0	0.14	0.14	-4.8	0.13	0.16	23.4	0.14	0.15	3.8
Total	1.79	1.76	-2.0	1.64	1.73	5.1	1.65	1.71	3.4	1.69	1.72	1.5	1.66	1.72	3.3
Canada															
LPG	0.37	0.28	-24.6	0.39	0.24	-36.5	0.41	0.24	-39.8	0.37	0.31	-16.2	0.39	0.27	-31.2
Naphtha	0.08	0.08	2.7	0.07	0.08	9.3	0.07	0.08	4.9	0.06	0.06	-2.4	0.07	0.07	4.3
Motor Gasoline	0.61	0.63	2.5	0.62	0.64	3.5	0.68	0.68	0.6	0.69	0.70	1.3	0.66	0.67	1.7
Jet/Kerosene	0.11	0.10	-3.9	0.10	0.09	-7.7	0.11	0.11	-3.5	0.11	0.10	-4.5	0.10	0.10	-5.1
Diesel	0.16	0.17	7.4	0.16	0.16	-4.4	0.17	0.15	-13.7	0.18	0.18	-3.5	0.17	0.16	-7.3
Other Gasoil	0.37	0.37	1.9	0.27	0.29	8.0	0.33	0.35	3.7	0.28	0.26	-5.1	0.29	0.30	2.3
Residual Fuel Oil	0.12	0.15	29.5	0.10	0.16	61.3	0.10	0.16	61.9	0.14	0.16	11.6	0.11	0.16	40.7
Other Products	0.24	0.26	11.2	0.22	0.24	7.3	0.28	0.28	-0.8	0.29	0.25	-13.8	0.26	0.26	-3.3
Total	2.06	2.06	0.1	1.92	1.90	-1.5	2.15	2.04	-5.2	2.12	2.02	-4.8	2.07	1.98	-3.9

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	2000	2001	2002	1Q01	2Q01	3Q01	4Q01	1Q02	Jun 01	Jul 01	Aug 01
OPEC											
Crude Oil											
Saudi Arabia	8.00			8.03	7.66				7.69	7.66	7.57
Iran	3.69			3.92	3.72				3.75	3.84	3.75
Iraq	2.57			2.18	2.23				0.88	2.13	2.79
UAE	2.24			2.41	2.15				2.22	2.13	2.10
Kuwait	1.77			1.82	1.72				1.74	1.71	1.71
Neutral Zone	0.63			0.68	0.62				0.59	0.68	0.64
Qatar	0.69			0.71	0.69				0.70	0.70	0.70
Nigeria	2.04			2.15	2.01				1.98	1.96	2.07
Libya	1.41			1.41	1.38				1.39	1.39	1.39
Algeria	0.81			0.82	0.83				0.85	0.85	0.85
Venezuela	2.89			3.00	2.82				2.81	2.81	2.81
Indonesia	1.20			1.25	1.21				1.24	1.21	1.21
Total Crude Oil	27.92			28.38	27.04				25.84	27.07	27.59
Total NGLs ¹	2.88	2.95	3.18	2.93	2.91	2.95	3.03	3.16	2.92	2.93	2.94
Total OPEC	30.80			31.31	29.95				28.75	30.00	30.53
NON-OPEC²											
OECD											
North America	14.30	14.31	14.75	14.20	14.25	14.32	14.47	14.75	14.33	14.37	14.32
United States	8.11	8.03	8.12	7.85	8.07	8.06	8.13	8.19	8.09	8.04	8.08
Mexico	3.45	3.53	3.64	3.56	3.49	3.55	3.53	3.63	3.58	3.65	3.55
Canada	2.74	2.75	2.99	2.79	2.69	2.71	2.82	2.94	2.67	2.68	2.68
Europe	6.78	6.65	6.55	6.78	6.49	6.48	6.87	6.79	6.20	6.57	6.36
UK	2.70	2.60	2.54	2.58	2.50	2.60	2.73	2.69	2.37	2.55	2.60
Norway	3.32	3.33	3.29	3.44	3.30	3.20	3.40	3.37	3.23	3.36	3.12
Others	0.75	0.72	0.71	0.75	0.69	0.68	0.74	0.74	0.61	0.67	0.65
Pacific	0.84	0.79	0.72	0.80	0.76	0.79	0.79	0.77	0.78	0.79	0.80
Australia	0.78	0.73	0.67	0.74	0.70	0.73	0.73	0.71	0.72	0.73	0.74
Others	0.06	0.06	0.05	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.92	21.75	22.02	21.78	21.51	21.59	22.13	22.31	21.32	21.73	21.48
NON-OECD											
Former USSR	7.92	8.50	8.96	8.26	8.47	8.62	8.64	8.72	8.61	8.66	8.58
Russia	6.50	6.95	7.34	6.74	6.92	7.06	7.08	7.14	7.05	7.10	7.02
Others	1.42	1.55	1.62	1.52	1.55	1.56	1.56	1.58	1.56	1.56	1.56
Asia	5.57	5.67	5.63	5.70	5.68	5.67	5.63	5.62	5.68	5.66	5.67
China	3.23	3.27	3.28	3.30	3.31	3.27	3.22	3.24	3.31	3.28	3.27
Malaysia	0.76	0.78	0.77	0.78	0.78	0.78	0.78	0.77	0.78	0.78	0.78
India	0.73	0.72	0.70	0.74	0.70	0.72	0.72	0.71	0.70	0.71	0.72
Others	0.84	0.90	0.89	0.89	0.89	0.91	0.91	0.90	0.89	0.90	0.91
Europe	0.18	0.18	0.17	0.18	0.18	0.18	0.18	0.17	0.18	0.18	0.18
Latin America	3.77	3.77	3.82	3.82	3.71	3.78	3.78	3.79	3.75	3.78	3.78
Brazil	1.50	1.57	1.70	1.57	1.52	1.57	1.60	1.64	1.57	1.57	1.57
Argentina	0.81	0.81	0.79	0.81	0.82	0.81	0.81	0.80	0.82	0.82	0.82
Colombia	0.70	0.60	0.55	0.64	0.58	0.60	0.58	0.57	0.58	0.61	0.61
Ecuador	0.39	0.43	0.44	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43
Others	0.36	0.36	0.34	0.36	0.36	0.36	0.36	0.35	0.36	0.36	0.36
Middle East³	1.99	2.00	1.96	2.01	2.00	2.00	1.99	1.98	2.00	2.00	2.00
Oman	0.96	0.98	0.97	0.97	0.97	0.98	0.98	0.98	0.98	0.98	0.98
Syria	0.54	0.52	0.49	0.53	0.52	0.51	0.51	0.50	0.52	0.52	0.51
Yemen	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.83	2.86	2.89	2.84	2.83	2.86	2.91	2.93	2.83	2.82	2.86
Egypt	0.81	0.77	0.75	0.78	0.74	0.77	0.78	0.77	0.75	0.74	0.77
Angola	0.75	0.74	0.77	0.74	0.73	0.73	0.75	0.77	0.73	0.73	0.73
Gabon	0.31	0.30	0.29	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Others	0.97	1.06	1.08	1.02	1.05	1.06	1.08	1.09	1.06	1.05	1.06
Total Non-OECD	22.26	22.97	23.43	22.80	22.86	23.09	23.12	23.20	23.04	23.09	23.07
Processing Gains ⁴	1.72	1.77	1.82	1.79	1.75	1.75	1.79	1.84	1.75	1.75	1.75
TOTAL NON-OPEC	45.89	46.49	47.26	46.37	46.11	46.42	47.04	47.35	46.10	46.57	46.29
TOTAL SUPPLY	76.69			77.68	76.07				74.85	76.56	76.82

¹ Includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² Comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ Includes small amounts of production from Israel, Jordan and Bahrain

⁴ Net volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	2000	2001	2002	1Q01	2Q01	3Q01	4Q01	1Q02	Jun-01	Jul-01	Aug-01
United States											
Alaska	970	969	947	1005	972	950	950	976	951	945	956
California	836	799	774	812	801	795	789	783	802	797	794
Texas	1234	1188	1147	1219	1192	1177	1163	1156	1185	1182	1178
Federal Gulf of Mexico ²	1396	1512	1633	1441	1488	1525	1591	1635	1503	1511	1546
Other US Lower 48	1375	1345	1299	1358	1355	1341	1325	1314	1353	1347	1340
NGLs ³	1908	1838	1939	1643	1889	1887	1929	1939	1910	1887	1887
Other Hydrocarbons	389	376	383	370	374	379	381	382	380	375	382
Total	8108	8026	8123	7848	8072	8055	8126	8185	8084	8044	8083
Canada											
Alberta Light/Medium/Heavy	764	724	732	743	724	717	712	711	717	721	717
Alberta Bitumen	271	319	325	312	318	322	323	331	327	319	323
Saskatchewan	416	414	423	425	410	410	411	413	409	410	410
Other Crude	227	221	300	221	222	218	221	261	220	220	218
NGLs	738	724	745	741	694	720	740	750	697	710	720
Synthetic Crudes	322	352	466	352	321	323	410	470	298	295	295
Total	2739	2753	2991	2794	2690	2710	2817	2935	2668	2675	2682
Mexico											
Crude	3012	3093	3186	3124	3059	3103	3086	3180	3140	3185	3110
NGLs	438	439	450	437	432	448	440	450	441	464	440
Total	3450	3533	3636	3562	3492	3551	3526	3630	3581	3649	3550
UK Offshore⁴											
Brent Fields	339	299	248	304	311	284	295	278	308	270	289
Forties Fields	775	788	869	742	723	821	864	892	701	789	834
Ninian Fields	140	130	110	137	122	133	128	120	91	135	132
Flotta Fields	177	143	120	162	129	145	138	132	100	149	140
Other Fields	984	934	890	900	889	964	984	962	869	967	959
NGLs	224	247	256	267	261	194	268	255	241	180	185
Total	2639	2542	2493	2512	2434	2541	2677	2638	2310	2489	2539
Norway⁴											
Ekofisk-Ula Area	461	453	424	489	483	392	447	437	468	464	271
Oseberg-Troll Area	731	726	713	748	701	715	739	731	584	677	740
Statfjord-Gullfaks Area	926	905	901	937	892	875	918	910	896	922	874
Haltenbanken Area	766	750	728	760	749	722	769	756	795	785	741
Sleipner-Frigg Area	316	301	303	300	275	304	327	316	271	299	299
NGLs	121	199	224	211	200	190	197	216	215	210	192
Total	3320	3334	3294	3444	3300	3198	3396	3365	3228	3356	3117
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	403	362	370	405	334	324	384	383	256	306	299
UK Onshore	66	62	50	70	63	59	56	54	59	61	58
Italy	74	74	77	64	76	75	80	79	76	76	73
Turkey	53	52	48	51	54	53	51	50	53	53	52
Other	163	169	158	174	167	169	166	163	160	171	168
NGLs (excl. North Sea)	29	30	29	36	28	24	31	30	27	25	24
Non-Conventional Oils	32	30	30	21	33	33	32	31	34	33	33
Total	820	778	762	821	756	737	801	790	665	724	708
Australia											
Gippsland Basin	178	153	140	158	152	152	150	145	156	151	152
Cooper-Eromanga Basin	25	26	23	25	27	26	25	24	26	26	25
Carnarvon Basin	320	345	335	345	330	349	355	345	339	342	352
Other Crude	183	132	107	146	118	136	129	121	123	138	140
NGLs	73	71	75	67	72	72	72	75	77	72	72
Total	780	726	680	741	700	734	731	710	721	728	741
Other OECD Pacific											
New Zealand	36	34	32	33	36	35	34	33	36	35	35
Japan	7	6	5	6	6	6	6	6	6	6	6
NGLs	16	17	14	20	17	16	15	15	15	16	16
Synthetic Fuels	3	3	2	2	3	3	3	2	3	3	2
Total	62	60	55	61	61	60	58	57	60	60	60
OECD											
Crude Oil	17616	17420	17414	17606	17174	17291	17610	17690	16974	17450	17226
NGLs	3554	3572	3739	3431	3600	3557	3698	3736	3628	3570	3542
Non-Conventional Oils	746	760	882	746	732	737	825	886	715	705	713
Total	21917	21752	22034	21783	21505	21585	22133	22311	21318	21726	21481

¹ Subcategories refer to crude oil only unless otherwise noted

² Only production from Federal waters is included

³ When possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ Other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Mar2001	Apr2001	May2001	Jun2001	Jul2001*	Jul1998	Jul1999	Jul2000	3Q2000	4Q2000	1Q2001	2Q2001
North America												
Crude	411	422	427	400	407	434	433	382	0.00	0.04	0.20	-0.12
Motor Gasoline	227	236	244	250	236	245	232	237	-0.14	0.02	0.00	0.25
Middle Distillate	177	179	184	192	199	228	219	188	0.08	0.08	-0.19	0.16
Residual Fuel Oil	49	50	51	53	51	50	54	44	0.00	-0.01	0.05	0.04
Total Products ³	602	622	653	676	682	716	690	648	0.09	-0.25	-0.15	0.81
Total ⁴	1152	1184	1223	1221	1233	1311	1280	1182	0.16	-0.37	0.08	0.76
Europe												
Crude	327	318	313	316	307	324	329	316	-0.10	-0.03	0.20	-0.11
Motor Gasoline	122	116	119	121	114	127	121	121	0.03	0.00	0.00	-0.01
Middle Distillate	214	219	227	228	218	260	276	231	0.11	0.07	-0.23	0.16
Residual Fuel Oil	86	85	85	85	84	90	78	77	0.02	0.09	0.00	0.00
Total Products ³	528	529	537	544	525	568	565	530	0.22	0.22	-0.24	0.18
Total ⁴	919	910	911	924	895	957	952	913	0.12	0.19	-0.09	0.06
Pacific												
Crude	182	181	178	183	167	192	185	191	-0.19	0.04	0.11	0.01
Motor Gasoline	26	26	26	26	25	24	26	26	0.00	-0.02	0.03	0.00
Middle Distillate	66	75	71	73	78	74	73	79	0.13	0.01	-0.20	0.08
Residual Fuel Oil	25	23	23	24	23	25	24	24	0.02	-0.01	0.02	-0.01
Total Products ³	183	193	192	194	199	186	187	198	0.25	-0.01	-0.21	0.12
Total ⁴	448	461	455	458	449	466	455	472	0.08	0.02	-0.08	0.11
Total												
Crude	919	921	919	899	880	950	947	889	-0.29	0.05	0.50	-0.22
Motor Gasoline	375	379	389	397	375	396	379	385	-0.11	-0.01	0.03	0.24
Middle Distillate	457	474	482	493	495	561	569	498	0.32	0.16	-0.63	0.39
Residual Fuel Oil	160	158	159	163	158	164	157	146	0.05	0.07	0.07	0.03
Total Products ³	1313	1344	1382	1414	1406	1471	1442	1376	0.55	-0.05	-0.60	1.11
Total ⁴	2518	2555	2589	2603	2577	2734	2688	2567	0.36	-0.16	-0.09	0.93

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Mar2001	Apr2001	May2001	Jun2001	Jul2001*	Jul1998	Jul1999	Jul2000	3Q2000	4Q2000	1Q2001	2Q2001
North America												
Crude	542	542	543	543	543	563	576	570	0.02	-0.32	0.02	0.01
Products ⁷	2	2	2	2	2	0	0	0	0.02	0.01	0.00	0.00
Europe												
Crude	137	140	141	140	140	142	149	139	-0.03	-0.01	-0.01	0.03
Products	213	211	208	207	207	212	208	211	0.07	0.03	-0.03	-0.07
Pacific												
Crude	314	314	314	314	314	315	315	314	-0.02	0.01	0.01	0.00
Total												
Crude	994	997	999	998	998	1020	1040	1023	-0.04	-0.32	0.02	0.04
Products	215	213	210	209	209	212	208	211	0.09	0.03	-0.03	-0.07
Total ⁴	1210	1210	1210	1207	1208	1233	1249	1236	0.05	-0.29	0.00	-0.03

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 US government-controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	February			March			April			May			June		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States															
Crude	287.6	280.4	-2.5	296.2	304.5	2.8	302.1	325.4	7.7	297.9	325.6	9.3	293.8	305.6	4.0
Motor Gasoline	201.3	205.8	2.2	203.8	193.6	-5.0	206.3	200.7	-2.7	207.6	212.3	2.3	209.5	220.1	5.1
Middle Distillate	150.5	164.3	9.2	139.7	147.7	5.7	143.8	148.6	3.3	149.5	152.9	2.3	152.7	160.8	5.3
Residual Fuel Oil	34.4	38.4	11.6	36.4	39.1	7.4	35.3	40.7	15.3	37.3	42.4	13.7	37.0	42.7	15.4
Other Products	101.9	114.8	12.7	105.7	119.2	12.8	119.1	128.4	7.8	131.5	143.0	8.7	137.6	151.3	10.0
Total Products	488.1	523.3	7.2	485.6	499.6	2.9	504.5	518.4	2.8	525.9	550.6	4.7	536.8	574.9	7.1
Other ²	123.7	125.4	1.4	125.2	131.0	4.6	128.6	130.7	1.6	128.8	133.2	3.4	130.6	134.8	3.2
Total	899.4	929.1	3.3	907.0	935.1	3.1	935.2	974.5	4.2	952.6	1009.4	6.0	961.2	1015.3	5.6
Japan															
Crude	123.7	125.3	1.3	126.0	135.4	7.5	121.1	135.7	12.1	130.5	136.1	4.3	134.2	139.0	3.6
Motor Gasoline	14.0	14.6	4.3	14.7	15.2	3.4	16.1	15.0	-6.8	15.7	14.6	-7.0	13.9	14.3	2.9
Middle Distillate	37.6	40.9	8.8	33.2	40.2	21.1	39.9	43.7	9.5	44.0	43.2	-1.8	43.8	42.4	-3.2
Residual Fuel Oil	9.3	10.7	15.1	9.9	10.7	8.1	10.0	10.8	8.0	9.9	11.0	11.1	8.7	10.3	18.4
Other Products	43.3	43.7	0.9	41.1	48.2	17.3	45.3	50.8	12.1	46.9	53.2	13.4	46.2	50.8	10.0
Total Products	104.2	109.9	5.5	98.9	114.3	15.6	111.3	120.3	8.1	116.5	122.0	4.7	112.6	117.8	4.6
Other ²	70.2	70.6	0.6	66.0	71.5	8.3	70.7	75.9	7.4	72.1	74.9	3.9	70.3	70.4	0.1
Total	298.1	305.8	2.6	290.9	321.2	10.4	303.1	331.9	9.5	319.1	333.0	4.4	317.1	327.2	3.2
Germany															
Crude	20.5	21.4	4.4	20.2	22.4	10.9	19.9	21.2	6.5	21.7	19.5	-10.1	20.4	19.9	-2.5
Motor Gasoline	13.1	12.0	-8.4	11.6	13.2	13.8	11.9	12.1	1.7	11.0	11.7	6.4	11.3	12.0	6.2
Middle Distillate	21.4	18.5	-13.6	18.3	13.8	-24.6	19.5	17.8	-8.7	18.2	20.0	9.9	14.6	15.4	5.5
Residual Fuel Oil	9.4	8.7	-7.4	8.3	9.6	15.7	8.6	9.8	14.0	8.6	9.6	11.6	9.2	9.4	2.2
Other Products	11.9	13.2	10.9	12.0	12.5	4.2	12.2	12.5	2.5	12.2	12.6	3.3	12.7	12.2	-3.9
Total Products	55.8	52.4	-6.1	50.2	49.1	-2.2	52.2	52.2	0.0	50.0	53.9	7.8	47.8	49.0	2.5
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	76.3	73.8	-3.3	70.4	71.5	1.6	72.1	73.4	1.8	71.7	73.4	2.4	68.2	68.9	1.0
Italy															
Crude	34.6	40.1	15.9	39.3	38.9	-1.0	34.2	38.9	13.7	36.4	38.9	6.9	41.6	38.9	-6.5
Motor Gasoline	31.0	21.1	-31.9	30.5	21.3	-30.2	27.9	21.3	-23.7	24.6	21.3	-13.4	23.4	21.3	-9.0
Middle Distillate	27.6	33.7	22.1	25.9	31.3	20.8	31.2	31.3	0.3	29.5	31.3	6.1	28.7	31.3	9.1
Residual Fuel Oil	18.5	20.4	10.3	19.5	20.8	6.7	19.3	20.8	7.8	19.3	20.8	7.8	16.6	20.8	25.3
Other Products	10.8	17.3	60.2	10.8	18.4	70.4	11.2	18.4	64.3	11.7	18.4	57.3	12.4	18.4	48.4
Total Products	87.9	92.5	5.2	86.7	91.8	5.9	89.6	91.8	2.5	85.1	91.8	7.9	81.1	91.8	13.2
Other ²	9.3	9.6	3.2	10.3	9.5	-7.8	10.5	9.5	-9.5	8.5	9.5	11.8	11.9	9.5	-20.2
Total	131.8	142.2	7.9	136.3	140.2	2.9	134.3	140.2	4.4	130.0	140.2	7.8	134.6	140.2	4.2
France															
Crude	34.8	39.4	13.2	39.7	42.3	6.5	39.2	39.7	1.3	43.4	40.8	-6.0	44.0	40.8	-7.3
Motor Gasoline	15.4	13.8	-10.4	14.4	13.2	-8.3	13.0	11.4	-12.3	13.2	12.3	-6.8	13.1	12.3	-6.1
Middle Distillate	35.2	30.1	-14.5	34.1	27.1	-20.5	36.1	29.5	-18.3	34.4	29.0	-15.7	33.6	29.0	-13.7
Residual Fuel Oil	8.4	7.2	-14.3	7.5	7.5	0.0	6.8	7.9	16.2	6.9	7.8	13.0	7.7	7.8	1.3
Other Products	8.7	8.6	-1.1	9.0	8.6	-4.4	8.6	9.6	11.6	8.3	9.1	9.6	8.5	9.1	7.1
Total Products	67.7	59.7	-11.8	65.0	56.4	-13.2	64.5	58.4	-9.5	62.8	58.2	-7.3	62.9	58.2	-7.5
Other ²	12.0	13.3	10.8	11.9	12.2	2.5	12.5	12.5	0.0	11.4	11.4	0.0	11.9	11.4	-4.2
Total	114.5	112.4	-1.8	116.6	110.9	-4.9	116.2	110.6	-4.8	117.6	110.4	-6.1	118.8	110.4	-7.1
United Kingdom															
Crude	40.1	31.7	-20.9	39.1	39.1	0.0	34.4	37.6	9.3	30.8	35.8	16.2	31.8	33.9	6.6
Motor Gasoline	10.6	8.7	-17.9	10.3	8.4	-18.4	9.9	7.5	-24.2	8.9	8.8	-1.1	8.2	8.9	8.5
Middle Distillate	21.0	22.6	7.6	20.5	18.8	-8.3	22.4	19.8	-11.6	21.9	21.2	-3.2	21.5	23.0	7.0
Residual Fuel Oil	5.3	5.3	0.0	5.4	5.1	-5.6	5.5	4.8	-12.7	5.6	5.0	-10.7	5.8	5.4	-6.9
Other Products	13.3	17.3	30.1	13.5	16.6	23.0	14.5	16.3	12.4	14.8	16.8	13.5	15.7	18.6	18.5
Total Products	50.2	53.9	7.4	49.7	48.9	-1.6	52.3	48.4	-7.5	51.2	51.8	1.2	51.2	55.9	9.2
Other ²	12.8	12.3	-3.9	14.2	12.2	-14.1	14.4	11.9	-17.4	12.9	11.1	-14.0	13.5	12.2	-9.6
Total	103.1	97.9	-5.0	103.0	100.2	-2.7	101.1	97.9	-3.2	94.9	98.7	4.0	96.5	102.0	5.7
Canada³															
Crude	69.3	73.1	5.5	69.3	75.6	9.1	69.8	74.7	7.0	70.2	75.2	7.1	69.1	75.2	8.8
Motor Gasoline	18.5	18.2	-1.6	19.1	18.7	-2.1	18.5	18.3	-1.1	16.5	16.3	-1.2	16.0	16.3	1.9
Middle Distillate	19.4	19.8	2.1	19.4	20.1	3.6	20.2	20.3	0.5	18.4	21.2	15.2	19.0	21.2	11.6
Residual Fuel Oil	3.8	3.9	2.6	3.9	4.4	12.8	3.9	4.1	5.1	4.0	4.9	22.5	3.7	4.9	32.4
Other Products	19.2	20.7	7.8	20.1	21.9	9.0	21.3	21.4	0.5	21.2	22.8	7.5	20.8	22.8	9.6
Total Products	60.9	62.6	2.8	62.5	65.1	4.2	63.9	64.1	0.3	60.1	65.2	8.5	59.5	65.2	9.6
Other ²	9.3	7.3	-21.5	9.4	8.0	-14.9	10.1	9.9	-2.0	11.5	9.9	-13.9	14.5	9.9	-31.7
Total	139.5	143.0	2.5	141.2	148.7	5.3	143.8	148.7	3.4	141.8	150.3	6.0	143.1	150.3	5.0

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following counties are estimated: Canada for June 2001; France for June 2001; Italy for April to June 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End June 2000		End September 2000		End December 2000		End March 2001		End June 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	143.1	67	148.4	68	143.4	70	148.6	75	150.3	-
Mexico	38.3	19	47.2	24	47.6	24	46.0	24	33.2	-
United States	1530.1	76	1533.8	77	1474.9	74	1479.4	76	1560.5	-
Total ⁴	1733.6	71	1751.6	72	1688.1	70	1696.1	71	1766.1	72
Pacific										
Australia	41.2	49	43.9	51	40.9	47	41.0	46	42.4	-
Japan	631.6	117	626.8	111	634.0	104	635.6	128	641.5	-
Korea ⁵	77.4	40	83.0	38	82.5	36	74.8	37	77.0	-
New Zealand	10.2	76	11.6	84	10.6	77	10.8	81	11.5	-
Total	760.4	91	765.4	87	768.0	81	762.2	95	772.4	94
Europe⁶										
Austria	17.1	64	17.6	75	18.3	75	18.7	78	15.8	-
Belgium	27.4	51	27.7	42	26.4	41	26.7	51	29.3	-
Czech Republic	14.6	90	14.9	87	15.2	102	16.9	90	16.7	-
Denmark	17.7	85	17.2	83	17.6	83	17.6	85	19.1	-
Finland	20.4	102	23.4	115	27.0	124	26.4	138	25.2	-
France	169.7	89	168.4	81	169.7	81	166.9	85	167.2	-
Germany	281.1	96	277.7	98	273.6	101	272.8	99	266.6	-
Greece	24.6	66	26.7	65	26.7	61	25.1	68	25.1	-
Hungary	21.1	139	21.5	150	21.6	158	20.8	149	20.6	-
Ireland	8.5	53	8.2	48	9.2	49	9.5	55	8.9	-
Italy	134.6	73	138.6	73	139.9	75	140.3	79	140.3	-
Luxembourg	0.9	18	0.7	15	1.1	20	0.8	16	0.9	-
Netherlands	106.4	123	110.0	127	112.3	126	120.3	136	112.7	-
Norway	26.6	128	25.3	135	31.7	160	24.9	133	31.1	-
Poland	22.7	49	24.5	53	27.8	68	24.6	59	25.7	-
Portugal	21.1	62	23.3	70	23.4	74	21.6	66	25.1	-
Spain	110.1	78	112.7	78	114.1	77	113.9	80	112.8	-
Sweden	33.8	103	37.8	135	34.4	119	32.8	104	35.0	-
Switzerland	39.1	138	39.2	135	37.3	128	37.3	139	38.8	-
Turkey	52.7	74	50.5	71	53.7	87	52.2	84	52.2	-
United Kingdom	96.4	56	95.7	55	100.0	57	100.2	58	101.9	-
Total	1246.5	82	1261.6	82	1280.8	84	1270.1	86	1271.7	84
Total OECD	3740.5	78	3778.5	78	3736.9	77	3728.5	80	3810.2	80
DAYS OF IEA Net Imports⁷	-	111	-	112	-	112	-	112	-	114

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net

imports used for the calculation of IEA Emergency Reserves

3 end June 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
2Q1998	3971	1228	2743	85	26	59
3Q1998	4008	1238	2770	83	26	58
4Q1998	3947	1249	2698	81	26	55
1Q1999	3887	1248	2639	85	27	58
2Q1999	3927	1250	2678	83	27	57
3Q1999	3903	1240	2663	80	25	54
4Q1999	3675	1228	2446	76	26	51
1Q2000	3650	1234	2416	78	27	52
2Q2000	3740	1232	2508	78	26	52
3Q2000	3778	1237	2542	78	25	52
4Q2000	3737	1210	2527	77	25	52
1Q2001	3728	1210	2518	80	26	54
2Q2001	3810	1207	2603	80	25	55

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 2Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	3Q00	4Q00	1Q01	2Q01	Mar 01	Apr 01	May 01	Jun 01	Jul 01	Aug 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>													
IEA North America	12.12	17.12	27.67	29.12	28.46	24.30	23.91	23.66	22.96	24.49	24.27		
IEA Europe	12.30	17.32	27.89	29.03	29.23	25.39	26.03	24.04	24.62	26.99	26.83		
IEA Pacific	13.77	17.48	28.89	29.76	31.89	25.61	27.01	26.64	25.90	27.06	28.20		
IEA Total	12.52	17.26	28.00	29.20	29.46	25.03	25.34	24.43	24.21	25.95	25.99		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	30.43	29.67	25.79	27.38	24.42	25.66	28.51	27.83	24.58	25.74
WTI (1st month)	14.39	19.31	30.37	31.66	31.96	28.72	27.88	27.18	27.40	28.61	27.57	26.43	27.40
Urals (del. Med.)	11.79	17.30	26.63	27.28	27.89	23.68	25.39	21.69	23.91	26.63	25.50	23.09	24.50
Dubai (1st month)	12.16	17.30	26.24	27.66	27.68	23.67	25.17	23.45	24.18	25.60	25.65	23.43	24.53
Tapis (1st month)	13.77	18.99	29.85	32.41	31.22	26.92	28.36	26.86	27.94	28.98	28.13	25.80	25.32
OPEC Basket	12.28	17.47	27.60	29.18	28.84	24.42	25.67	23.64	24.64	26.25	26.04	23.73	24.49
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	37.84	33.31	31.77	36.98	31.84	38.03	40.84	32.17	28.18	29.74
Unleaded	16.53	20.86	34.41	36.21	32.22	30.66	35.44	30.39	36.59	39.25	30.60	27.17	28.60
Naphtha	14.33	18.34	29.09	30.05	30.35	27.54	27.99	25.97	27.15	29.80	26.96	21.84	21.83
Jet/Kerosene	17.09	22.04	36.98	39.67	41.83	32.46	33.55	31.75	32.49	34.22	33.85	31.72	31.77
Gasoil .2 %	16.17	20.12	34.38	37.76	39.06	30.54	31.31	29.74	30.75	31.56	31.56	29.72	30.54
LSFO 1%	11.96	15.05	23.74	24.19	26.40	21.63	20.72	21.55	21.17	21.08	19.95	17.99	19.34
HSFO 3.5%	10.12	14.37	21.42	21.71	22.45	17.73	18.46	18.44	17.66	18.88	18.77	17.97	19.20
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	39.50	34.55	32.34	37.50	32.32	38.89	41.10	32.63	28.74	30.37
Premium Unleaded	17.34	22.23	36.43	38.78	33.83	31.63	36.78	31.60	38.18	40.38	31.91	28.02	29.56
Naphtha	13.56	17.76	28.16	29.11	28.96	25.40	26.53	24.08	25.46	28.14	25.89	21.08	21.22
Jet/Kerosene	14.93	20.55	34.82	37.64	38.70	28.32	29.89	28.53	28.81	30.56	30.19	28.58	28.87
Gasoil .2 %	14.82	19.12	33.87	37.56	38.89	28.29	28.94	26.83	27.96	28.54	30.24	28.17	28.87
LSFO 1%	11.16	14.41	23.77	23.89	26.16	20.21	19.54	19.71	20.27	19.92	18.50	19.06	19.39
HSFO 3.5%	8.85	12.78	18.92	18.39	20.12	14.66	15.55	15.29	14.58	15.77	16.22	16.03	17.07
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	41.14	37.37	36.52	41.26	34.53	45.03	44.71	34.06	31.99	36.43
Unleaded	17.80	22.76	36.10	37.60	36.52	34.04	36.16	32.74	39.37	38.81	30.33	28.58	32.46
Jet/Kerosene	18.00	21.78	38.05	39.20	42.91	34.66	34.16	32.94	33.81	35.58	33.01	30.14	32.83
No. 2 (Heating Oil)	16.41	20.50	36.37	37.28	41.15	33.11	32.21	31.08	32.53	32.38	31.73	29.29	30.77
LSFO 1%	12.33	15.51	25.05	26.06	27.90	24.01	22.07	23.32	22.86	23.12	20.21	19.22	20.15
HSFO 6 3%	10.24	13.99	20.68	21.18	20.89	18.55	17.56	19.03	16.75	18.36	17.48	15.70	18.49
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	36.50	31.97	30.43	30.72	29.81	32.80	32.59	26.87	24.43	26.96
Naphtha	14.77	19.54	28.38	30.85	28.54	26.19	27.24	26.55	27.00	28.08	26.63	22.99	22.92
Jet/Kerosene	16.31	21.59	34.39	37.82	38.44	29.46	30.54	28.77	30.06	30.66	30.86	28.82	29.53
Gasoil .5%	15.40	19.25	32.58	36.50	34.59	27.56	30.23	26.81	29.78	30.91	30.00	28.56	28.70
LSWR Cracked	10.95	15.61	25.83	26.99	26.48	22.24	25.67	22.32	25.71	25.96	25.35	24.28	21.49
HSFO 180 CST	10.60	15.71	24.43	24.21	25.02	20.73	22.23	21.35	21.89	23.33	21.46	20.30	22.04
HSFO 4%	10.34	15.60	24.21	23.95	24.78	20.16	21.92	21.00	21.62	23.06	21.07	20.25	21.89

* IEA CIF Average Import price for June is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
August 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	6.710	4.864	-1.6	-4.1	-7.5	-15.9	0.920	0.254	3.5	0.8	-8.0	-16.4
Germany	1.932	1.426	-2.0	-6.3	-3.4	-19.1	0.888	0.232	3.1	-1.4	-3.9	-19.5
Italy	2018	1344	-2.5	-6.0	-5.4	-12.4	0.937	0.313	2.6	-1.2	-5.9	-12.9
Spain	134.3	80.4	-2.5	-5.3	-3.3	-6.8	0.726	0.292	2.5	-0.4	-3.8	-7.3
UK	0.770	0.573	-1.3	-4.4	-4.1	1.0	1.104	0.283	3.0	-0.2	-7.6	-2.6
Japan	107.1	58.9	-	-	-	-	0.877	0.395	2.3	2.3	-11.4	-11.4
Canada	0.733	0.304	9.7	16.6	2.9	4.6	0.477	0.279	9.0	15.7	-0.8	0.9
USA	0.395	0.101	0.8	1.0	-1.0	-1.0	0.395	0.294	0.8	1.0	-1.0	-1.0
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.369	2.469	-1.1	-2.6	-5.2	-6.9	0.599	0.260	4.0	2.5	-5.8	-7.4
Germany	1.339	0.800	-2.0	-4.8	0.2	-9.6	0.616	0.248	3.1	0.2	-0.3	-10.1
Italy	1390	739	-2.3	-4.9	-2.6	-5.3	0.646	0.302	2.7	0.1	-3.1	-5.9
Spain	100.43	44.90	-0.9	-1.6	0.1	0.2	0.543	0.300	4.3	3.5	-0.4	-0.3
UK	0.661	0.458	-0.5	-1.5	-3.8	2.0	0.948	0.291	3.9	2.8	-7.3	-1.7
Japan	87.2	36.3	-	-	1.3	2.0	0.714	0.417	2.3	2.3	-10.3	-9.6
Canada	0.663	0.239	-0.5	-0.7	-0.9	-2.3	0.431	0.276	-1.2	-1.4	-4.5	-5.8
USA	0.369	0.118	-1.3	-2.0	-4.9	-7.0	0.369	0.251	-1.3	-2.0	-4.9	-7.0
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2550.0	696.8	-2.7	-4.3	-17.9	-10.5	349.6	254.0	2.4	0.6	-18.4	-11.0
Germany	748.0	223.2	0.7	0.9	-8.0	-9.7	343.9	241.3	6.0	6.2	-8.5	-10.2
Italy	1589000	962231	-1.5	-3.2	-4.0	-2.2	738.0	291.1	3.6	1.8	-4.6	-2.8
Spain	64631	22012	-5.5	-7.0	-10.3	-13.0	349.4	230.4	-0.6	-2.2	-10.8	-13.5
UK	201.16	40.88	1.4	1.6	-5.9	-7.0	288.5	229.9	5.8	6.0	-9.3	-10.4
Japan ⁴	49980	2380	-0.2	-0.2	6.0	6.0	409.3	389.8	2.1	2.1	-6.1	-6.1
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	332.1	-	-4.9	-	0.6	-	332.1	-	-4.9	-	0.6	-
HFO FOR INDUSTRY^{3, 6} (Price per Metric Ton)												
France	1180.8	121.8	0.1	0.1	-1.0	-1.1	161.9	145.2	5.3	5.3	-1.5	-1.7
Germany	322.7	35.0	-3.6	-4.0	-8.4	-9.4	148.4	132.3	1.4	1.0	-8.9	-9.9
Italy	393636	60777	-1.1	-1.3	-6.1	-7.1	182.8	154.6	4.0	3.8	-6.6	-7.6
Spain	30767	2235	-2.9	-3.1	-4.8	-5.2	166.3	154.2	2.1	1.9	-5.3	-5.7
UK	126.95	27.62	0.6	0.8	3.9	5.3	182.1	142.5	5.0	5.2	0.2	1.5
Japan	26526	1263	-	-	4.3	4.3	217.2	206.9	2.3	2.3	-7.5	-7.5
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 Mid-month prices

2 Unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 Kerosene

5 Data for the Previous month

6 High sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Apr 01	May 01	Jun 01	Year Earlier	
											Jun 00	change
OECD North America												
Venezuela	1.57	1.63		1.56	1.64	1.74	1.74	1.69	1.71	1.69	1.65	0.04
Other Central & South America	0.78	0.60		0.59	0.60	0.53	0.51	0.53	0.54	0.46	0.56	-0.10
North Sea	0.99	1.11		1.20	1.30	0.94	1.15	0.93	1.29	1.04	1.06	-0.03
Other OECD Europe	-	0.01		-	0.01	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.01	0.00	0.00	-	-	-	-	-	-
Saudi Arabia	1.51	1.62		1.59	1.66	1.74	1.77	1.72	1.82	1.81	1.56	0.24
Kuwait	0.25	0.27		0.21	0.33	0.30	0.26	0.23	0.25	0.26	0.21	0.05
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.69	0.89	0.66	0.52	1.02	1.13	0.87	0.98	-0.11
Oman	-	0.00		0.01	-	-	-	-	-	0.02	-	-
United Arab Emirates	-	0.00		-	0.00	-	0.03	0.07	0.03	-	-	-
Other Middle East	0.00	0.03		0.05	0.03	0.02	0.05	-	-	0.04	0.09	-0.05
West Africa ²	1.38	1.55		1.74	1.64	1.50	1.63	1.77	1.46	1.35	1.75	-0.40
Other Africa	0.11	0.07		0.06	0.05	0.11	0.08	0.05	0.20	0.14	0.08	0.05
Asia	0.20	0.17		0.18	0.17	0.17	0.14	0.22	0.15	0.12	0.20	-0.08
Other	0.03	0.05		0.07	0.04	0.06	0.05	0.03	-	0.10	0.10	0.00
Total	7.62	7.77		7.97	8.36	7.79	7.92	8.26	8.58	7.88	8.24	-0.36
of which Non-OECD	6.63	6.66		6.71	7.01	6.82	6.74	7.26	7.28	6.83	7.13	-0.30
OECD Europe												
Canada	-	0.00		-	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.20	0.21	0.20	0.18	0.14	0.21	0.25	0.22	0.03
Venezuela	0.17	0.14		0.18	0.16	0.12	0.12	0.13	0.15	0.15	0.15	0.00
Other Central & South America	0.00	0.01		0.01	0.00	0.02	0.06	0.04	0.05	0.01	0.01	0.01
Non-OECD Europe	0.01	0.01		0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.00
Former Soviet Union	2.18	2.40		2.35	2.47	2.42	2.49	2.58	2.42	2.64	2.32	0.32
Saudi Arabia	1.31	1.39		1.35	1.45	1.61	1.40	1.19	1.19	1.60	1.51	0.08
Kuwait	0.17	0.20		0.20	0.26	0.21	0.23	0.15	0.10	0.18	0.20	-0.03
Iran	0.94	0.79		0.72	0.93	0.81	0.88	0.57	0.73	0.70	0.76	-0.06
Iraq	0.80	0.74		0.83	0.74	0.69	0.28	0.88	0.76	0.65	0.94	-0.29
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		-	0.00	0.01	0.01	-	-	0.00	-	-
Other Middle East	0.35	0.31		0.36	0.30	0.32	0.41	0.27	0.36	0.44	0.48	-0.04
West Africa ²	0.59	0.64		0.40	0.51	0.79	0.84	0.61	0.57	0.46	0.35	0.11
Other Africa	1.54	1.58		1.52	1.61	1.62	1.52	1.65	1.31	1.53	1.60	-0.07
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.00	0.10	0.04	0.07	0.00	0.09	0.10	-	-
Total	8.25	8.45		8.13	8.75	8.86	8.50	8.22	7.94	8.71	8.54	0.16
of which Non-OECD	8.06	8.26		7.93	8.54	8.66	8.31	8.08	7.72	8.46	8.32	0.14
OECD Pacific												
Canada	-	-		-	-	-	0.01	0.02	-	-	-	-
Mexico + USA	0.10	0.07		0.08	0.03	0.03	0.04	0.06	-	0.02	0.06	-0.04
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.04	0.05	0.05	0.07	0.02	0.05	0.06	0.05	0.01
North Sea	0.04	0.02		0.06	0.01	-	-	-	0.04	0.03	0.10	-0.07
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		0.01	0.06	0.05	-	-	-	0.08	0.03	0.05
Saudi Arabia	1.65	1.83		1.77	1.76	1.92	2.08	1.84	1.78	1.66	1.58	0.08
Kuwait	0.56	0.60		0.58	0.55	0.71	0.76	0.52	0.62	0.54	0.59	-0.05
Iran	0.73	0.72		0.66	0.70	0.72	0.83	0.84	0.78	0.68	0.66	0.02
Iraq	0.13	0.13		0.08	0.13	0.23	0.01	0.07	-	-	0.18	-
Oman	0.45	0.36		0.40	0.38	0.31	0.42	0.52	0.43	0.34	0.36	-0.01
United Arab Emirates	1.39	1.46		1.46	1.42	1.54	1.67	1.45	1.26	1.29	1.29	0.00
Other Middle East	0.57	0.59		0.56	0.58	0.64	0.72	0.79	0.52	0.49	0.49	0.00
West Africa ²	0.28	0.17		0.14	0.13	0.17	0.07	0.03	0.16	0.09	0.27	-0.18
Other Africa	0.07	0.06		0.04	0.06	0.04	0.04	0.02	0.07	0.04	0.05	-0.01
Non-OECD Asia	1.03	0.87		0.90	0.85	0.81	1.02	0.79	0.77	0.91	0.91	-0.01
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		6.78	6.71	7.22	7.71	6.98	6.47	6.23	6.62	-0.39
of which Non-OECD	6.93	6.87		6.64	6.67	7.19	7.67	6.90	6.44	6.18	6.46	-0.28
Total OECD Trade	22.93	23.19		22.88	23.82	23.87	24.13	23.46	22.99	22.82	23.41	-0.59
of which Non-OECD	21.62	21.78		21.29	22.22	22.67	22.72	22.25	21.44	21.47	21.91	-0.44

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

2. West Africa includes Angola, Nigeria, Gabon, Congo and Democratic Republic of Congo.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	2000	3Q00	4Q00	1Q01	Apr 01	May 01	Jun 01	Year Earlier Jun 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.51	0.33	0.57	0.59	0.70	0.68	0.80	0.53	0.27
Europe	1.01	1.01		0.98	1.04	1.12	0.97	0.83	0.65	0.74	1.11	-0.37
Pacific	0.53	0.64		0.61	0.60	0.70	0.88	0.67	0.75	0.70	0.44	0.26
Saudi Medium												
North America	0.65	0.68		0.65	0.65	0.83	0.73	0.81	0.71	0.88	0.73	0.15
Europe	0.21	0.23		0.22	0.25	0.25	0.18	0.15	0.08	0.08	0.21	-0.13
Pacific	0.15	0.13		0.15	0.11	0.11	0.08	0.11	0.04	0.06	0.09	-0.03
Saudi Heavy												
North America	0.31	0.31		0.33	0.34	0.25	0.27	0.27	0.18	0.13	0.33	-0.19
Europe	0.09	0.14		0.10	0.14	0.23	0.16	0.14	0.10	0.14	0.13	0.01
Pacific	0.09	0.12		0.10	0.13	0.13	0.12	0.06	0.09	0.11	0.05	0.06
Iraqi Basrah Light²												
North America	0.71	0.61		0.70	0.75	0.57	0.34	0.80	0.81	0.66	0.87	-0.20
Europe	0.15	0.16		0.17	0.21	0.10	0.13	0.27	0.10	0.03	0.12	-0.09
Pacific	0.11	0.08		0.04	0.06	0.17	-	-	-	-	0.11	-
Iraqi Kirkuk												
North America	0.01	-		-	-	-	-	0.10	0.10	0.13	-	-
Europe	0.65	0.55		0.59	0.53	0.58	0.16	0.44	0.32	0.22	0.79	-0.58
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.26	0.29	0.17	0.18	0.14	0.15	0.11	0.22	-0.11
Pacific	0.12	0.13		0.10	0.12	0.11	0.15	0.11	0.12	0.14	0.05	0.09
Iranian Heavy³												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.44	0.58	0.55	0.60	0.41	0.56	0.32	0.45	-0.14
Pacific	0.38	0.37		0.36	0.36	0.38	0.44	0.48	0.40	0.27	0.38	-0.11
Venezuelan Light & Medium												
North America	0.76	0.72		0.71	0.68	0.73	0.69	0.59	0.63	0.59	0.69	-0.10
Europe	0.08	0.04		0.06	0.03	0.05	0.03	0.03	0.04	0.04	0.03	0.01
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.43	0.49	0.62	0.70	0.69	0.68	0.61	0.45	0.15
Europe	0.05	0.06		0.06	0.09	0.05	0.05	0.06	0.10	0.08	0.07	0.01
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.70	0.76	0.69	0.76	0.73	0.65	0.71	0.70	0.01
Europe	0.14	0.17		0.15	0.19	0.16	0.09	0.11	0.19	0.16	0.16	0.00
Pacific	0.02	0.02		0.02	0.02	0.02	0.02	0.02	-	0.02	0.03	-0.01
Mexican Isthmus												
North America	0.11	0.07		0.09	0.05	0.04	0.08	0.08	0.02	-	0.09	-
Europe	0.04	0.01		0.01	0.02	0.01	0.08	0.02	0.01	0.04	0.00	0.04
Pacific	0.01	0.02		0.02	0.01	0.01	0.02	0.04	-	-	0.03	-
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.77	0.77	0.61	0.78	1.33	0.94	0.73	0.65	0.08
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light⁴												
North America	0.40	0.65		0.71	0.81	0.53	0.55	0.77	0.57	0.54	0.71	-0.17
Europe	0.32	0.38		0.25	0.33	0.49	0.36	0.20	0.29	0.24	0.21	0.03
Pacific	0.03	0.01		-	0.00	0.03	-	-	-	-	-	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.01	0.03	-	-	-	-	-
Europe	0.08	0.06		0.01	0.01	0.15	0.07	0.09	0.04	0.03	-	-
Pacific	-	0.00		-	-	0.01	-	-	-	-	-	-

1. Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the report.

IEA North America includes United States and Canada.

IEA Europe includes OECD Europe but excludes Hungary and Poland.

IEA Pacific includes OECD Pacific but excludes Korea.

2. Iraqi Basrah Light includes other Iraq.

3. Iranian Heavy includes other Iranian.

4. 33 API and lighter (Bonny Light, Escravos, Qua Iboe, Oso Condensate)

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Apr 01	May 01	Jun 01	Year Earlier Jun 00	change
OECD North America												
Venezuela	0.13	0.10		0.09	0.10	0.13	0.09	0.14	0.09	0.15	0.07	0.08
Other Central & South America	0.05	0.06		0.06	0.08	0.06	0.08	0.09	0.10	0.15	0.07	0.07
ARA (Belgium Germany Netherlands)	0.06	0.04		0.02	0.03	0.06	0.07	0.08	0.09	0.09	0.02	0.07
Other Europe	0.15	0.12		0.11	0.10	0.12	0.20	0.19	0.17	0.12	0.10	0.02
FSU	0.02	0.03		0.04	0.04	0.01	0.05	0.07	0.05	0.04	0.06	-0.01
Saudi Arabia	0.11	0.06		0.07	0.07	0.06	0.05	0.06	0.06	0.06	0.06	-0.01
Algeria	0.00	-		-	-	-	-	-	0.00	-	-	-
Other Middle East & Africa	0.00	0.03		0.04	0.03	0.04	0.02	0.04	0.05	0.06	0.03	0.03
Singapore	0.01	0.01		0.00	0.01	0.01	0.01	0.01	0.02	0.01	0.00	0.00
OECD Pacific	0.02	0.00		0.01	0.00	0.00	0.01	0.02	0.02	0.01	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.02	0.01	0.00	0.02	0.02	0.02	0.03	-	-
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.47		0.45	0.45	0.49	0.61	0.72	0.68	0.72	0.42	0.30
of which Non-OECD	0.35	0.31		0.32	0.33	0.32	0.33	0.43	0.42	0.53	0.30	0.23
OECD Europe												
OECD North America	0.00	0.00		0.00	0.01	0.00	0.00	-	0.00	0.00	0.00	0.00
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.01	0.01	0.00	0.00	0.01	0.01	0.00	0.01	-0.01
Non-OECD Europe	0.02	0.02		0.02	0.02	0.02	0.02	0.00	0.00	0.01	0.02	-0.02
FSU	0.01	0.02		0.04	0.03	0.02	0.01	0.01	0.02	0.03	0.01	0.02
Saudi Arabia	0.00	0.00		0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Algeria	0.01	0.01		0.01	0.00	0.01	0.00	0.01	0.01	0.01	0.01	0.00
Other Middle East & Africa	0.00	0.01		0.00	0.01	0.00	0.01	0.00	0.01	0.01	0.01	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	-	-	-	-	-	-
Other	0.07	0.08		0.05	0.07	0.05	0.12	0.11	0.16	0.09	0.07	0.01
Total²	0.11	0.14		0.14	0.16	0.10	0.16	0.15	0.20	0.15	0.14	0.01
of which Non-OECD	0.11	0.14		0.15	0.15	0.11	0.16	0.17	0.22	0.17	0.14	0.03
OECD Pacific												
OECD North America	0.00	0.00		0.00	-	-	0.01	-	-	-	0.01	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	0.00	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	-	0.00	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.00	0.01	0.01	0.00	-	0.02	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		-	0.01	-	-	-	-	-	-	-
Singapore	0.02	0.02		0.04	0.02	0.01	0.02	0.02	0.03	0.03	0.05	-0.02
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.01	0.00	0.01	0.01	0.00	-	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.06	0.04	0.02	0.04	0.02	0.05	0.03	0.06	-0.02
of which Non-OECD	0.03	0.04		0.06	0.04	0.02	0.03	0.02	0.05	0.03	0.05	-0.02
Total OECD Trade²	0.70	0.65		0.66	0.65	0.62	0.81	0.90	0.93	0.91	0.62	0.29
of which Non-OECD	0.49	0.49		0.53	0.53	0.45	0.52	0.63	0.69	0.73	0.49	0.24

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Apr 01	May 01	Jun 01	Year Earlier	
											Jun 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.05	0.07	0.08	0.07	0.03	0.04	0.04	0.01
Other Central & South America	0.01	0.01		0.01	0.00	0.02	0.07	0.03	0.01	0.03	0.01	0.02
ARA (Belgium Germany Netherlands)	0.00	0.01		-	0.00	0.00	0.01	-	0.02	0.02	-	-
Other Europe	0.00	0.01		0.01	-	0.00	0.05	0.01	0.04	0.01	0.02	0.00
FSU	0.02	0.02		0.02	0.01	0.03	0.11	0.04	0.03	0.00	0.02	-0.02
Saudi Arabia	0.01	0.00		-	-	-	0.01	-	-	-	-	-
Algeria	0.00	0.00		-	-	0.00	0.00	0.02	0.01	-	-	-
Other Middle East & Africa	-	0.00		-	-	0.00	0.02	-	0.03	0.01	-	-
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.01	0.00		0.01	0.00	0.01	0.01	-	0.01	0.01	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	-	0.01	0.02	-	0.03	-	0.01	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.09	0.08	0.16	0.39	0.16	0.20	0.13	0.10	0.02
of which Non-OECD	0.10	0.11		0.07	0.07	0.15	0.32	0.15	0.16	0.08	0.08	0.01
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.02	0.00	0.00	0.02	0.01	0.03	-0.01
Venezuela	0.00	0.00		-	-	-	0.00	-	0.00	-	-	-
Other Central & South America	0.00	0.00		0.00	-	0.00	0.00	0.01	0.01	-	0.00	-
Non-OECD Europe	0.04	0.05		0.04	0.05	0.05	0.04	0.03	0.02	0.01	0.05	-0.03
FSU	0.32	0.29		0.31	0.29	0.24	0.35	0.31	0.35	0.32	0.36	-0.05
Saudi Arabia	0.01	0.00		0.01	0.00	0.00	0.00	0.00	0.01	-	0.01	-
Algeria	0.04	0.03		0.03	0.03	0.02	0.04	0.03	0.04	0.03	0.03	0.01
Other Middle East & Africa	0.03	0.02		0.02	0.03	0.02	0.01	0.00	0.03	0.03	0.02	0.01
Singapore	-	0.00		-	-	0.00	-	-	-	-	-	-
OECD Pacific	0.00	0.00		0.00	-	-	-	0.00	-	-	0.00	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.01	0.00	0.00	-	-	0.00	-	-
Other	0.07	0.08		0.06	0.09	0.08	0.13	0.04	0.05	0.19	0.13	0.06
Total²	0.52	0.50		0.49	0.51	0.44	0.58	0.42	0.52	0.60	0.64	-0.03
of which Non-OECD	0.51	0.48		0.47	0.49	0.42	0.58	0.45	0.52	0.63	0.61	0.02
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		-	0.00	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		-	0.00	-	0.00	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.01	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	0.00	-	-	-	0.00	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.02	0.02	0.01	0.01	0.02	0.02	0.02	0.02	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	0.00	0.01	0.00	0.01	0.00	-	-
Other	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Total²	0.03	0.02		0.04	0.02	0.02	0.02	0.03	0.03	0.03	0.02	0.01
of which Non-OECD	0.03	0.02		0.04	0.02	0.02	0.02	0.03	0.03	0.04	0.02	0.02
Total OECD Trade²	0.67	0.65		0.61	0.60	0.62	0.99	0.61	0.75	0.76	0.76	0.00
of which Non-OECD	0.64	0.61		0.58	0.59	0.59	0.93	0.64	0.71	0.75	0.71	0.04

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Apr 01	May 01	Jun 01	Year Earlier Jun 00	change
OECD North America												
Venezuela	0.03	0.03		0.03	0.01	0.04	0.03	0.05	0.03	0.02	0.02	0.00
Other Central & South America	0.02	0.01		0.00	0.02	0.02	0.03	0.02	0.04	0.01	-	-
ARA (Belgium Germany Netherlands)	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Other Europe	-	0.00		-	-	0.00	0.00	-	-	-	-	-
FSU	0.00	-		-	-	-	0.00	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.01	0.00	0.02	-	-	-	0.02	-
Algeria	0.00	0.00		-	0.00	0.00	0.00	0.01	-	-	-	-
Other Middle East & Africa	0.00	0.01		0.00	-	0.01	0.03	0.02	0.01	-	-	-
Singapore	0.02	0.01		0.00	0.00	0.01	0.01	0.00	0.01	0.01	0.00	0.00
OECD Pacific	0.03	0.05		0.06	0.08	0.05	0.02	0.03	0.12	0.10	0.09	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.00	0.01	0.02	0.02	0.00	0.01	0.00	0.00
Other	-	-		-	-	-	0.00	-	-	-	-	-
Total²	0.11	0.12		0.12	0.14	0.14	0.18	0.15	0.21	0.14	0.14	0.00
of which Non-OECD	0.08	0.07		0.06	0.06	0.09	0.16	0.12	0.09	0.05	0.05	0.00
OECD Europe												
OECD North America	0.00	0.00		0.01	0.00	0.00	-	-	-	0.00	0.00	0.00
Venezuela	0.01	0.01		0.01	0.02	0.01	-	-	-	0.01	0.01	0.00
Other Central & South America	-	0.00		0.00	0.00	0.00	0.00	0.00	0.01	-	-	-
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	0.00	-	-	-	0.00	-
FSU	0.03	0.02		0.02	0.03	0.02	0.02	0.02	0.01	0.03	0.03	0.00
Saudi Arabia	0.01	0.02		0.03	0.01	0.01	0.02	0.02	0.03	0.03	0.02	0.01
Algeria	0.01	0.01		0.01	0.02	0.01	0.01	0.01	0.01	0.01	0.02	0.00
Other Middle East & Africa	0.03	0.07		0.07	0.08	0.07	0.09	0.15	0.15	0.16	0.14	0.01
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.02	0.05	0.05	0.03	0.01	0.02	0.04	0.03	0.01
Total²	0.12	0.17		0.17	0.22	0.18	0.17	0.22	0.24	0.28	0.25	0.03
of which Non-OECD	0.11	0.17		0.16	0.22	0.18	0.17	0.22	0.24	0.28	0.25	0.03
OECD Pacific												
OECD North America	-	0.00		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		-	-	0.00	0.00	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		-	0.00	0.01	0.02	-	-	-	-	-
Singapore	0.03	0.01		0.01	0.01	0.00	0.01	0.00	0.02	0.01	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.01	0.00	0.03	0.05	-	0.00	-	0.00	-
Other	-	0.03		0.04	0.03	0.05	0.06	0.02	0.04	0.02	0.03	-0.01
Total²	0.07	0.07		0.05	0.04	0.10	0.15	0.02	0.05	0.03	0.04	-0.01
of which Non-OECD	0.07	0.07		0.05	0.04	0.10	0.15	0.02	0.05	0.03	0.04	-0.01
Total OECD Trade²	0.30	0.37		0.33	0.41	0.42	0.50	0.39	0.50	0.45	0.42	0.03
of which Non-OECD	0.26	0.31		0.27	0.32	0.37	0.48	0.36	0.38	0.35	0.33	0.02

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	2Q00	3Q00	4Q00	1Q01	Apr 01	May 01	Jun 01	Year Earlier Jun 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.04	0.09	0.07	0.09	0.07	0.11	0.08	0.03
Other Central & South America	0.05	0.07		0.05	0.08	0.11	0.10	0.15	0.12	0.10	0.06	0.04
ARA (Belgium Germany Netherlands)	0.01	0.01		0.01	-	0.03	0.04	0.06	0.07	0.02	0.03	0.00
Other Europe	0.01	0.03		0.02	0.05	0.05	0.06	0.05	0.04	0.08	0.04	0.04
FSU	0.02	0.01		0.01	0.02	0.02	0.01	0.01	0.01	0.02	-	-
Saudi Arabia	0.00	0.00		-	0.00	-	0.01	-	-	-	-	-
Algeria	0.04	0.05		0.05	0.05	0.05	0.05	0.06	0.08	0.04	0.04	0.00
Other Middle East & Africa	0.01	0.02		0.01	0.01	0.03	0.03	0.02	-	0.00	0.03	-0.02
Singapore	0.00	0.00		0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.01	0.00
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.00	0.02	0.02	0.01	0.00	0.01	0.00	0.00
Other	0.00	-		-	-	-	-	0.03	0.03	-	-	-
Total²	0.21	0.26		0.20	0.27	0.39	0.40	0.49	0.43	0.38	0.28	0.10
of which Non-OECD	0.19	0.22		0.17	0.22	0.32	0.32	0.40	0.36	0.31	0.21	0.10
OECD Europe												
OECD North America	0.02	0.01		0.01	0.01	0.01	0.01	0.02	0.01	0.02	0.01	0.01
Venezuela	0.01	0.01		0.01	0.00	0.02	0.02	0.03	0.00	0.01	-	-
Other Central & South America	0.01	0.02		0.02	0.01	0.01	0.02	0.02	0.01	0.00	0.00	0.00
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.02	-0.01
FSU	0.17	0.19		0.21	0.24	0.17	0.18	0.22	0.23	0.22	0.25	-0.03
Saudi Arabia	0.00	0.00		-	-	0.00	0.01	-	-	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	-	-	-	-	-	-
Other Middle East & Africa	0.08	0.07		0.07	0.07	0.08	0.07	0.05	0.11	0.06	0.06	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Other	0.02	0.08		0.07	0.09	0.07	0.11	0.00	0.04	0.06	0.03	0.03
Total²	0.32	0.39		0.40	0.44	0.37	0.43	0.35	0.40	0.39	0.37	0.02
of which Non-OECD	0.31	0.38		0.39	0.43	0.35	0.42	0.33	0.40	0.37	0.36	0.01
OECD Pacific												
OECD North America	0.00	0.00		-	0.00	0.00	0.00	-	-	0.00	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		0.01	-	-	-	-	-	-	0.01	-
Singapore	0.01	0.01		0.02	0.01	0.00	0.01	-	0.01	0.01	0.01	-0.01
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.07	0.06	0.04	0.04	0.07	0.05	0.06	0.06	0.00
Other	0.01	0.01		0.01	0.01	0.02	0.01	0.01	0.03	0.00	-	-
Total²	0.08	0.09		0.11	0.09	0.07	0.07	0.08	0.09	0.07	0.08	-0.01
of which Non-OECD	0.08	0.09		0.11	0.09	0.06	0.07	0.08	0.09	0.07	0.08	-0.02
Total OECD Trade²	0.61	0.74		0.71	0.80	0.82	0.90	0.91	0.92	0.84	0.73	0.11
of which Non-OECD	0.57	0.69		0.67	0.74	0.74	0.81	0.81	0.86	0.75	0.66	0.09

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 10 August 2001), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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INTERNATIONAL ENERGY AGENCY/AGENCE INTERNATIONALE DE L'ENERGIE

OIL MARKET REPORT

A MONTHLY OIL MARKET AND STOCKS ASSESSMENT



12 October 2001

HIGHLIGHTS

- The September terrorist attacks on the US caused a sharp reduction in air travel and further lowered expectations of global economic growth for this year and next. The assessment of global oil demand growth, which was already falling before the attacks, has been cut to only 120 kb/d for 2001. Jet fuel demand accounts for the bulk of the reduction. Demand growth for 2002 has been lowered to 600 kb/d.
- After initial gains, crude prices dropped by as much as \$5-6/bbl below those prior to the attacks, as fears of supply disruptions were eclipsed by concerns about the economy and oil demand. Product prices fell in a similar pattern, with the steepest losses in middle distillates and light products. Refining margins gained, but remained poor.
- World oil supply was unaffected by the attacks, averaging 76.8 mb/d for September, down 500 kb/d from August. OPEC 10 production fell by 450 kb/d, to 24.5 mb/d, but remained some 1.26 mb/d above the group's target. OPEC said immediately after the attacks that it would ensure sufficient supplies, and at a scheduled meeting late last month it left its target unchanged at 23.2 mb/d. No export disruptions were reported after retaliatory strikes began in Afghanistan on 7 October.
- Insurance and tanker rates surged in the wake of the attacks. War-risk insurance premia quintupled on normal routes and rose even more for those deemed high-risk. By the end of September, spot rates for VLCCs loading in the Middle East Gulf were double those in mid-August. However, the number of VLCC crude tankers being chartered reportedly is decreasing amid concerns about the economy and oil demand.
- OECD total oil industry stocks remained virtually flat in August, posting a meagre 50 kb/d build from July. The modest increase comes on top of substantial upward revisions to July preliminary crude and products stock levels. Inventories of both crude and products remain comfortable ahead of winter demand.

Next Issue: 12 November 2001

Letter from the Editor

The tragedy that befell New York, Washington, DC and Pennsylvania on 11 September affects all of us, but none more than those who lost loved ones, colleagues or friends in the event.

The financial and oil community has been badly stricken. We at the International Energy Agency, like so many others, mourn dear subscribers and colleagues among the victims. Many of those who survived the event must cope with an enormous emotional ordeal and disruptions in their work life.

As the editor of the Oil Market Report, I would like to take this opportunity to express our sincere condolences to all those directly affected by the tragedy, to their friends and to their loved ones.

Klaus Rehaag
Editor – Monthly Oil Market Report

Many of those who work in the vicinity of the World Trade Center have had to relocate and temporarily change telephone and fax numbers, emails and mailing addresses. My colleagues and I will do our utmost to minimise any delays to the distribution of the OMR that may result from such changes. Please do not hesitate to call directly upon us if we can be of any assistance.

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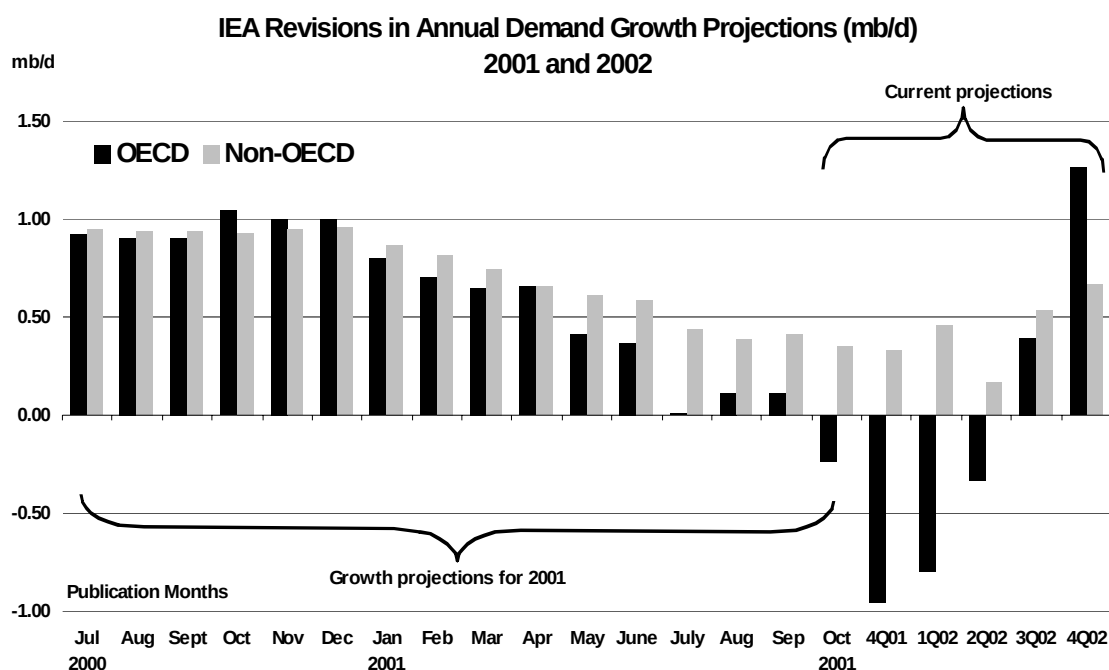
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DEMAND SHOCK

Oil futures prices spiked three dollars in the immediate aftermath of the 11 September terrorist attack but dropped back to pre-attack levels over the next week. Despite the risk of future supply disruptions caused by further potential terrorist actions, or response threats, prices continued to fall, plunging four dollars over the following week. The 11 September terrorist attacks are not the cause of the bearish oil market, but they have certainly aggravated it.

The market, while concerned about supply, is preoccupied with demand and with the state of the global economy. On the supply side, nothing much has changed. NYMEX has resumed trading. New York Harbour was reopened to traffic and the precautionary closures of the LOOP and Alaskan pipeline terminals are over. In addition, the world has a cushion of 4.7 mb/d of spare crude production capacity, or 6% of current global oil requirements. A sustained drop in demand will simply exacerbate this situation and add to the cushion. Moreover, OPEC's production over quota is estimated to be running at 1.3 mb/d in September.

More important, however, is that the market has been reassured by the focused nature of Washington's anti-terrorist campaign and the breadth of the international coalition. Producer statements that they would ensure adequate supply to the market are reinforced by reports from consuming countries of their readiness to respond in the case of an emergency.



On the demand side, everything has changed. While there had already been a substantial reduction in global economic activity and a corresponding drop in oil demand before 11 September, the situation today looks even more disconcerting. Product demand has been revised downwards in this report by 400 kb/d for 2001 and 200 kb/d for 2002. Jet-kerosene demand accounts for the bulk of the reductions, although gasoline, naphtha and fuel oil will also be casualties of slowing economies. This Report assumes an upturn in economic activity in North America in the second half of 2002, followed by a later recovery in economic growth, and oil demand, in Europe and Asia.

The demand shock to the global economy will have longer-term implications. One thing is certain: markets in the foreseeable future will be even more volatile. The global economy of 10 September was already cause for pessimism but the events of 11 September have deepened the pessimism and shaken consumer confidence. Our oil market outlook for the next few months is vulnerable and subject to a high degree of uncertainty.

DEMAND

Summary

- The outlook for oil demand growth for the remainder of this year and 2002 appears substantially transformed in the aftermath of last month's terrorist attacks on the US. The assault, which claimed thousands of lives, has cost thousands more their jobs, severely undermined consumer confidence and thrown the ailing airline industry into world-wide turmoil. The US and global economic rebound, whose first signs had been expected towards the end of this year, now seems unlikely to happen before the second half of 2002. The assessment of oil demand growth for 2001 has been cut by 400 kb/d, to 120 kb/d, and by 200 kb/d for next year, to 600 kb/d.
- The most immediate effect of the 11 September attacks is a sharp reduction in global demand for jet fuel. Airport closures immediately following the assaults grounded both domestic air traffic and transatlantic flights into and out of the US. More durably, falling demand and soaring insurance costs quickly led to drastic cuts in flight schedules and a reduction in fleet capacity world-wide. Lower air traffic alone is expected to curtail OECD oil demand by 175 kb/d for 2001 as a whole and by 220 kb/d for 2002.

Global Oil Demand from 2000 to 2002

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q00	75.9	-0.4	-0.3	-
2Q00	74.4	1.4	1.1	-
3Q00	76.4	2.6	1.9	-
4Q00	76.8	-0.2	-0.1	-
1Q01	76.9	1.2	0.9	-
2Q01	75.2	1.2	0.9	-
3Q01	75.7	-0.9	-0.7	-0.5
4Q01	76.2	-0.8	-0.6	-1.1
1Q02	76.5	-0.4	-0.3	-0.9
2Q02	75.1	-0.2	-0.2	-0.6
3Q02	76.6	1.2	0.9	-0.7
4Q02	78.1	2.5	1.9	-0.3
2000	75.9	0.9	0.6	-
2001	76.0	0.2	0.1	-0.4
2002	76.6	0.8	0.6	-0.6

* year-on-year change

- Beyond the airline sector, the attacks have lowered overall expectations of economic growth for this year and next. With a US recession in prospect for the second half of this year, OECD oil demand is set to contract by 1.1% in the third quarter and 2% in the fourth, cutting annual OECD demand by 240 kb/d versus last year. However, aggressive US economic stimulus measures will likely allow North American oil demand to contract more slowly in the first half of next year, and the following rebound in demand will be more vigorous than previously expected. Demand in other OECD regions is expected to follow suit, though Japan's economic woes should continue to drag down growth in the Asia-Pacific throughout the second half of the year.
- Non-OECD economies will not be spared by the worsening US and global slowdown. But oil demand growth may not be as adversely affected if the economic toll of the attacks results in a reduction in product prices. Unless there are major supply disruptions, developing countries, where diesel and gasoline consumption had suffered from high prices and unfavourable exchange rates, should enjoy an increase in demand.

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2001	2000	2001	2002	2000	2001	2002
North America	24.00	0.33	-0.10	0.19	1.4	-0.4	0.8
Europe	15.77	-0.12	-0.04	0.02	-0.7	-0.3	0.2
OECD Pacific	8.56	-0.04	-0.09	-0.07	-0.4	-1.0	-0.8
China	4.88	0.30	0.09	0.16	6.7	1.9	3.3
Other Asia	7.33	0.10	0.02	0.05	1.4	0.3	0.6
<i>Subtotal Asia</i>	20.78	0.37	0.03	0.14	1.8	0.1	0.7
FSU	3.68	-0.05	0.06	0.05	-1.2	1.7	1.3
Middle East	4.53	0.09	0.15	0.11	2.1	3.4	2.4
Africa	2.40	0.01	0.03	0.03	0.3	1.3	1.2
Latin America	4.85	0.01	-0.01	0.05	0.3	-0.2	1.1
<i>World</i>	76.00	0.64	0.12	0.60	0.9	0.2	0.8

Impact of the Terrorist Attacks on Jet Fuel Demand

Last month's attacks on the US are still too recent to allow more than a preliminary statistical assessment of their effect on global jet fuel deliveries. However, data do exist for the US, which is the largest jet fuel market, the one most directly affected by the event, and the only one where the government conducts statistical surveys of market conditions on a weekly basis. Those preliminary data show that the attacks curtailed US jet fuel deliveries for the entire month by an estimated 18%. That the terrorist attacks caused massive disruptions to jet fuel-demand patterns not only in the US but in other markets as well is made clear by a variety of secondary sources. These range from anecdotal evidence of the strains placed by decreased demand on logistical systems, such as product pipelines and storage terminals, to airlines' reports of falling air travel and plans for layoffs and fleet capacity reductions. The scope of the turmoil brought on by the attacks on the airline industry may be best summed up by Boeing Co. Chairman and Chief Executive Philip Condit's statement that he expected more than half the companies in the industry to go bankrupt within the next 30 to 60 days.

Following the attacks, international airlines announced drastic cost-cutting measures, including reductions in fleet capacity of 15% to 25%, as fears of further attacks drove away fliers. Those cuts in fleet capacity will likely cause jet fuel consumption to decrease even after air travel demand starts to recover. In the US, UAL Corp.'s United Airlines late last month said that it would reduce flight and seat capacity to just 74% of pre-11 September levels. That equates to 31% fewer departures starting on 1 November, it added. Competitor Delta Airlines said it would cut capacity by 15%, grounding up to 60 aircraft, while Air Canada announced plans to ground 84 aircraft, or 20% of capacity. Aircraft manufacturers warned of massive cuts in their workforces as orders dwindled.

The cuts in fleet capacity were not limited to North American airlines. More than 10 European airlines announced plans to ground planes, trim unprofitable routes and shed staff. British Airways, which before the attacks employed roughly 40% of its fleet on transatlantic flights, said it planned to get rid of 20 planes. The company cut 190 weekly flights, including 36 to the US, and asked to defer delivery of as many as 43 Airbus planes due by 2005. UK-based Virgin Atlantic cut capacity on its main transatlantic routes by 20%. Austrian Airlines and Scandinavian Airline Systems divulged plans to slash fleet capacity by 10% and 12%, respectively. Italy's Alitalia is retiring 18 aircraft, out of 174. Switzerland's flagship carrier, Swissair, in trouble already before 11 September, temporarily suspended all flights this month after filing for bankruptcy and a moratorium on debts of SFr17 billion. Belgium's Sabena, of which Swissair owns 9.5%, also filed for bankruptcy protection.

Most aircraft retirement plans are expected to be completed by the end of the year. As of early this month, several US airlines reported occupancy rates of only 30% to 40% on their remaining flights, about half year-ago levels and below the typical 65% break-even point. Even if passenger loads recover by the end of the year, fleet and flight reductions will still curtail jet fuel deliveries until demand rebounds enough to warrant bringing more planes back into service. Moreover, while the exact effect of fleet reductions on jet fuel demand is difficult to assess, it is safe to expect that the cuts will predominantly target the least fuel-efficient aircraft, so that the corresponding contraction in jet fuel demand will be proportionately deeper.

The precedent set by Iraq's invasion of Kuwait in July 1990 and the subsequent liberation campaign, Operation Desert Storm, in 1991, offers a comparison in trying to assess the effect of the

11 September attacks on jet fuel demand. At the time, the perceived terrorism threat on air travel was mostly confined to the US. US jet fuel and kerosene demand had already been contracting in the first two quarters of 1990, by 11.7% and 7.1%, respectively. Heightened concerns about air travel safety as well as reduced economic activity in the US helped extend the down-cycle until the second quarter of 1992. Demand contraction was especially sharp in the fourth quarter of 1990, when US deliveries declined by 13.3%, and in the second quarter of 1991, when they fell 8.1% short of the previous year's already dramatically reduced level.

This year's similarities with 1990-1991 are clear. As before the Gulf War, airlines in the US and elsewhere were already ailing when new, unprecedented threats to air travel safety emerged. Badly bruised by the US and global economic downturn, the industry has had to cope with sharply lower business travel, reduced cargo demand and the beginning of a downturn in leisure demand even as it struggled with high oil prices. The drain on resources due to that combination of reduced revenues and mounting fuel costs left airlines particularly vulnerable to the collapse in demand caused by last month's terrorist attacks.

Unlike 10 years ago, however, when Asian economies were booming, this year's economic slowdown is global. Jet fuel demand has been showing signs of weakness not only in the US, where deliveries of jet fuel and kerosene fell 7.6% in August after staying flat in July, but in other key markets as well, including France, Germany and Korea. As the world's economies have become more integrated, a downturn in US jet fuel demand seems less likely to be offset by an uptick elsewhere.

Indeed, while the perceived threat of terrorism may be more severe in the US than in other countries, the downturn in jet fuel demand is likely to linger longer in other regions, notably in Europe, where the recent attacks appear bound to trigger a long-awaited consolidation and rationalisation of the industry. European airlines may also find themselves at a disadvantage to their North American competitors, which stand to benefit from Washington's \$15 billion stabilisation package for the US airline industry, while European Union competition rules inhibit government subsidies. While the Asian airline industry, having already gone through the financial crisis of 1997-1998, suffers from less over-capacity than its counterparts in Europe and North America, it will not be immune from the effects of reduced air travel. Decreased flying to North America could also be a hassle for economies such as those of Taiwan and Korea, which are heavily dependent on the airlines for their exports of computer parts.

Even before the attacks, expectations of relatively modest economic growth had capped this Report's assessment of growth in OECD demand for jet fuel and kerosene at 1%, or 40 kb/d, for 2001, and 0.5%, or 20 kb/d, for 2002. The September assault on the US has reduced the assessment of 2001 OECD demand by 210 kb/d, resulting in a demand contraction of 180 kb/d, or 4.2%, for the year. For 2002, the forecast is cut by 450 kb/d, translating into a demand contraction of 220 kb/d, or 5.5%, year-on-year. While the US- and UK-led anti-terrorism military campaign may result in incremental demand for military-grade jet fuel, that is unlikely to have more than a marginal effect on global jet fuel demand, if the experience of recent military campaigns in Iraq and Kosovo is any guide. Jet fuel and kerosene demand in non-OECD economies, which account for only about 20% of global jet fuel and kerosene demand, is not expected to sustain any strong impact either way from the September terrorist assault or its military aftermath.

Jet fuel and aviation kerosene alone, excluding other types of kerosene, account for only a relatively modest share of the global products market - roughly 7.5% of total OECD product demand last year, and less than 5% of total product demand in the Asia-Pacific (including other types of kerosene, the proportion in the Asia-Pacific exceeded 12%, however). Of the overall OECD jet fuel demand, more than 60% is in North America. But jet fuel is also a premium product and its contribution to refiners' profits is comparatively high. A large contraction would thus not only seriously dent demand growth as a whole, but also threaten refining margins and pose a substantial challenge to the refining industry. Attempts by refiners to cut jet fuel output in line with demand would likely result in higher yields of gasoil and naphtha, putting downward pressure on prices for those products. That in turn could boost demand for those products in selected markets; but refiners may respond by simply cutting runs.

OECD

Latest Indications of Recent Demand Trends

The September attacks on the US occurred against a backdrop of weakening oil demand across all OECD regions and mounting concerns about the state of the US and global economies. Those concerns were dramatically heightened by the attacks. Deutsche Bundesbank President Ernst Welteke

articulated a widely accepted opinion when he said earlier this month that “the attacks on the World Trade Center and the Pentagon have significantly increased the global uncertainties that were already in place before 11 September.” Undoubtedly, he added, the attacks “have hurt US and global economic growth in the short term.” Whether or not the US was already headed for a recession before the attacks is a point of somewhat academic interest, given the current near-certainty of a contraction. But the weakness of August oil deliveries, at least as it is reflected in preliminary data, does seem consistent with a continuing slowdown in the world’s leading economies. In any event, soft August oil demand means that the oil market impact of the attacks will not be cushioned by any underlying strength in fundamentals.

Estimated Annual World Oil Demand Growth 1997-2002

	(million barrels per day)					
	97-96	98-97	99-98	00-99	01-00	02-01
North America	0.48	0.38	0.68	0.33	-0.10	0.19
Latin America	0.34	0.05	0.00	0.01	-0.01	0.05
FSU	-0.16	-0.06	-0.07	-0.05	0.06	0.05
Europe	0.15	0.27	-0.13	-0.12	-0.04	0.02
OECD Pacific	0.13	-0.54	0.27	-0.04	-0.09	-0.07
China	0.47	-0.02	0.30	0.30	0.09	0.16
Other Asia	0.33	0.06	0.39	0.10	0.02	0.05
Subtotal, Asia	0.93	-0.50	0.96	0.37	0.03	0.14
Middle East	0.16	0.17	0.12	0.09	0.15	0.11
Africa	0.07	0.06	0.05	0.01	0.03	0.03
World	1.97	0.36	1.62	0.64	0.12	0.60

Early indications suggest that OECD deliveries contracted by nearly 2% year-on-year in August, more than offsetting July’s 1.5% advance. Demand in the Asia-Pacific region contracted for the seventh month in a row, but at a substantially faster pace than recently, with both Japanese and Korean demand tumbling by more than 4%. OECD European demand fell by an estimated 1.2% as deliveries in Germany, the region’s biggest market, declined by 4.6%, reversing the steep gains of the two previous months. North American demand fell as well, with US inland deliveries reported a preliminary 2.5% lower than last year, and Mexican demand down by 1.9%. For the purpose of this Report, a slightly more conservative estimate of 2% US total demand contraction has been used. Combined with the relatively modest gains in July demand and the 2.9% contraction expected in September, preliminary August data point to a third-quarter contraction of 1.1% in total OECD demand, extending the second quarter’s 0.1% decline. OECD demand for the whole year is now expected to contract by 0.5%, with the decline accelerating in the fourth quarter before slowing down again in the first quarter of next year.

The apparent weakness of August deliveries is in line with expectations. The strength of European demand in July was largely due to early stockpiling of heating oil by German and, to a lesser extent, French residential users, many of whom had paid dearly last year for postponing their purchases in the hope of a price drop that never came. When heating oil prices did ease off earlier this spring, end-users went on a buying spree. After growing at double-digit rates every month since March, and jumping by more than 40% in July, German heating oil deliveries left residential stocks well above their level of the last two years in the same month, and August deliveries fell back to nearly 7.5% below year-earlier levels. French heating oil demand, which also had sharply risen in recent months, returned to less dramatic growth rates in August.

In the US, lower August demand was led by a sharp contraction in jet fuel deliveries, while gasoline and diesel demand growth also slowed, reflecting weaker consumer confidence. Unlike in previous months, when preliminary US data led to dramatic upwards revisions, early July data were subject to comparatively minor adjustments. Whereas in the spring, strong US prices drew in product imports that were often missed by preliminary data, by July a falloff in prices had made the US a less powerful magnet for product imports. Preliminary estimates of gasoline and gasoil deliveries were actually revised downwards, by 20 kb/d and 45 kb/d, with “other products” accounting for most of the 175 kb/d upwards revision in total demand. IEA estimates of July US demand had anticipated most of that revision.

Preliminary Inland Deliveries – August 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.82	1.7	1.71	-7.6	2.43	-3.4	1.37	13.2	0.98	4.7	4.69	-11.9	19.99	-2.5
Canada	0.74	1.5	0.13	-1.6	0.44	-1.6	0.04	-5.3	0.13	24.8	0.29	5.9	1.76	2.5
Mexico	0.56	2.8	0.06	0.0	0.28	-7.7	0.00	-100.0	0.50	-4.6	0.35	0.3	1.74	-1.9
Japan	1.14	-0.7	0.30	0.0	0.71	-3.4	0.43	-2.3	0.54	-13.2	1.64	-5.8	4.75	-4.5
Korea	0.19	-4.0	0.06	8.6	0.35	1.2	0.04	-51.9	0.28	-11.9	0.90	1.6	1.82	-4.1
France	0.34	-1.2	0.14	-0.1	0.57	5.4	0.30	3.2	0.04	-0.9	0.49	1.0	1.87	1.4
Germany	0.67	-1.5	0.16	-3.1	0.62	-0.8	0.72	-8.0	0.11	-5.4	0.48	-8.6	2.76	-4.6
Italy	0.41	-1.3	0.09	-3.7	0.36	11.1	0.08	-16.2	0.27	-10.9	0.40	3.9	1.59	0.0
Total	12.12	1.1	2.51	-5.4	5.31	-1.3	2.92	1.3	2.71	-4.9	8.94	-11.5	34.53	-2.7

Sources: US EIA, Statistics Canada, Mexico Pemex, Japan MITI, Korea PEDCO, France CPDP, Germany MWV, Italy Ministry of Industry
 Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Percentage change is calculated versus last year.

As illustrated in the above table, showing preliminary data for North America and five other leading economies of Europe and the Asia-Pacific, the downturn in August demand spread not only across the OECD but also across the product spectrum. Aggregate jet fuel and kerosene demand fell steeply even before the September terrorist attacks, down sharply in North America and Europe and flat in Japan. Only Korea posted gains in jet fuel and kerosene deliveries; however, demand for those products has been extremely weak in Korea since the third quarter of last year.

Demand patterns for other products do not reveal any market that refiners could turn to in a bid to offset the losses in jet fuel demand. Aggregate gasoil deliveries, which single-handedly accounted for most of last month's modest growth in deliveries, fell back in August, as German homeowners' heating oil-buying spree fizzled. Meanwhile demand for "other products", which includes naphtha, continued to contract at double-digit rates. While the decline in US deliveries of "other products" might be partly overstated, the trend, which is in line with a down-cycle in the petrochemical industry, is especially worrisome for refiners in a context of reduced jet fuel demand, as lower jet fuel production would likely boost naphtha and gasoil yields. Indeed, anecdotal evidence already suggests higher demand for naphtha storage at some of the US and Northwest Europe's largest terminals.

Moving Annual Average Change in Oil Demand – August 2001

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-8.2%	-6.4%	1.2%	2.6%	5.8%	8.1%	20.2%	-6.4%	1.1%	214
Canada*	-8.4%	4.5%	1.1%	-1.7%	-0.3%	2.6%	32.8%	2.5%	1.6%	34
Mexico	-2.4%	-60.1%	3.6%	3.9%	-1.1%	-0.3%	1.1%	-46.1%	-1.4%	-28
Japan	1.1%	-1.5%	1.3%	2.9%	-2.3%	-0.2%	-6.8%	-8.4%	-1.4%	-80
Korea	0.0%	0.9%	-4.3%	-9.7%	10.5%	-17.9%	-0.3%	-15.0%	-1.9%	-40
France	-4.7%	0.2%	-5.4%	-0.5%	1.4%	3.2%	-17.1%	2.9%	-1.1%	-21
Germany	-2.3%	-4.0%	-4.5%	0.9%	2.6%	6.5%	10.5%	-5.7%	0.7%	19
Italy	0.4%	-3.3%	-2.2%	0.5%	9.3%	-12.8%	-12.1%	16.9%	-1.7%	-31
UK*	-7.5%	-10.9%	-0.9%	8.5%	1.8%	1.8%	5.4%	1.0%	0.1%	1
Total	-5.5%	-2.2%	0.5%	1.9%	3.8%	2.3%	3.4%	-5.3%	0.1%	54
Kb/d	-236	-56	67	67	211	84	121	-203	54	

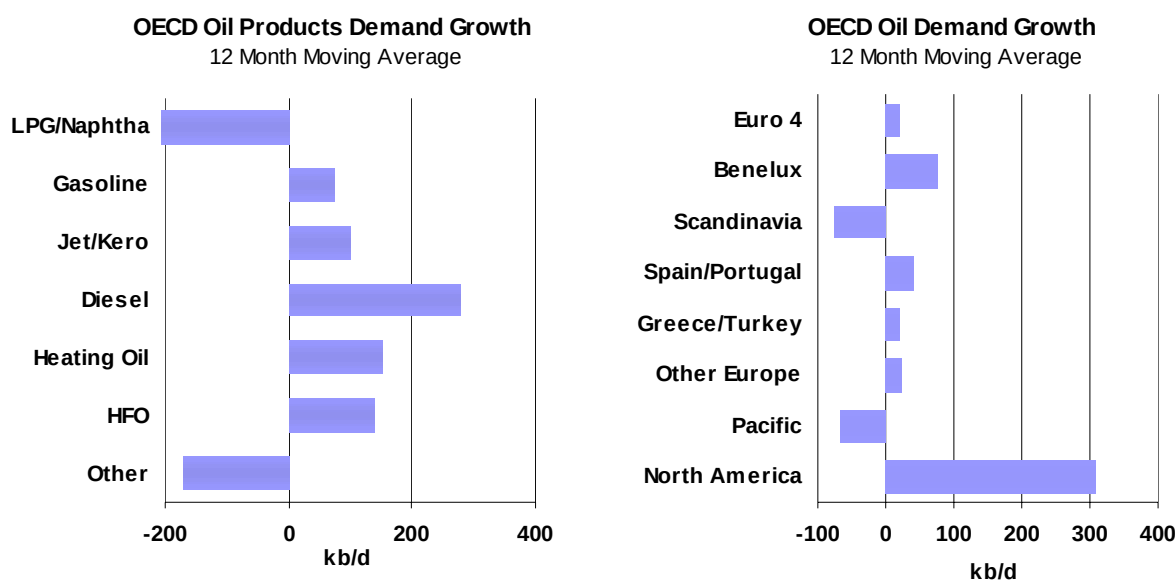
* near-month data are estimated

Little comfort can be found by refiners in the gasoline market either, following the end of the US summer driving season. Deliveries continued to grow overall in August compared with last year, but at a slower pace than in July. Demand fell across the board in the three European economies for which August preliminary data were available, as it did in Japan and Korea. North America alone showed some increases. While gasoline demand could receive some boost from the decline in air travel as consumers turn to driving instead of flying, this will likely be offset by a loss of consumer confidence following steep gains in US unemployment.

Finally, residual fuel oil deliveries extended earlier drops, falling by nearly 5% on aggregate, and at double-digit rates in Japan and Korea. More drops should follow as sharply lower natural gas prices undermine North American residual fuel oil for power generation.

The twelve-month moving-average change in aggregate oil demand growth for the nine largest OECD markets fell to its lowest level in a year in August, down five tenths of a percentage point to just 0.1% (see above table). As in previous months, three product categories showing steep drops in their twelve-month moving averages – LPG, “other products” and naphtha – continue to drag down the aggregate average change. The average for one of those products, naphtha, tumbled by another 1.4 percentage points in August, while the moving average for LPG edged down by only half of a percentage point. “Other products” was the only category whose moving average edged higher, by two tenths of a percentage point. While the other product categories continued to show demand growth, all their moving averages posted smaller gains in August than in July. The moving average for “other gasoil” posted one of the steepest drops, down 1.8 percentage points, reflecting the weakening German heating-oil market.

The averages for all represented countries also weakened in August, with the exception of the UK, for which August data were lacking, and which was left unchanged. The biggest drop was in Germany, with other sizeable declines in Japan, Korea, Mexico and Italy. Most countries showed negative or just slightly positive changes in their moving averages. Changes in the Canadian and US moving averages of 1.6% and 1.1% seemed strong by comparison. Those indices are likely to fall back next month, following the collapse of the North American jet fuel market in September, and as lower natural gas prices undermine North American utility demand for residual fuel oil and heating oil.



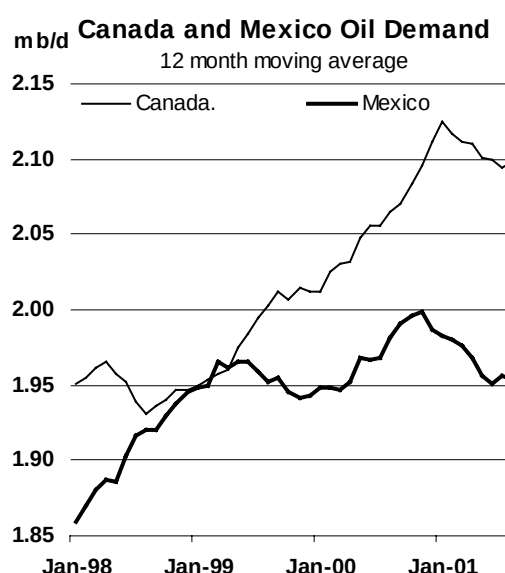
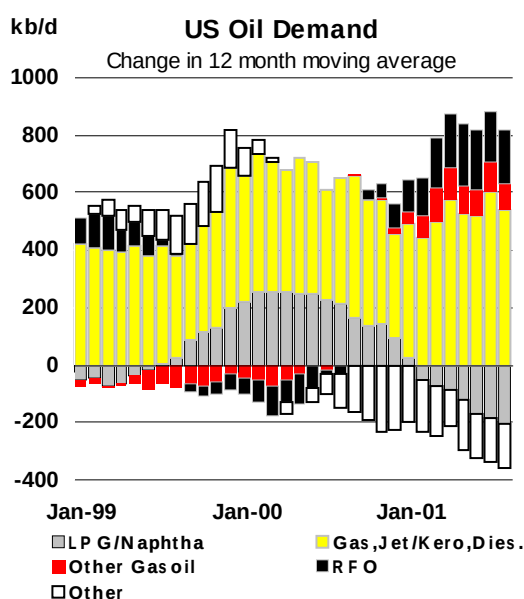
North America

Recent economic data suggest that the US economy was continuing to worsen even before the terrorist attacks of 11 September. Further negative economic news is now a virtual certainty in the coming months, as thousands of layoffs have yet to be reflected in statistical records, while the world also continues to take stock of the production and trading losses caused by the assault. Most importantly, consumer confidence and spending, the one aspect of the US economy that had held up relatively well in the face of contracting manufacturing output and slumping business confidence, appear to have been severely undermined by the attacks and associated job losses. Reduced air travel itself will adversely affect economic activity, as will the severe equity losses suffered on the stock market in the wake of the attacks.

The flip side of this setback is that its very severity will prompt much more aggressive fiscal and monetary measures to stimulate the economy than previously expected. The Federal Reserve earlier this month cut interest rates for the ninth time this year to help revive the US economy, taking its benchmark federal funds target rate to 2.5%, its lowest level in nearly 40 years. Talks among the Bush Administration, Federal Reserve Board Chairman Alan Greenspan and US Congressional

leaders revolve around an economic stimulus package totalling about \$100 to \$120 billion, including emergency spending already enacted. While the rebound in the US economy, expected at the end of this year, is now unlikely to happen before mid-2002, it is likely to take a much steeper form than would otherwise have been the case. A protracted V shape recovery now seems a more likely scenario than a U shape one. Even if growth bounces back next year, though, the level of economic growth at the end of next year will probably be lower than previously expected. Likewise, North American oil demand now seems likely to grow faster in the second half of next year than previously expected, though overall oil demand for the year still will probably be lower.

Virtually all economic indicators released since the last Report paint a gloomier picture of the US and North American economies, though not all incorporate data collected after the 11 September attacks. The US employment rate suffered its steepest loss in a decade in September, as the number of workers on payrolls outside the farm sector sank 199,000, the fourth fall in the last six months. Employers have cut half a million jobs since March. However, this figure largely did not reflect the economic impact of the September 11 airplane strikes, which caused thousands more job cuts, notably in the airline and tourism industries. US consumer confidence also continued to fall in September, as the index plunged to 97.6 from 114.0 in August, its biggest drop since October 1990. The Conference Board, which issued the report, said the drop "continued to be fuelled by deteriorating labour-market conditions and weakening business conditions." The percentage of consumers expecting business conditions to worsen in the next six months increased to 15% from 10.7%, while those expecting fewer jobs rose to 21.9% from 17.7%. The data bode particularly ill for gasoline demand, despite possible demand shifts as consumers afraid of flying opt to drive instead, as well as for petrochemical demand, which tends to tightly mirror shifts in consumer spending.

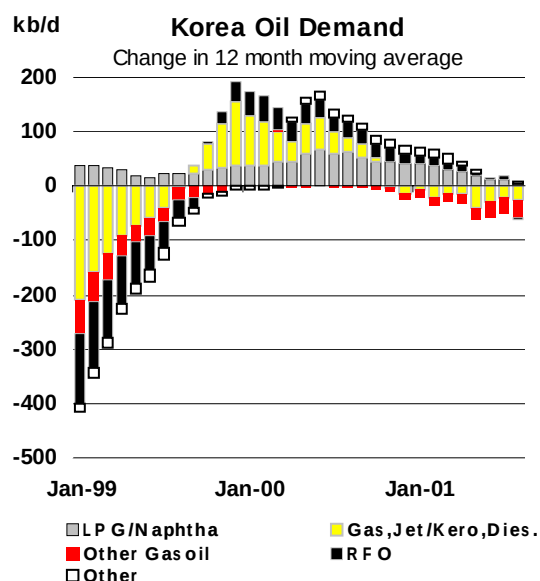
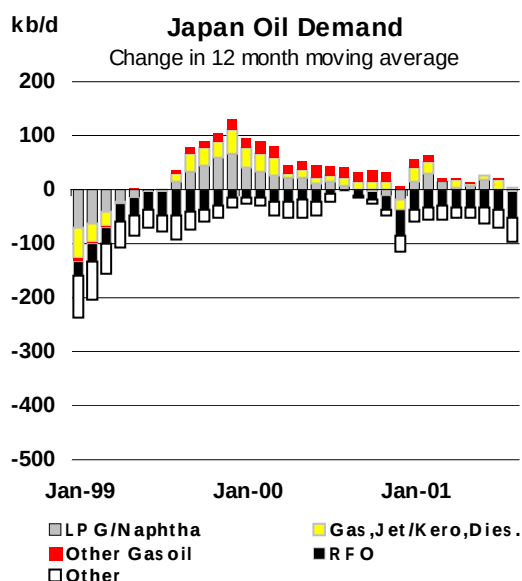


While consumer demand appears at risk, industrial demand, which had long been ailing, shows no sign of improvement. US manufacturing activity contracted for a 14th successive month in September, according to the National Association of Purchasing Management, whose closely-watched index slipped back to 47 in September after a jump to a nine-month peak of 47.9 in August had raised hopes that the sector was recovering. A reading under 50 indicates contraction. While the September NAPM report showed that new orders and factory production grew for a second straight month, albeit at a slower pace than in August, the report may not fully reflect the economic fallout of last month's terrorist attacks. US August construction spending also was significantly weaker than expected, down 1.1%, while the index was revised downwards for July to minus 0.8% from minus 0.1%.

Lower industrial output continues to depress industrial demand for natural gas, resulting in sharply lower gas prices than last year, and undermining industrial and utility demand for alternate boiler fuels. In addition to the drop in jet fuel demand, North America is thus expected to face sharply lower demand for residual fuel oil in the fourth quarter of this year and the first quarter of 2002, as well as softer demand for heating oil. Residual fuel oil deliveries are forecast to contract by 315 kb/d, or nearly 17%, in the fourth quarter, after shedding an estimated 25 kb/d in the third. First-quarter demand next year is expected to recede by 245 kb/d in the first quarter, and by 70 kb/d in the second.

Meanwhile, demand for “other gasoil” is expected to shed nearly 100 kb/d in the fourth quarter of this year, before going up again next year. While the natural gas price run-up that caused a massive shift from gas to oil demand last year and earlier this year is not expected to happen again, that experience is nevertheless likely to trigger some incremental gasoil and residual fuel oil demand in the next few months, after utilities and industrial users have returned long-disused oil-storage tanks to service, while homeowners and residential users on the West Coast and elsewhere have installed back-up diesel generators. As oil products cannot be stored indefinitely, those facilities, once in place, likely result in a slight gain in baseline oil demand, even if the economic incentives to burn oil instead of gas remain low.

As in recent months, worsening economic conditions in the US will adversely affect the country’s trading partners and economies around the world, starting with its immediate neighbours, Mexico and Canada. For the two countries, which are both oil exporters, the effect of diminished demand in the US could be compounded by lower oil revenues following a drop in oil prices. Canada sends about 85% of its exports to the US.



Pacific

The synchronised nature of the global economic slowdown has increased the awareness of the economic repercussions in all regions of the terrorist assault on the US, and Asia’s export-led economies are certainly no exception. Oil demand in the OECD Asia-Pacific was already weak before the attack and contracted every month since February. The pattern of the last few months points to an accelerating contraction. Deliveries retreated by 0.4% from last year’s level in May, 0.3% in June, 1.3% in July and 3.8% in August, based on preliminary data. Since November, Asia-Pacific demand fell every month except January.

The September terrorist attacks further cloud the outlook for future demand. The Bank of Japan’s closely-watched quarterly *tankan* survey of business executives offers a first glimpse at the assault’s impact on the country’s economic outlook, as 70% of the companies surveyed reportedly responded after 11 September. The survey showed that its so-called diffusion index for large manufacturers fell to minus 33 from minus 16 three months ago, indicating a dramatic drop in business confidence. Overall domestic retail sales in August had already fallen by 3.5% year on year, their fifth month of decline in a row. Domestic car sales fell 4.1% in September from a year earlier, and car exports to the US, which until recently had remained strong, are now at risk, not least from a fall in the US dollar following last month’s attacks. A weaker dollar makes Japanese exports more expensive. Most economists expect the economy to shrink in the current fiscal year, which ends March 31, and next fiscal year as well.

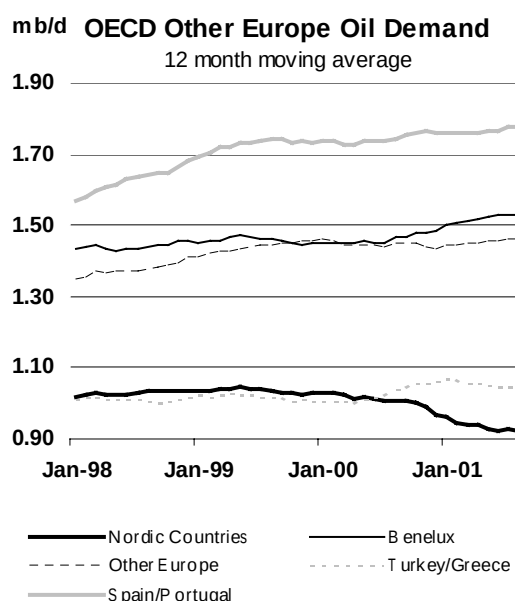
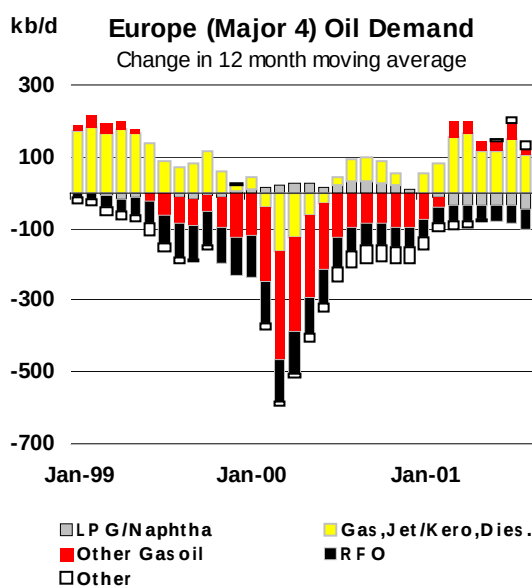
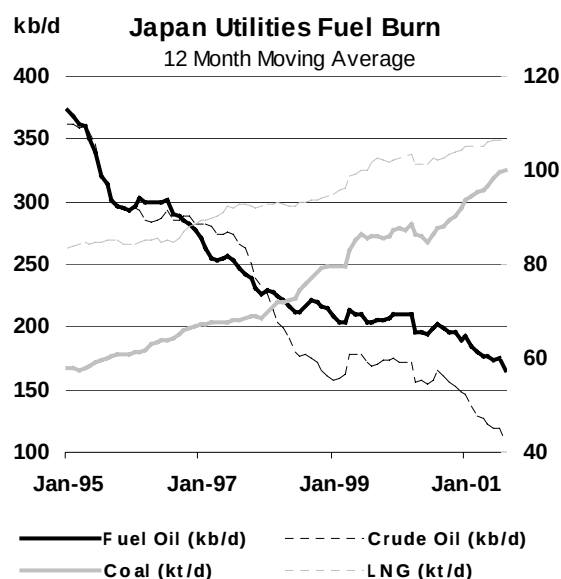
Japanese refiners and retailers are already bracing for lower demand. Refiner Japan Energy said it would cut throughput by 6% year-on-year in the fourth quarter. Nisseki Mitsubishi and Idemitsu followed suit with cuts of 5% and 2%. Showa Shell also announced cuts while Cosmo Oil said it planned to keep crude runs 4% below last year’s level in the second half of the fiscal year, in line with

sluggish domestic demand. Petrochemical manufacturers have warned of losses in the second half and the full fiscal year due to weak demand. Even winter buying of kerosene, used for space heating, is off to a slow start this year.

While Korean economic growth is more robust than Japan's, the impact of decreased air travel to the US will be particularly severe for Korea's airline industry, at it derives roughly 40% of its revenue from service to North America. A protracted economic slowdown is also likely to harm Korea's large petrochemical industry and domestic naphtha demand, and may delay a rebound in demand for computer chips, a key export.

Europe

Last month's terrorist attacks are expected to postpone by several quarters an expected recovery in the pace of European economic growth. Recent statistical data point to worsening trends for virtually all key indicators, ranging from business confidence to unemployment and consumer spending. Due both to the economic toll of the attacks and to reduced jet fuel demand, a contraction in oil demand in the fourth quarter of this year is now expected to be much steeper than previously thought. It is also expected to last longer, continuing throughout the first half of 2002. As in the US, however, the economic downturn is expected to spur more aggressive government economic stimulus measures, which are likely to fuel a sharper rebound in the fourth quarter of 2002, when Europe should also start to benefit from an expected recovery in the US economy.



The Reuters Eurozone Purchasing Managers' Index of manufacturers hit the lowest level in its four-year history in September. Purchasing managers' indices fell in Sweden, Denmark and Britain. The French INSEE index of business confidence plunged by three points in September, much more than expected, to its lowest level since 1996. Only about 20% of the companies surveyed responded after 11 September, so next month's reading will likely be even worse. The INSEE index of consumer morale also fell more than anticipated in September, down five points to minus 15, its lowest level since July 1998. The drop reflects both the terrorist attacks and a steady rise in unemployment since May. Dutch consumer confidence took a dive after 11 September, falling from minus 5 at mid-month to minus 14 by September 22. The Belgian leading indicator also reflected the aftershock of last month's attacks, plunging in September to its lowest level since 1998, though about only 40% of the

responses were received after 11 September. In Europe's largest economy, Germany, the jobless rate jumped to 9.4% in September. German industrial output fell 1.3% in August year-on-year, though it grew by 2% from July. Neither of those two indices includes data collected after last month's attacks, and further deterioration is expected. "It is clear that Germany's 2001 prospects have worsened further after 11 September," said Ernst Weltecke, the president of Germany's Central Bank.

On a more upbeat note, structural changes and economic stimulus measures brought on by the downturn could pave the way for more vigorous growth later on, even though the process of European institutional and currency integration could constrain individual governments' efforts to fend off recessionary pressures. At a Group of Seven meeting earlier this month, the finance ministers of Europe's four largest economies joined with their US, Canadian and Japanese counterparts in voicing their determination to fight a slowdown. "We are strongly committed to bringing forward the required measures to increase economic growth and preserve the health of our financial markets," the ministers said in a joint communiqué. The European Central Bank cut its interest rate by 50 basis points on 17 September, while the Bank of England cut its repurchase rate by a quarter of a percentage point twice since the attacks, to 4.75% on 18 September and to 4.5% on 4 October. The French government also said this month that it was considering emergency steps to boost the economy, beyond an already announced plan to subsidise 50,000 temporary jobs. Yet it seems unlikely that government intervention alone will suffice to save over-extended European airlines from a long-awaited wave of consolidation and rationalisation, now made imminent by sharply reduced air travel in the wake of last month's attacks. Such a trend alone will severely curtail European oil demand as it will cost thousands of airline and tourism industry employees their jobs, further undermining consumer confidence in the short term.

As in the US, consumer confidence had been relatively strong, and a sharp decrease in consumer spending, compounding the effects of reduced US demand, will undoubtedly dent demand. Indeed, OECD European oil demand is currently expected to grow by only 0.1% in 2002, versus 0.8% in North America. For 2001, however, robust jet-fuel demand growth earlier in the year in the UK, the region's largest jet fuel market, will partly soften the impact of the September attacks. UK jet and kerosene demand soared at a rate of 12.1% in July, following jumps of 9.9% and 10.3% in the first and second quarters. Much of that gain is attributable to the rapid expansion of low-cost carriers, such as Easyjet or Ireland's Ryanair, which also operates in the UK. Whether those "budget" airlines will be able to continue growing at similar rates in the wake of last month's attacks, and whether their growth could offset steep declines expected in the flight schedules and fleet capacity of their larger competitors, remains in doubt, all the more so since much of those competitors' business involves service to the US. Neither low-cost carrier has announced job cuts or delays in taking delivery of new planes, and both reported a quick recovery in passenger numbers, helped in part by extremely aggressive fare discounts. For the third quarter, in any event, July's strong demand growth in the UK should keep the European loss in jet fuel demand to 4.1%, about half the decline rate expected in North America.

Seasonal gains in residual fuel oil demand in Italy and France later this year and in 2002 could also partly offset lower consumption due to reduced economic activity and lower industrial output. Last winter's European demand for residual fuel oil was heavily curtailed by both relatively mild temperatures and heavy rainfall, dramatically boosting hydropower production. More normal precipitation patterns and colder temperatures would marginally boost residual fuel oil demand.

Non-OECD

Lower economic activity in the OECD will continue to affect export-dependent developing economies around the world, some of which are already struggling with sharply lower economic growth. In the case of non-OECD countries, however, downward fluctuations in oil products prices could partly offset the negative impact of lower economic growth, especially if they are accompanied by a fall in the US dollar. The reverse is true, of course, for oil-producing economies, where lower oil prices and a lower dollar would erode revenues, causing domestic oil demand to soften in those countries.

Many Asian countries, in particular, face bleaker economic prospects in the wake of the 11 September attacks. Some of the region's smaller economies were already badly hit by the slowdown in external demand due to the global technology slump. Thus, Singapore and Taiwan have been pushed on the brink of recession. Malaysia, one of the region's most trade-dependent economies and Hong Kong could follow suit. The Malaysian government recently acknowledged the downside risk to the economy by lowering its GDP growth target for the year to 1%-2% from 2%-3%.

However, oil demand in some of these markets, including Thailand and the Philippines, could benefit from reduced product prices, notably for gasoline and diesel, demand for which was recently curtailed by high prices. Price effects could also boost consumer demand in some Latin American countries, including Colombia, where the combination of domestic price deregulation and higher international market prices severely curtailed consumption over the last year, turning the country from a gasoline importer into an exporter.

Much of the uncertainty surrounding non-OECD demand thus harks back to the more general uncertainty surrounding oil prices. Softer OECD oil demand will undoubtedly put pressure on prices. The pressure will be particularly high at the higher end of the barrel, as decreased jet fuel demand forces more naphtha and middle-distillates onto the market. On the other hand, those pressures could be curtailed if continued high crude oil prices forced refiners to strongly reduce throughputs altogether.

India

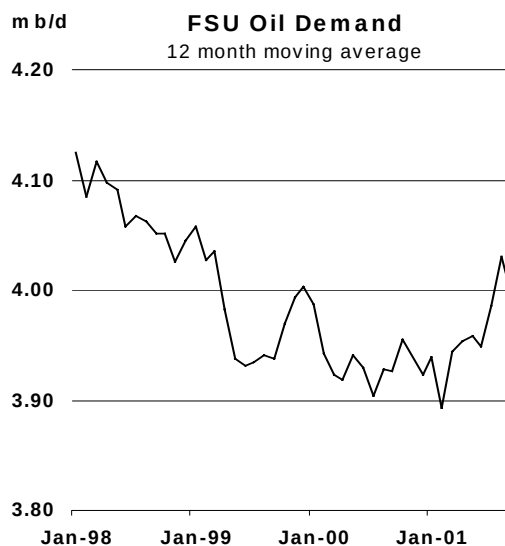
India is a case in point. Demand there has been edging lower for nearly a year, led by substantial drops in diesel consumption, despite relatively robust economic growth. Diesel accounts for roughly 40% of total Indian oil consumption. Part of the contraction in diesel demand, which pre-dated the slide in global demand and started more than a year ago, appears to be price-related. As diesel prices edged higher, while train freight rates were left unchanged, the previous shift in commercial transportation from trains to trucks was reversed.

Because the decline in diesel demand has been occurring for more than a year, it is expected that the decline in oil demand will soon start stabilising and that consumption will rebound. Such a rebound could be accelerated if lower jet fuel demand results in significantly higher gasoil supply, lowering diesel prices enough for trucks to grow more competitive again compared with trains. Because Indian oil prices remain regulated, this would not likely happen all at once. Rather, the government, which has been subsidising oil prices at substantial cost, would be expected to first seek to cover some of the resulting deficit. Should diesel prices ease sufficiently, however, the government could pass on some of the decrease to consumers and still recoup some of its expenses.

Former Soviet Union

After plunging in the aftermath of the collapse of the Soviet Union, FSU demand has been stabilising and seems set to rebound modestly this year, on the back of higher oil production and robust economic development spurred by steep gains in export revenues. Further modest growth of 50 kb/d, or 1.3%, is expected for next year. Like Indian demand, FSU domestic consumption could marginally benefit from a contraction in jet fuel demand if a world-wide drop in air travel forces more gasoil and other products onto its domestic markets.

FSU domestic consumption over the last few years has been curtailed by government efforts to maximise foreign revenues through crude oil and products exports. Tighter gasoil specifications in many of the regions western markets this year could hamper such policy, especially if decreased demand for jet fuel leads to a boost in global gasoil supplies. FSU producers would then face tougher competition in markets where diesel specifications have yet to be tightened, eroding the benefits of exporting the products, and raising the incentives for targeting domestic markets.



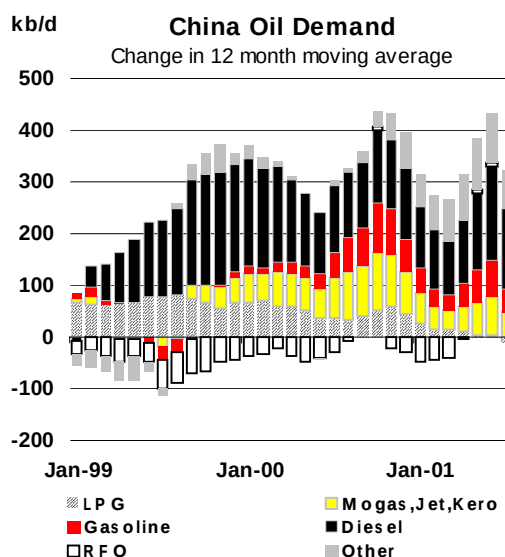
China

One of the effects of the downturn in the global economy has been to turn China into the world's biggest demand growth market in percentage terms. This is even more the case following last month's terrorist attacks on the US. Chinese oil demand is expected to grow by 100 kb/d this year. For 2002, Chinese demand growth is expected to reach 3.3%, more than any other key market, and 160 kb/d in volume, second only to North America.

While China's demand outlook remains comparatively rosy, it too is expected to suffer from the September attacks. Chinese demand this year has already fallen below expectations, filling domestic terminals enough to force the government to mandate draw-downs by refiners. That China's two main refiners, Sinopec and PetroChina, were also competing for market share, which could have contributed to higher inventory levels. After rising at double digit rates in the second quarter, posting gains of 17.5% in April, 12.6% in May and 10.5% in June, China's apparent oil demand swung back to a drop of 10.6% in July, with the fall expected to continue into August and September. The July drop extended across the product range, led by a 21% drop in apparent gasoline demand and a 16.2% contraction in apparent demand for LPG. Naphtha demand plunged by 15.6%, while demand for residual fuel oil and diesel shed 4.4% and 4.3%.

Though it is not immune from the effects of lower export demand, China's economy benefits from strong domestic demand, fuelled in part by international investments and by the government's aggressive investment and public spending policy. China's structural adjustments prior to its entry into the World Trade Organisation and Beijing's selection as host of the 2004 Olympic Games are also expected to stimulate demand. In recent months, as other Asian economies saw their prospects darken, China has benefited by attracting more foreign investment capital. Should the expected downturn in the US global economy be severe enough, China might no longer enjoy as much investment as previously seemed the case, however.

Reduced domestic oil consumption this year is already apparent in the country's aggressive export of gasoline. There are also concerns that China might already be facing more difficulties in tapping international markets to finance the restructuring of its inefficient state enterprises. Thus, several large initial public offerings of shares in state companies have been postponed from this quarter until next year. While the government is expected to seek to offset that by raising public expenditures, it cannot fully match the private sector in generating high-quality economic growth, and public funds may be wasted on unproductive projects. As a result, this Report cuts the assessment of Chinese oil demand growth for this year by 60 kb/d, from an earlier forecast of 150 kb/d. The assessment for next year is exposed to further downside risk.



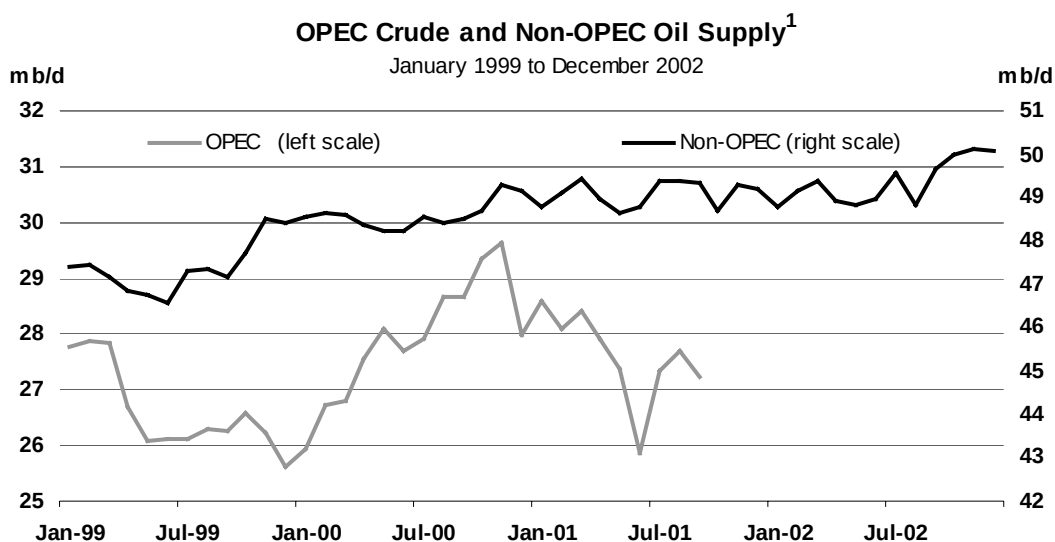
Summary of Global Oil Demand

	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
Demand (mb/d)																
North America	23.77	23.65	23.84	24.45	24.43	24.10	24.16	23.78	24.11	23.93	24.00	23.73	23.65	24.48	24.87	24.19
Europe	15.21	15.17	14.62	15.16	15.40	15.09	15.18	14.75	15.17	15.07	15.04	15.00	14.63	15.22	15.37	15.06
Pacific	8.69	9.35	8.09	8.35	8.81	8.65	9.44	7.99	8.15	8.68	8.56	9.25	7.91	8.12	8.72	8.50
Total OECD	47.68	48.17	46.56	47.96	48.64	47.84	48.78	46.52	47.43	47.69	47.60	47.97	46.19	47.82	48.96	47.74
FSU	3.66	3.65	3.49	3.55	3.77	3.61	3.77	3.62	3.56	3.75	3.68	3.82	3.66	3.61	3.82	3.72
Europe	0.71	0.77	0.72	0.67	0.72	0.72	0.77	0.73	0.67	0.73	0.73	0.78	0.74	0.68	0.74	0.74
China	4.49	4.73	4.55	5.05	4.82	4.79	4.67	5.16	4.70	4.99	4.88	4.89	5.07	4.92	5.30	5.04
Other Asia	7.21	7.23	7.40	7.35	7.26	7.31	7.34	7.42	7.31	7.27	7.33	7.36	7.45	7.38	7.34	7.38
Latin America	4.85	4.72	4.89	4.96	4.87	4.86	4.71	4.85	4.96	4.88	4.85	4.76	4.90	5.02	4.95	4.91
Middle East	4.29	4.27	4.41	4.52	4.32	4.38	4.41	4.57	4.68	4.46	4.53	4.52	4.68	4.80	4.56	4.64
Africa	2.37	2.40	2.34	2.36	2.41	2.37	2.42	2.36	2.39	2.44	2.40	2.44	2.39	2.42	2.47	2.43
Total Non-OECD	27.57	27.76	27.80	28.46	28.18	28.05	28.10	28.72	28.28	28.51	28.40	28.56	28.89	28.81	29.18	28.86
World	75.25	75.93	74.36	76.42	76.82	75.89	76.88	75.24	75.70	76.20	76.00	76.53	75.07	76.64	78.14	76.60
Of which:																
US	19.52	19.27	19.48	20.02	19.98	19.69	19.80	19.56	19.68	19.57	19.66	19.37	19.42	19.97	20.41	19.80
Euro 4	8.54	8.46	8.08	8.43	8.56	8.38	8.41	8.20	8.47	8.34	8.35	8.28	8.11	8.48	8.54	8.36
Japan	5.60	6.01	5.01	5.41	5.63	5.51	6.10	4.97	5.25	5.53	5.46	5.98	4.90	5.22	5.53	5.41
Korea	2.08	2.33	2.06	1.95	2.18	2.13	2.32	2.00	1.92	2.14	2.09	2.26	1.98	1.90	2.16	2.07
Mexico	1.94	2.00	2.00	2.00	1.94	1.99	1.96	1.90	1.99	1.92	1.94	1.95	1.90	2.02	1.97	1.96
Canada	2.01	2.06	2.07	2.14	2.19	2.11	2.06	2.01	2.13	2.11	2.08	2.07	2.01	2.16	2.15	2.10
Brazil	2.15	2.07	2.16	2.20	2.17	2.15	2.08	2.13	2.18	2.16	2.14	2.09	2.15	2.20	2.18	2.16
India	2.00	2.09	2.04	2.00	1.97	2.03	2.10	2.03	2.01	2.00	2.03	2.13	2.08	2.05	2.03	2.07
Annual Change (% per annum)																
North America	3.0	0.6	1.9	1.6	1.4	1.4	2.1	-0.3	-1.4	-2.0	-0.4	-1.8	-0.5	1.5	3.9	0.8
Europe	-0.5	-4.4	1.1	2.6	-2.2	-0.8	0.0	0.9	0.0	-2.1	-0.3	-1.2	-0.8	0.4	2.0	0.1
Pacific	3.2	-1.2	2.1	1.6	-3.7	-0.4	0.9	-1.2	-2.4	-1.5	-1.0	-2.0	-1.1	-0.3	0.4	-0.8
Total OECD	1.9	-1.4	1.7	1.9	-0.7	0.3	1.2	-0.1	-1.1	-2.0	-0.5	-1.6	-0.7	0.8	2.7	0.3
FSU	-1.9	-3.9	1.6	-1.1	-1.4	-1.2	3.5	3.8	0.3	-0.6	1.7	1.2	0.9	1.3	1.9	1.3
Europe	-7.7	1.1	1.4	1.3	1.3	1.3	0.0	1.3	0.9	0.7	0.7	0.8	1.2	1.5	1.5	1.2
China	7.2	8.2	-1.4	16.7	3.9	6.7	-1.4	13.5	-6.9	3.5	1.9	4.8	-1.7	4.5	6.2	3.3
Other Asia	5.7	1.4	2.3	2.0	0.1	1.4	1.6	0.2	-0.6	0.0	0.3	0.2	0.4	0.9	1.0	0.6
Latin America	0.1	0.5	1.0	0.5	-0.8	0.3	-0.2	-0.8	0.0	0.2	-0.2	1.0	1.0	1.2	1.3	1.1
Middle East	3.0	0.1	1.4	3.5	3.5	2.1	3.4	3.6	3.6	3.1	3.4	2.4	2.3	2.5	2.4	2.4
Africa	2.1	1.8	0.0	-0.1	-0.6	0.3	1.1	1.1	1.3	1.5	1.3	0.9	1.3	1.2	1.3	1.2
Total Non-OECD	2.8	1.4	1.0	3.7	0.9	1.7	1.2	3.3	-0.6	1.2	1.3	1.6	0.6	1.9	2.3	1.6
World	2.2	-0.4	1.4	2.6	-0.2	0.9	1.2	1.2	-0.9	-0.8	0.2	-0.4	-0.2	1.2	2.5	0.8
Annual Change (mb/d)																
North America	0.68	0.15	0.45	0.38	0.33	0.33	0.51	-0.07	-0.34	-0.50	-0.10	-0.44	-0.13	0.37	0.94	0.19
Europe	-0.07	-0.70	0.15	0.38	-0.35	-0.13	0.01	0.13	0.00	-0.32	-0.05	-0.18	-0.12	0.05	0.30	0.02
Pacific	0.27	-0.12	0.17	0.13	-0.34	-0.04	0.09	-0.10	-0.20	-0.13	-0.09	-0.19	-0.09	-0.03	0.03	-0.07
Total OECD	0.88	-0.67	0.78	0.89	-0.36	0.16	0.60	-0.04	-0.54	-0.95	-0.24	-0.80	-0.33	0.40	1.27	0.14
FSU	-0.07	-0.15	0.06	-0.04	-0.05	-0.05	0.13	0.13	0.01	-0.02	0.06	0.05	0.03	0.05	0.07	0.05
Europe	-0.06	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01
China	0.30	0.36	-0.06	0.72	0.18	0.30	-0.07	0.61	-0.35	0.17	0.09	0.22	-0.09	0.21	0.31	0.16
Other Asia	0.39	0.10	0.16	0.14	0.01	0.10	0.12	0.02	-0.04	0.00	0.02	0.01	0.03	0.07	0.07	0.05
Latin America	0.00	0.02	0.05	0.03	-0.04	0.01	-0.01	-0.04	0.00	0.01	-0.01	0.05	0.05	0.06	0.06	0.05
Middle East	0.12	0.00	0.06	0.15	0.15	0.09	0.15	0.16	0.16	0.14	0.15	0.10	0.11	0.11	0.11	0.11
Africa	0.05	0.04	0.00	0.00	-0.02	0.01	0.03	0.03	0.03	0.04	0.03	0.02	0.03	0.03	0.03	0.03
Total Non-OECD	0.74	0.39	0.28	1.01	0.24	0.48	0.34	0.91	-0.18	0.34	0.35	0.46	0.17	0.54	0.67	0.46
World	1.62	-0.28	1.05	1.90	-0.13	0.64	0.94	0.88	-0.72	-0.62	0.12	-0.34	-0.16	0.93	1.93	0.60
Changes from Last Month's Report																
North America	-	-	-	-	-	-	-	0.03	-0.28	-0.54	-0.20	-0.52	-0.26	-0.24	0.02	-0.25
Europe	-	-	-	-	-	-	-	-0.02	0.04	-0.29	-0.07	-0.18	-0.18	-0.04	-0.17	-0.14
Pacific	-	-	-	-	-	-	-	-	-0.07	-0.21	-0.07	-0.15	-0.13	-0.17	-0.26	-0.18
Total OECD	-	-	-	-	-	-	-	-	-0.32	-1.05	-0.35	-0.86	-0.58	-0.45	-0.41	-0.57
FSU	-	-	-	-	-	-	-	-	-0.01	-0.01	-	-	-	-0.01	-0.01	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-0.22	-	-0.06	-0.01	-0.11	-0.19	0.16	-0.04
Other Asia	-	-	-	0.01	-	-	-	-	0.01	0.01	-	0.03	0.03	0.03	0.05	0.04
Latin America	-	-	-	-	0.01	-	-	0.02	-	0.01	0.01	-	0.02	-	0.01	0.01
Middle East	-	-	-	-	-	-	-	-	-0.01	-0.02	-0.01	-0.02	-0.03	-0.04	-0.04	-0.03
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	0.01	0.01	-	0.01	0.02	-0.23	-0.01	-0.05	-	-0.09	-0.19	0.16	-0.03
World	-	-	-	0.01	0.01	-	-	0.02	-0.55	-1.06	-0.40	-0.86	-0.67	-0.64	-0.25	-0.60

SUPPLY

Summary

- September oil supply was unaffected in the aftermath of terrorist attacks in New York and Washington. Preliminary estimates indicate that **world oil production** averaged 76.75 mb/d for the month, down 500 kb/d from the previous month (see Table 4). The bulk of the decrease came from **OPEC**, as OPEC 10 production fell by 450 kb/d to 24.47 mb/d. These volumes were 1.26 mb/d higher than the production target, which was lowered by 1 mb/d, to 23.2 mb/d, on 1 September. Iraqi production remained almost unchanged at 2.77 mb/d. OPEC, which issued a statement to ensure market stability and the sufficiency of supplies immediately after the terrorist attacks, left its target unchanged at the meeting in Vienna on 26 and 27 September. No disruptions of Middle East oil exports were reported after the coalition action in Afghanistan on 7 October. OPEC said it would not implement an output cut, even though the OPEC basket price had fallen below the price range for the ten consecutive days.
- OECD** output fell by an estimated 20 kb/d, to 21.69 mb/d, in September (see Table 4A). Norwegian and UK production in the North Sea came out of maintenance work in August, while Danish supply returned to the levels prior to the accident in May. Output in North America decreased, due to weather conditions and maintenance work.
- Non-OECD** production appears to have fallen by 30 kb/d, following strong growth over the previous three months. A loss in Chinese output was partly offset by a continuing growth in the FSU. Although decreased slightly, supplies from the "other" Middle East countries and Latin America remained stable. African production is estimated to have increased marginally.
- The "**call on OPEC crude plus stock change**" for the fourth quarter of this year and the first quarter of next year has been revised downwards by 1.4 mb/d and 1.2 mb/d, to 25.8 mb/d and 25.7 mb/d, due mainly to revisions in demand (see Table 1). The "call" for the year 2001 now stands at 26.5 mb/d, while the "call" for 2002 is reduced to 26.0 mb/d.



¹ Non-OPEC Oil Supply includes OPEC NGLs

All world oil supply figures for September discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary September crude supply data.

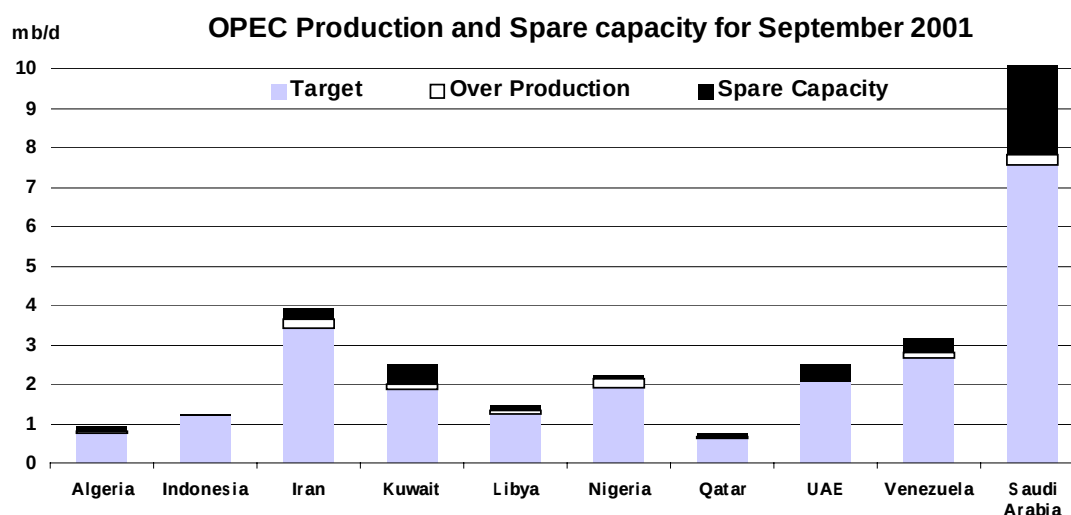
Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 200 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

Immediately after the terrorist attacks on 11 September, OPEC issued a statement by Secretary General, Ali Rodriguez, who said "All Member Countries remain committed to continuing their policy of strengthening market stability and ensuring that sufficient supplies are available to satisfy market needs. Furthermore, OPEC's Members are prepared to use their spare capacity, if deemed necessary, to achieve these goals."

OPEC held a previously scheduled meeting on 26 September. The meeting addressed the aftermath of the terrorist attacks as well as the global economic slowdown and falling oil prices, and continued the next day before issuing a communiqué. OPEC left its production target unchanged at 23.2 mb/d, while emphasising the need for co-operation with non-OPEC producing countries and defending the price range of US\$22-28 per barrel. In addition, the meeting elected Rilwanu Lukman, Presidential Adviser of Nigeria, to succeed Chakib Khelil, Algerian Minister of Energy and Mines, as OPEC President as from 1 January 2002.

The OPEC meeting was attended by observers from Angola, Egypt, Equatorial Guinea, Kazakhstan, Mexico, Oman, Russia and Sudan. The communiqué said OPEC "decided to set up an Expert Working Group, from OPEC Member Countries and invited non-OPEC producing nations, to study oil market developments and to come up with suggestions for possible actions to be taken on both sides. They have also agreed that this Expert Group will meet in Vienna during October 2001." OPEC ministers reportedly wanted the non-OPEC observers to sign a joint statement to pledge mutual co-operation to maintain stability and balance in the market. However, the non-OPEC participants had reservations about various aspects of the joint statement and did not sign it. (See Former Soviet Union section.)



As for the price range, OPEC said that it would monitor the market and take measures, including the convening of extraordinary meetings, when necessary, to keep prices within the range of US\$22-28 per barrel. OPEC agreed to meet again on 14 November to review the situation, while scheduling the next ordinary meeting for 12 March 2002. Saudi Oil Minister, Ali al-Naimi, suggested in a press interview after the meeting that before 14 November, if necessary, OPEC ministers may discuss market dynamics over the phone, as they had done in July.

Following the coalition response to the terrorist attacks, OPEC said it would not implement an output cut, even though OPEC basket prices had been below the price range for the ten consecutive days. The OPEC Secretary General said that the organisation would want to assess the impact of the

bombing of Afghanistan on oil prices before taking any decision on further supply restrictions. No disruptions of Middle East oil exports were reported after the initial raids.

Preliminary estimates show that September OPEC crude supply, excluding Iraq's, fell by 450 kb/d from the previous month, to 24.47 mb/d. Production was 1.26 mb/d higher than the target, which was reduced by 1 mb/d, to 23.2 mb/d, from 1 September. OPEC eleven output decreased by 470 kb/d to 27.23 mb/d, as Iraqi production fell only slightly, by 20 kb/d. In September, OPEC had a spare capacity of some 4.7 mb/d (see table and graph). August OPEC production has been revised upwards by 120 kb/d, due to a revision for Saudi Arabia.

OPEC Crude Production

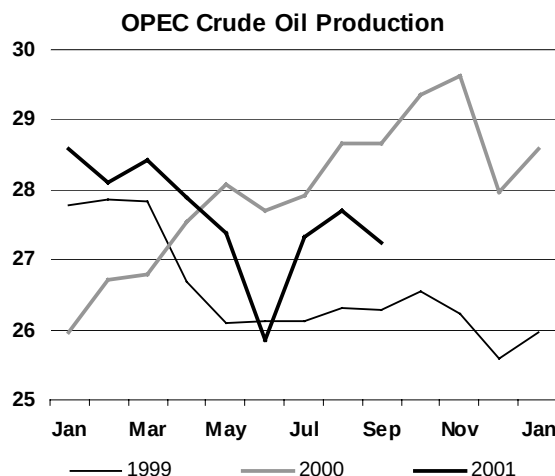
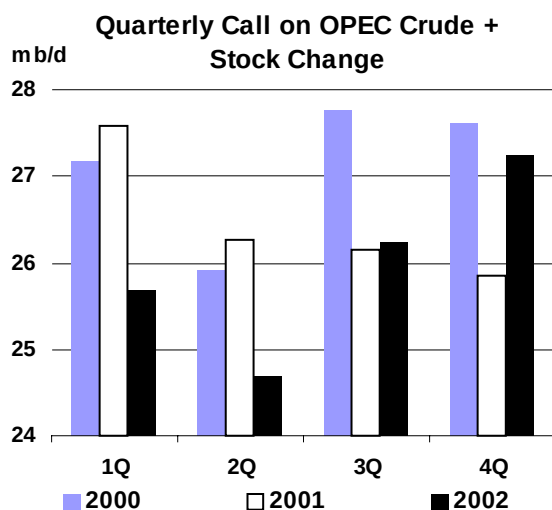
(million barrels per day)

	1 Apr 2001 Target	Cut	1 Sep 2001 Target	Sep 2001 Production	Sustainable Production Capacity ¹	Spare Capacity vs Sep 2001 Production
Algeria	0.773	0.032	0.741	0.82	0.95	0.13
Indonesia	1.255	0.052	1.203	1.19	1.25	0.06
Iran	3.552	0.146	3.406	3.65	3.90	0.25
Kuwait ³	1.941	0.080	1.861	1.98	2.50	0.52
Libya	1.296	0.054	1.242	1.35	1.45	0.10
Nigeria	1.993	0.082	1.911	2.13	2.20	0.07
Qatar	0.627	0.026	0.601	0.67	0.75	0.08
Saudi Arabia ³	7.865	0.324	7.541	7.82	10.50	2.68
UAE	2.113	0.088	2.025	2.05	2.50	0.45
Venezuela	2.786	0.116	2.670	2.81	3.15	0.34
Subtotal	24.201	1.000	23.201	24.47	29.15	4.68
Iraq				2.77	2.80	0.03
Total				27.23	31.95	4.71

¹ Capacity levels can be reached within three months and maintained for more than six months

² Includes half of Neutral Zone production

In the face of two opposing forces, ensuring supply security on the one hand, and falling oil prices and the target reduction on the other, **Saudi Arabian** crude supply (excluding the Neutral Zone, but including the Abu Safa field) fell by an estimated 210 kb/d, to 7.49 mb/d, in September. Meanwhile, production from **Kuwait** (excluding the Neutral Zone) is put at 1.65 mb/d, down 70 kb/d from August. It was reported in early October that Saudi Arabia's state-owned shipping company, Vela, chartered three VLCC and one ULCC tankers for October crude liftings to discharge in the US Gulf of Mexico region. This was seen as a confirmation of an earlier report that Saudi Arabia had chartered vessels to transport up to 12 million barrels of crude to the US in response to supply concerns following the terrorist attacks. In addition, Kuwait reportedly chartered four VLCCs for US Gulf delivery in October.



Neutral Zone production rose by 30 kb/d to 660 kb/d, while **UAE** output fell by 50 kb/d to 2.05 mb/d. **Iranian** production decreased by an estimated 100 kb/d from August. **Algerian** and **Venezuelan** production averaged 0.82 mb/d and 2.81 mb/d for September. The production capacity of the two countries has been revised upwards by 0.5 mb/d and 1.0 mb/d, due to the start up of foreign investment projects.

In spite of high freight and insurance costs, as well as delayed approval of the September pricing mechanism for deliveries to the US, **Iraqi** exports under the UN oil-for-food programme fell by only 70 kb/d, to 2.02 mb/d, in September. UN data show that the exports fell to 9 million barrels in the week from 22 to 28 September, compared to 16.4 million barrels for the previous week. However, five loadings, with an estimated 7.4 million barrels of crude, were lifted for the last two days of the month, to compensate for the loss. With 750 kb/d of domestic consumption and border trade, Iraqi production averaged 2.77 mb/d, a decrease of 20 kb/d from August.

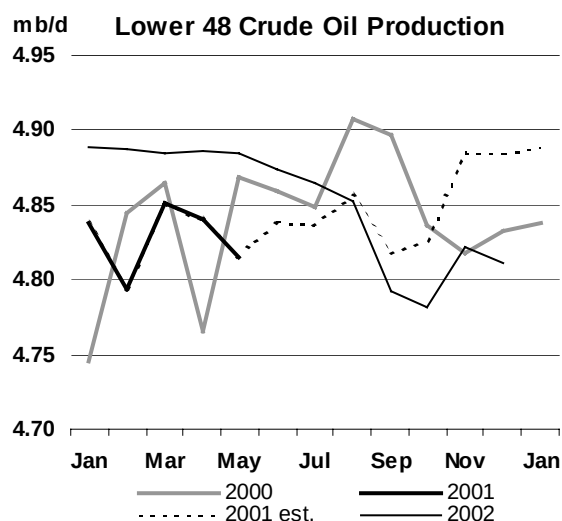
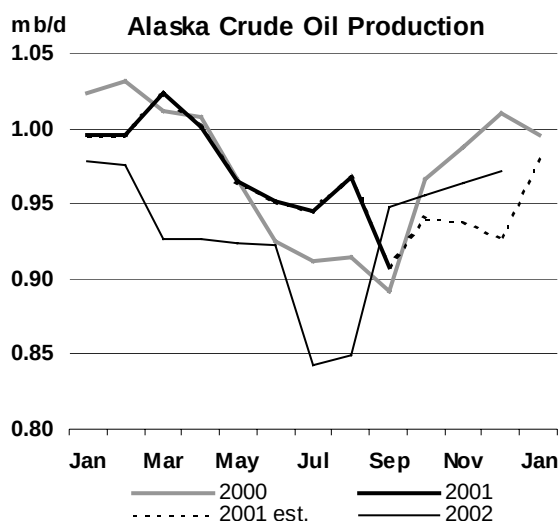
Nigerian supply is estimated at 2.13 mb/d for September, some 220 kb/d above the country's target. About 200 local militants seized control of the Olomoro oil flow station in southern Nigeria and caused an explosion in late September. According to the operator, Royal Dutch/Shell, this could result in the loss of 40 kb/d of crude production and the damage might take 18 months to repair. However, this loss will likely be offset by production increases in other areas and the country's total production volume will not be affected by this incident.

Indonesian crude output remained unchanged from the revised August volume of 1.19 mb/d. ExxonMobil shut down its natural gas production from the Arun field in Northern Sumatra on 15 September, following a fire that was attributed to a mechanical problem. The field resumed production on 3 October, and two of the four Arun LNG trains are reportedly operating. ExxonMobil halted operation at the Arun field between March and July this year, due to security concerns.

OECD

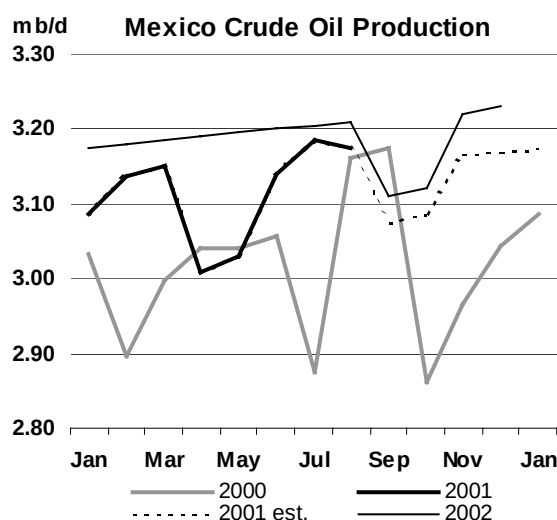
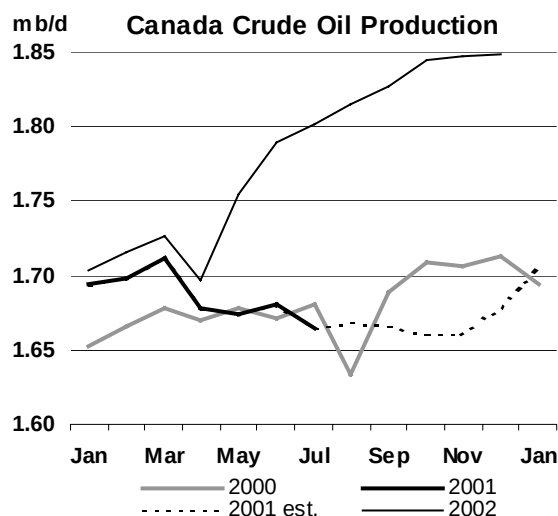
North America

US - September - Alaska actual, other estimate: Oil flows into the US continued as normal throughout September. As a precautionary measure, the LOOP and Alaska Pipeline Terminal were closed for a day after the 11 September attacks. The US Energy Department reviewed operating procedures for the nation's emergency crude reserves to make sure they work properly. September US crude production is estimated to have averaged 5.73 mb/d, down 100 kb/d from the previous month. Alaskan production fell by 60 kb/d, to 910 kb/d. The drop was due to maintenance work on the Trans-Alaska Pipeline System (TAPS) during the month. A bullet hole caused a shutdown in TAPS on 4 October but was plugged three days later. Law-enforcement officials ruled out terrorism. Production in the Gulf of Mexico decreased by an estimated 30 kb/d due to weather conditions, while output in California remained unchanged. Supply from other states is also thought to have remained unchanged. The latest data suggest that July NGL production decreased by 20 kb/d from the previous month, to 1.89 mb/d.



Canada - July actual, August and September estimates: Canadian crude production in July fell by 20 kb/d, to 1.66 kb/d, due to a drop in Alberta bitumen production. Heavy crude output in Alberta and Saskatchewan remained low at 240 kb/d and 320 kb/d. Output from the offshore Hibernia field remained unchanged at 140 kb/d. Canadian crude supply is estimated to have increased slightly, by 10 kb/d, in August and September. Synthetic crude production averaged 290 kb/d for July, a fall of 70 kb/d from May levels, which resulted from scheduled maintenance work. The maintenance work continued into August, and is thought to have affected output. July NGL production was down 40 kb/d, to 660 kb/d.

Mexico - August actual, September estimate: Mexican crude production was down 10 kb/d, to 3.18 mb/d, in August. Mexico's state-owned Pemex had said that it would cut output by 70 kb/d from August to November due to technical problems at the Cantarell field, where a nitrogen enhanced oil recovery project is under way. However, the latest data suggest that output from the offshore field dropped by only 10 kb/d in August. Lower crude output is expected for September, because of the problems at the Cantarell field and weather conditions. August NGL production remained unchanged at 440 kb/d.



North Sea

UK – July actual, August and September estimates: UK offshore crude and NGL production rose by 110 kb/d, to 2.40 mb/d, in July, as the Ninian, Flotta and Fulmar systems came out of summer maintenance. Output from the Elgin/Franklin gas/condensate field remained unchanged at 60 kb/d, while production at the Shearwater gas/condensate field averaged 20 kb/d for the month, in which the operator, Shell, resumed production after eight months of revamping. NGL production was down 10 kb/d, to 230 kb/d. The level of offshore production is estimated to have increased in August and September, with the end of summer maintenance work.

Norway – July and August actuals, September estimate:

During a break in the summer maintenance schedule, Norwegian crude and NGL production posted a new record of 3.58 mb/d in July. The Snorre B project, which started production at the end of June and averaged 60 kb/d for July, also contributed to the new record-high. In August, production fell by 430 kb/d from the previous month, as maintenance work resumed in the Ekofisk, Oseberg/Troll, Statfjord/Gullfalks and other systems. Technical problems at the Gullfalks and Asgard fields also contributed to the loss. Norwegian output is estimated to have risen by 90 kb/d, to 3.24 mb/d, in September. Due to the high production levels in July and earlier-than-expected start-up of the Snorre B, the forecast for the Norwegian sector of the North Sea has been revised upwards. This Report estimates Norwegian crude and NGL production to average 3.41 mb/d for this year and 3.45 mb/d for next year. Meanwhile, the Norwegian Oil Minister said that Norway saw no need to change its policy in order to support efforts by OPEC, and that the country would continue to produce at capacity level.

North Sea Oil Production Outlook

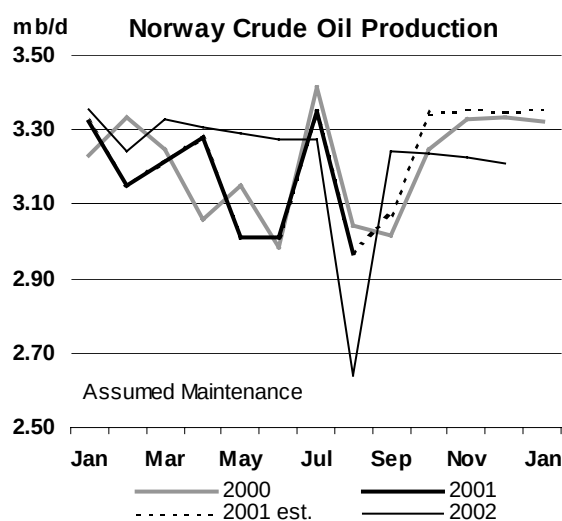
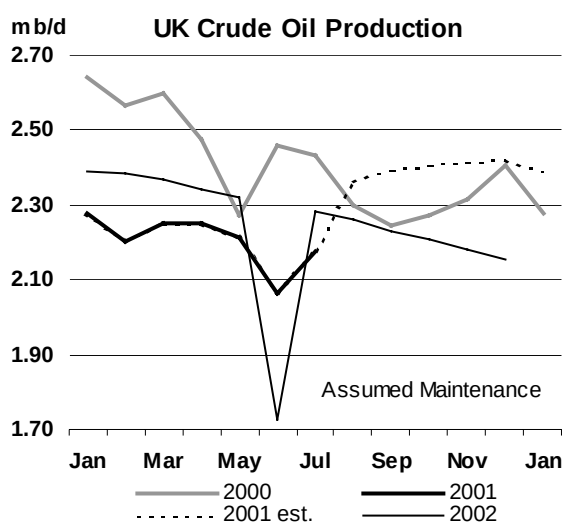
September 2001 - February 2002

(thousand barrels per day)

	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02	Feb 02
UK	2633	2664	2677	2679	2664	2661
Norway	3242	3515	3568	3567	3579	3477
Denmark	338	337	338	334	331	329
Other ¹	38	49	57	63	62	62
Total	6251	6565	6640	6642	6637	6529

¹ offshore Netherlands and offshore Germany

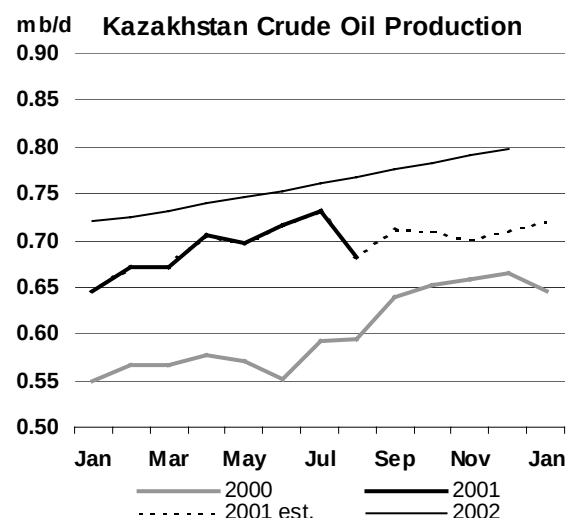
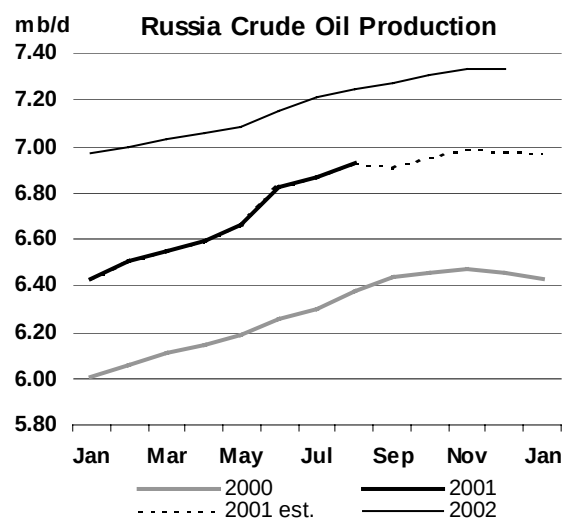
Denmark – August actual, September estimate: Danish crude production rose by 50 kb/d to 330 kb/d in August, as the Gorm and Skjold fields resumed production. The country's production almost reached the levels existing prior to a gas explosion on the Gorm C platform on 20 May. Crude output increased by an estimated 10 kb/d, to 340 kb/d, in September.



Former Soviet Union (FSU)

Russia - August actual, September estimate: Russian output (crude plus NGLs) rose for the sixth consecutive month in August, averaging 7.16 mb/d. Higher-than-expected August production was up 560 kb/d from a year ago. Compared to the previous month, production from major Russian oil companies increased or remained unchanged. However, output from the Sakhalin II project fell by 10 kb/d, to 80 kb/d. In the wake of a recent strong production performance, the Russian Ministry of Energy set a production target of 7.24 mb/d for the fourth quarter. This Report revises the Russian supply forecast upwards. Russian production is now estimated to grow by 500 kb/d, to 7.00 mb/d, this year and by 400 kb/d, to 7.40 mb/d, next year.

While visiting Germany in late September, the Russia president Vladimir Putin said his country was prepared to increase output if supplies were threatened by regional conflicts. Meanwhile, it was reported that the main member countries of OPEC had asked Russia to cut output in order to sustain prices. Russia reportedly rebuffed the request and refused to sign a joint statement with OPEC. (See OPEC section.)



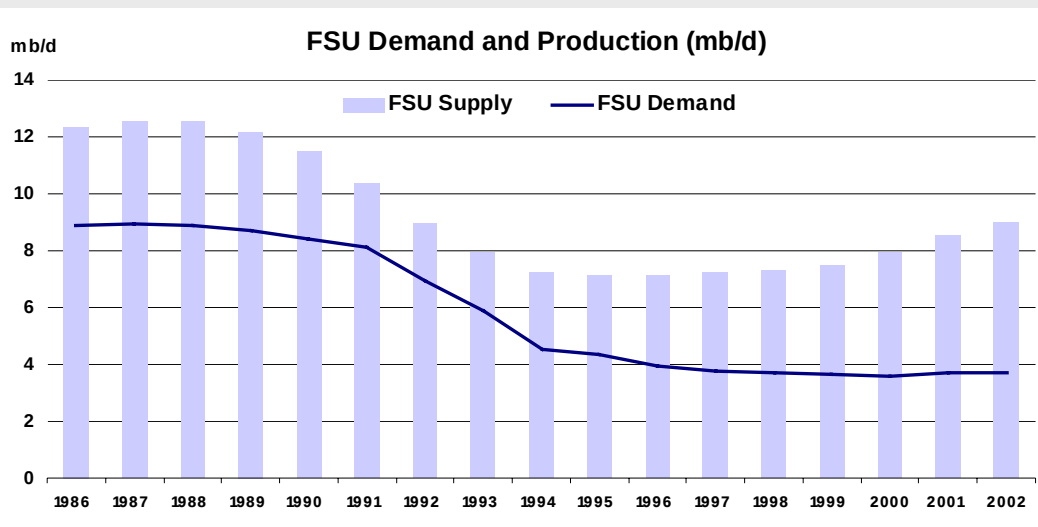
FSU Supply, Demand and Exports

The Soviet Union was the single largest oil producer in the world in the 1980s, producing 12 mb/d more than the USA at 10 mb/d and Saudi Arabia at 5 mb/d. In those days, the Soviet Union consumed 8 mb/d as it relied on heavy industries and low energy-efficient systems. The balance, 4 mb/d, was exported. In the early 1990s, the disintegration of the Soviet Union and subsequent social and economical transition negatively affected supply and demand. Production and consumption fell to 7 mb/d and 4 mb/d respectively in the mid-1990s.

In the late 1990s Russian oil companies suffered from “non-payments” by their domestic customers ranging from state enterprises to individuals. They subsequently refocused their efforts on exporting crude and products to the Western market for hard currency. In addition, crude and product prices in the Russian domestic market were maintained at a fraction of international prices. Therefore, even with additional costs of transportation, exports remained more profitable for oil companies. Devaluation of the Russian rouble in August 1998 had a positive impact on the Russian economy. Although overall energy demand grew, domestic oil consumption remained unchanged as oil exports to the West continued. Russian domestic energy users shifted their fuel use from oil to coal and natural gas, as prices for these commodities were kept artificially low.

Higher international oil prices in the late 1990s generated increased revenues and turned around the Russian oil industry and the broader economy. The Russian economy has grown at 7.7% in 2000 and an estimated 5.5% in 2001. FSU production has also increased by 430 kb/d or 5% in 2000 and an estimated 610 kb/d or 7% in 2001, as higher export revenues allowed Russian oil companies to invest in the upstream sector. With the maintenance of ground facilities, the work-over of production wells, infill drilling and reactivation of idle wells, output is rising in Western Siberia, Russia's main oil-producing region. Large-scale foreign investment projects in the Republics, the Tengiz, Karachaganack and AIOC, also contributed to the increase. The FSU currently produces 8.7 mb/d and consumes 3.6 mb/d of oil.

More noteworthy is that FSU exports – the wedge between production and domestic consumption – is widening, to almost 5 mb/d. Hence, the FSU exported 2.7 mb/d in 1996, exports have increased at a faster rate than production. Concerns expressed of late by some producers centred on how much more Russia will export in the medium term. Expectations are that depletion of Russian oil fields will be arrested or reversed by better reservoir management and development of smaller satellite fields. Production will be also assisted by new technology and efficiency brought to oil field operations from the West. Although forecasts from Governments indicate more conservative growth, FSU output may reach 9 mb/d by 2005 based on industry estimates. On the demand side, the pace and stability of economic growth and foreign investment policies are the key to growth. Improvements in energy efficiency may decrease demand. In contrast, oil demand will gain from reform on domestic gas prices and Gazprom if they are successfully implemented.

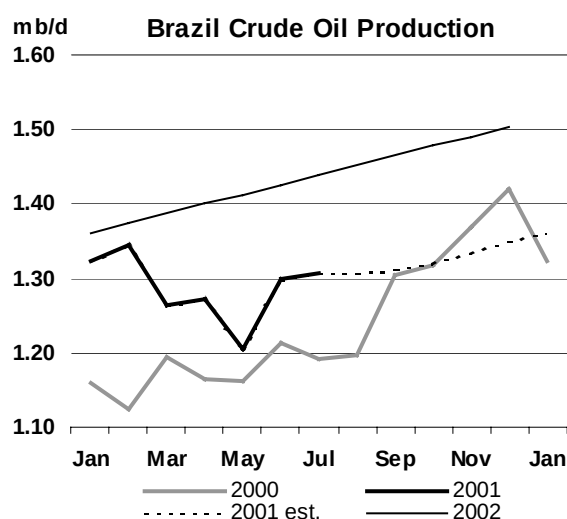
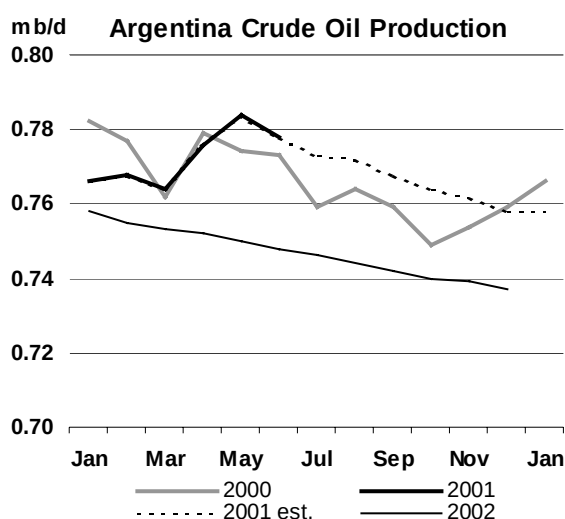


Kazakhstan - August actual, September estimate: Kazakhstan production (crude and NGLs) fell by 40 kb/d from the previous month, to 770 kb/d, in August. The decrease came from the Tengiz field, where output averaged 210 kb/d for the month. Production from the Karachaganak and other fields remained virtually unchanged. Meanwhile, inauguration of the Caspian Pipeline Consortium (CPC) pipeline will not take place before mid-October. The start-up of the pipeline, which connects the Tengiz field in Kazakhstan with the Russian port of Novorossiysk, has been delayed several times.

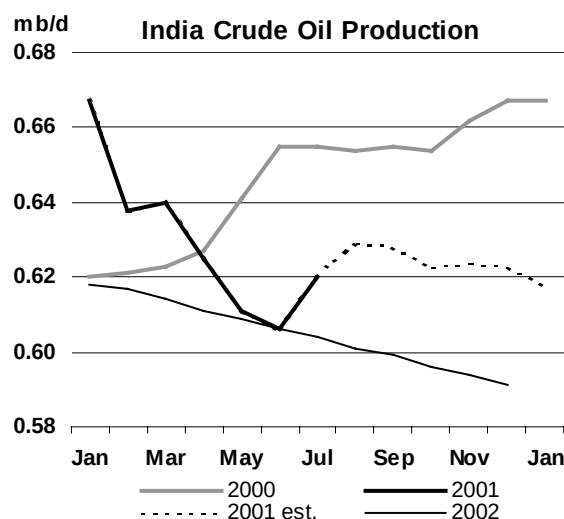
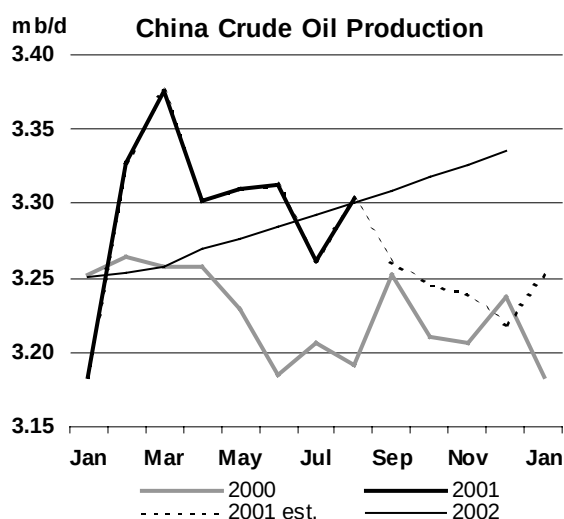
Other Non-OPEC

Argentina - June actual, July to September estimates: The latest available Argentine production data are those for June. Crude output remained unchanged from the previous month, at 780 kb/d. Output from July to September is estimated to have averaged 770 kb/d.

Brazil - July actual, August and September estimates: Brazilian crude production rose by 10 kb/d, to 1.31 mb/d, in July. The increase came from the offshore Rio de Janeiro area. Offshore production recovered in June and July, following the sinking of the offshore production platform P-36 in March and the subsequent oil spill from P-7 in April. Brazil's Petrobras lowered its crude production target for 2001 from 1.39 mb/d to 1.35 mb/d, due to a delay in the installation of a new rig in the offshore Campos basin. Petrobras had planned to install the 150 kb/d P-40 at the Marlim field, to compensate for the loss of P-36. However, the granting of an environmental license has been delayed. The IEA's forecasts remain unchanged at 1.30 mb/d for this year and 1.43 mb/d for next year.



China - August actual, September estimate: In August, Chinese crude production bounced back from a loss in the previous month, to 3.30 mb/d. Offshore output increased, while production from the onshore Daqing and Shengli fields remained unchanged. Production is estimated to have fallen slightly in September.



India - July actual, August and September estimates: Although up slightly from the previous month, Indian output remained low at 710 kb/d in July. Production from the offshore Bombay High field averaged 300 kb/d, a decrease of 40 kb/d from the beginning of this year, as revamping and maintenance work continued. Output from onshore fields rose slightly. Production is thought to have averaged 720 kb/d for August and September.

Revisions to Non-OPEC Oil Supply

The estimated non-OPEC supply growth for 2001 has been revised upwards by 100 kb/d to 700 kb/d, while growth in 2002 has been increased by 80 kb/d to 870 kb/d. The increases result from revisions made to Norway and Russia. (For details, see the relevant country sections.)

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2001	2002	02 vs. 01	2001	2002	02 vs. 01	2001	2002	02 vs. 01
North America	14.31	14.75	0.44	14.33	14.75	0.43	0.02	0.00	-0.01
Europe	6.65	6.55	-0.10	6.73	6.75	0.03	0.07	0.21	0.13
Pacific	0.79	0.73	-0.05	0.78	0.73	-0.05	0.00	0.00	0.00
Total OECD	21.75	22.03	0.28	21.84	22.24	0.40	0.09	0.21	0.12
Former USSR	8.50	8.96	0.46	8.53	8.99	0.46	0.03	0.03	-0.01
Europe	0.18	0.17	-0.01	0.18	0.17	-0.01	0.00	0.00	0.00
China	3.27	3.28	0.01	3.28	3.29	0.01	0.00	0.01	0.01
Other Asia	2.39	2.35	-0.04	2.39	2.35	-0.04	0.00	0.00	0.00
Latin America	3.77	3.82	0.05	3.78	3.83	0.05	0.01	0.01	0.00
Middle East	2.00	1.96	-0.04	1.99	1.94	-0.05	-0.01	-0.02	-0.01
Africa	2.86	2.89	0.03	2.85	2.86	0.02	-0.01	-0.03	-0.02
Total Non-OECD	22.97	23.43	0.46	23.00	23.43	0.43	0.03	0.00	-0.03
Processing Gains	1.76	1.81	0.05	1.75	1.79	0.04	-0.01	-0.02	-0.01
Total Non-OPEC	46.49	47.27	0.79	46.59	47.46	0.87	0.10	0.19	0.08

OMR = Oil Market Report

TRADE

Two events rocked the world since last month's Report went to press: the 11 September terrorist attacks on the US, and the US-led military response which began with aerial bombing of targets in Afghanistan on 7 October. Their immediate effects on the oil trade were minimal. Heightened security precautions created relatively minor and/or short-lived disruptions to flows, as softening prices tend to confirm.

Initially, US airspace was closed to both private and commercial traffic, and marine movements in US territorial waters and many major harbours were restricted. A few oil ports, including New York Harbour, Houston, New Orleans, the Louisiana Offshore Oil Port, and Alaska's Valdez Marine Terminal were closed and others heightened their security precautions. The typical shutdown lasted roughly 24 hours.

The chief effects on the oil trade have been higher spot freight rates for crude tankers loading in the Persian Gulf and underwriters asking for substantial war-risk insurance premia on cargoes loading in feared "hot spots". Even so, OPEC has maintained its export supply of crude and products, although Iraqi exports were somewhat depressed for about two weeks after the September attacks by the combination of higher war-risk premia and the lack of UN-approved prices for cargoes headed for US destinations. Iraqi export volumes have been erratic, swinging from 2.3 mb/d the last week of September to 1.3 mb/d the first week of October. Prices for US-bound cargoes continue to be a sticking point.

Trade flows in October to date have been relatively normal. The 1 mb/d trans-Alaska Pipeline was shut down from Thursday 4 October until Sunday 7 October after the line was pierced by a bullet, limiting ANS production, but that incident is being characterised as criminal mischief rather than terrorism. Production and loadings from key producers have not been reduced by, or in reaction to, the newly-begun air campaign against targets in Afghanistan. OPEC's basket price fell short of \$22 for the tenth consecutive trading day on Friday 4 October, but producers say they will wait to see the oil market's price response to the "war news" before considering a production cut. Thus far, the market's reaction has been minimal, with IPE Brent opening on 8 October just 22 cents per barrel higher than the close on Friday 5 October.

Global Oil Trade Flows

In this Report's Table 1 balance, most "supply" is crude oil and most "demand" is for finished petroleum products in consuming countries. The trade summary shown below moves one step closer to reality by substituting actual OECD net imports (of crude oil, feedstocks and finished products) for OECD product demand minus liquids production and deemed refinery gain, and by inserting figures for OPEC production.

Summary of Net Global Oil Trade¹

	(million barrels per day)									
	1998	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	3Q01	4Q01
Net Imports/(Exports)										
North America ²	8.0	8.3	8.5	8.8	9.1	8.6	9.2	9.3	8.8	7.8
Central & South America ^{3,4}	(2.2)	(2.0)	(2.1)	(2.1)	(2.0)	(2.3)	(2.4)	(2.0)	(2.0)	(2.1)
Former Soviet Union ⁴	(3.6)	(3.8)	(4.3)	(4.9)	(4.5)	(4.4)	(4.5)	(4.8)	(5.1)	(5.0)
Non-OECD Europe ⁴	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.6
OECD Europe ²	8.9	8.0	8.3	8.3	8.7	8.8	8.5	8.4	8.6	8.0
Africa ^{3,4}	(5.6)	(5.3)	(5.5)	(5.6)	(5.6)	(5.7)	(5.6)	(5.5)	(5.6)	(5.6)
Middle East ^{3,4}	(18.4)	(17.6)	(18.7)	(18.2)	(19.1)	(19.5)	(18.9)	(17.8)	(18.0)	(18.1)
China ex. Hong Kong ⁴	1.0	1.3	1.6	1.6	1.8	1.6	1.4	1.9	1.4	1.8
other Non-OECD Asia/Pacific ^{3,4}	3.0	3.4	3.6	3.6	3.6	3.4	3.5	3.7	3.6	3.5
OECD Pacific ²	7.6	7.9	7.8	7.7	7.4	7.9	8.5	7.2	7.4	7.6
sum ⁵	(0.8)	0.7	(0.4)	(0.2)	0.0	(1.2)	0.2	0.8	(0.4)	(1.6)
memo: OPEC ^{3,4}	(25.4)	(23.9)	(25.0)	(24.5)	(25.4)	(26.2)	(25.5)	(23.9)	(24.3)	(24.4)

¹ includes crude oil, NGLs, refinery feedstocks, additives, non-crude inputs to refineries and finished petroleum products

² net extra-regional trade

³ OPEC 4Q 2001 production assumed equal to that in September 2001

⁴ estimated demand minus supply

⁵ non-OECD stock changes, losses in transit, timing and other statistical differences

The table above summarises “oil” trade by showing net inter-regional imports for each of the three OECD regions and by showing estimated oil demand minus estimated liquids production for non-OECD regions and countries. It also shows what the flows and balance would be in the third and fourth quarters if OPEC production were to remain unchanged from September; OECD stockbuilds and draws were to follow normal seasonal patterns; and the differences between OECD net imports and demand minus supply (roughly, refinery gain) were the same as last year.

“Imports” are indicated with positive figures, and “exports” with negative ones (here, indicated with parentheses) – the standard convention in the Report’s other trade tables. The bottom-line sum is a residual which includes factors such as timing differences, non-OECD stock changes, an allowance for losses in transit, and other statistical differences. Because “export” supply is shown as negative, the residual calculated for the third quarters of 2001, 400 kb/d more negative than that for a year earlier, indicates a supply/demand balance 400 kb/d slacker. The Report estimates that – all other things being equal – the fourth quarter balance would also be 400 kb/d looser than that a year earlier.

Net OECD Crude and Product Trade by Region

The tables on the following page summarise the net oil trade each OECD region reports conducting with the rest of the world. These are the figures used in the trade summary table, which have the merit of showing “demand” for crude oil when it is imported rather than the later demand for the petroleum products into which it will be converted. Although an improved component in a global balance, it remains imperfect because, on average, a month elapses between the time crude oil surfaces in a producing country and that at which it is delivered to an importer. Thus, Iraq’s June suspension of UN-authorized oil-for-food exports would have meant roughly a two-week supply loss in OECD crude imports in July, just as the Iraqi resumption on 10 July is likely to mean a two-week gain in OECD imports for August.

In **North America**, the net imports of crude oil rose nearly 500 kb/d between June and July when the arbitrage window for Atlantic Basin exports to North America re-opened, justifying the purchases of more cargoes of North Sea and Brent-related West African crude. Imports of North Sea crude rose by more than 30% and those from Nigeria by 10%. The unusual strength in Brent prices which prevailed during June’s field maintenance and possible market “squeezes” subsided in July, with Brent slipping to roughly \$1.50 below WTI – enough to cover tanker freight to either the East or Gulf Coast. Higher crude imports from outside the region were also needed to offset maintenance-related losses in Canadian syncrude production. Even with this boost, July imports fell 180 kb/d short of those a year earlier, and preliminary US figures for August and September suggest third quarter imports averaging 7.5 mb/d, 0.5 mb/d short of last year.

In gasoline, the OECD figures for July and US preliminary figures for August and September suggest that North America’s net imports in 3Q will total at least 0.5 mb/d, making the third consecutive quarter of high gasoline imports. Continued strength is also shown in heavy fuel oil imports, with the implied 3Q figure about 300 kb/d, the fourth successive quarter of strength. However, fuel oil imports are likely to fall sharply in the fourth quarter, as industrial and electric utility demand for fuel oil to burn or store weakens, with natural gas prices softening. The front month of the NYMEX contract for natural gas deliveries at the Henry Hub, in Louisiana, closed 8 October at \$2.27 per million BTUs, roughly the equivalent in New York Harbour of distillate selling for 38 cents per gallon or heavy fuel oil selling for \$17.50 per barrel.

Refiners in **OECD Europe** were markedly less eager to bid for Atlantic Basin crude supplies in July, as confirmed by the return of the WTI-Brent differential to “normal”. July’s crude imports dropped 350 kb/d below those in June. This would still have meant a looser European crude balance than in July of last year, because refinery runs were 230 kb/d lower this year, while crude imports were down only 110 kb/d.

Gasoline prices in Rotterdam exceeded those in New York by \$2 in May and \$1.80 in June, and sank to an average \$0.40 below New York prices in July. These price differentials could not cover trans-Atlantic freight west. Yet some European gasoline exports to North America represent baseload supply, moving despite trans-Atlantic differentials and tightening the European market, as reflected in the OECD’s net gasoline exports of 70 kb/d in June and 80 kb/d in July. The upward blip in OECD Europe’s imports of heavy fuel oil in July is unusual. It was reportedly created by shortages of bunker-grade fuel oil in Europe, and by Italian and Spanish utilities stocking up on cheap low-sulphur fuel oil. However, the European trade figures should be treated with care, as they typically include estimates for several countries. For example, the initial total for June was shaved this month by 4%, while the figure for May, on its second revision, increased by 2%.

OECD North America Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Latest month vs.	
										Jun 01	Jul 00
Net Imports/(Exports) of:											
Crude Oil	7.19	7.38	7.97	7.35	7.47	7.79	8.05	7.39	7.88	0.48	-0.18
Products & Feedstocks	1.16	1.13	1.10	1.29	1.78	1.53	1.51	1.50	1.15	-0.35	0.12
Gasoil/Diesel	0.00	0.03	-0.03	0.05	0.36	0.06	0.07	0.03	0.00	-0.03	0.01
Gasoline	0.45	0.36	0.34	0.38	0.50	0.58	0.55	0.60	0.40	-0.19	0.10
Heavy Fuel Oil	0.13	0.18	0.19	0.31	0.34	0.33	0.32	0.30	0.35	0.06	0.16
LPG	0.03	0.04	0.06	0.05	0.03	0.03	-0.01	0.05	0.03	-0.02	-0.02
Naphtha	0.04	0.08	0.08	0.10	0.10	0.04	0.03	0.02	0.00	-0.02	-0.09
Jet & Kerosene	0.09	0.11	0.13	0.12	0.17	0.16	0.20	0.13	0.09	-0.04	-0.03
Other	0.41	0.34	0.33	0.28	0.29	0.33	0.34	0.38	0.26	-0.11	-0.02
Total	8.34	8.50	9.07	8.64	9.25	9.31	9.56	8.89	9.02	0.13	-0.06

Source: IEA MOS imports and exports data for extra-regional trade

OECD Europe Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Apr 01	May 01	Jun 01	Latest month vs.	
										May 01	Jun 00
Net Imports/(Exports) of:											
Crude Oil	6.95	7.14	7.30	7.76	7.27	7.06	7.12	7.05	6.70	-0.35	-0.11
Products & Feedstocks	1.02	1.19	1.39	0.99	1.21	1.30	1.26	1.80	1.84	0.04	0.16
Gasoil/Diesel	0.28	0.32	0.38	0.28	0.39	0.40	0.46	0.49	0.43	-0.06	-0.02
Gasoline	-0.29	-0.23	-0.17	-0.27	-0.27	-0.21	-0.22	-0.07	-0.08	-0.02	0.00
Heavy Fuel Oil	0.08	0.09	0.11	0.03	0.11	0.03	-0.02	0.13	0.26	0.13	0.08
LPG	0.17	0.19	0.16	0.22	0.19	0.12	0.11	0.14	0.13	-0.01	0.01
Naphtha	0.23	0.19	0.22	0.11	0.20	0.26	0.25	0.31	0.22	-0.09	-0.08
Jet & Kerosene	0.07	0.13	0.17	0.16	0.14	0.22	0.25	0.27	0.27	0.01	0.09
Other	0.47	0.50	0.51	0.46	0.46	0.49	0.43	0.54	0.62	0.08	0.08
Total	7.96	8.32	8.69	8.76	8.48	8.37	8.37	8.86	8.54	-0.32	0.04

Source: IEA MOS imports and exports data for extra-regional trade

OECD Pacific Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Latest month vs.	
										Jun 01	Jul 00
Net Imports/(Exports) of:											
Crude Oil	6.90	6.71	6.45	6.94	7.50	6.31	6.23	5.97	5.90	-0.07	-0.78
Products & Feedstocks	1.01	1.05	0.98	0.94	1.00	0.92	0.92	0.89	0.90	0.01	-0.20
Gasoil/Diesel	-0.20	-0.20	-0.24	-0.23	-0.22	-0.14	-0.23	-0.11	-0.15	-0.04	0.08
Gasoline	-0.01	0.00	0.02	-0.02	0.00	-0.02	0.00	-0.02	-0.01	0.01	-0.02
Heavy Fuel Oil	-0.16	-0.11	-0.11	-0.18	-0.18	-0.12	-0.09	-0.11	-0.08	0.04	0.06
LPG	0.55	0.56	0.61	0.51	0.51	0.56	0.59	0.55	0.47	-0.08	-0.23
Naphtha	0.65	0.66	0.66	0.70	0.66	0.58	0.62	0.53	0.71	0.18	-0.01
Jet & Kerosene	-0.01	-0.03	-0.12	0.01	0.09	-0.13	-0.11	-0.17	-0.17	-0.01	-0.04
Other	0.19	0.16	0.15	0.13	0.15	0.18	0.16	0.22	0.13	-0.10	-0.05
Total	7.91	7.75	7.43	7.88	8.50	7.23	7.15	6.86	6.80	-0.06	-0.98

Source: IEA MOS imports and exports data for extra-regional trade

OECD Europe, particularly the United Kingdom, had noticeably-higher imports of jet kerosene, primarily from the Middle East and the FSU, from the second quarter onwards. Jet demand in the UK had been extremely strong before the 11 September attacks. The growth was attributed to its relatively new carriers slashing the price of air travel within Europe, stimulating air traffic this summer despite the economic situation. A portion may also represent stockpiling ahead of this winter's demand, perhaps as a blendstock to produce clean diesel.

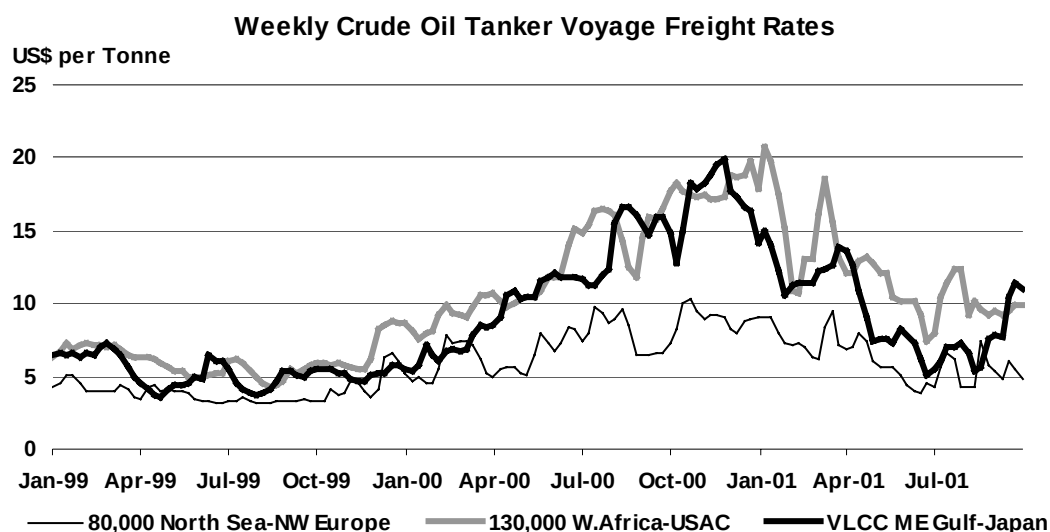
In the **OECD Pacific** region, July imports of crude oil fell nearly 12% short of those a year earlier, double the amount by which refinery runs declined. Asia-Pacific refiners have been shying away from crude purchases to an unusual extent, reportedly forcing West African and other swing barrels to flow west. This generally reflects the region's stagnant oil demand and weak economic prospects. The differential between West Coast and Singapore gasoline prices collapsed to about \$5 a barrel, still enough to induce Asia/Pacific refiners to export about 40 kb/d of gasoline to the West Coast.

Looking ahead at prospects for crude and product trade, OECD net imports of crude and products could decline across the board. As oil demand growth moderates or even stagnates, refinery runs will be lower and reduce crude import requirements. The return to normal of North American natural gas prices will reduce the incentive to substitute naphtha (as petrochemical feedstock), heavy fuel oil (for power generation) or gasoil for power or industrial use, undermining requirements for those three fuels. Diesel demand and imports will also fall in a recession scenario. As the requirement to produce cleaner diesel drops, refiners do not need to cut as deeply into the kerosene "fraction" of the barrel to produce it.

Jet fuel is the product most likely to be adversely affected by deepening recession and post-11 September civilian fear of flying, with incremental military use a fraction of demand losses. Shifting refinery yields will transform jet's "problems" to "problems" for heating oil (in Asia, kerosene and elsewhere, gasoil), for naphtha and for gasoline, all tending to reduce import requirements. With jet and diesel demand depressed, more of the potential jet "fraction" will be used to increase heating oil and to some extent naphtha production instead. As a consequence, the heating oil market is likely to be particularly well-supplied, because primary stocks are well within the normal range and consumers in key markets bought early. Naphtha faces a potential glut with economic downturn worsening the already-weak market for petrochemicals, for which naphtha is a key feedstock. With naphtha output higher and its relative prices weaker, more naphtha is going into the gasoline pool. This will reduce the demand for supplemental gasoline imports and increase the probability of a well-supplied gasoline market next summer.

Freight

Neither terrorist nor counter-terrorist actions have damaged any oil infrastructure, leaving physical capacity unchanged. The main change has been in market sentiment, particularly with respect to the Middle East and other perceived "hotspots", with dramatic increases in the war-risk premia demanded by insurance underwriters. Insurance rates are a function of insured value, which could vary from \$10 million for an older VLCC to \$90-100 million for a modern one.



Source: SSY Consultancy & Research Ltd.

The war-risk premia on “normal” routes quintupled at the end of September, while remaining relatively low at about 0.05% of value or about 2 cents per barrel carried. More dramatically, the list of locations subject to additional premia expanded effective 26 September to include the Middle East, West Africa, Libya, Sierra Leone, Somalia and Eritrea, Pakistan, Sri Lanka and Yugoslavia. Insurer quotes for additional premia are available no more than 48 hours in advance of a cargo’s loading, and were originally expected to reach 1% or even 5%. The risk premia charged in late September were reportedly no more than 0.5%.

By the end of September, VLCC owners were able to command spot freight rates for Persian Gulf loadings double those prevailing in mid-August and about 80% of those a year earlier. That sudden rise in rates reflects the fear of a supply disruption in the Middle East. However, the number of spot VLCC fixtures is reportedly decreasing, consistent with reports of economic and oil-demand slumps. This will tend to put downward pressure on spot rates, where market sentiment plays a large role.

Spot freight rates for smaller tankers and for loading ports apart from those in the Middle East also firmed briefly in the wake of the September attacks, but the increases were typically slight, as were the perceived risks of disruption. Rates for clean product tankers on a few routes also rallied slightly and briefly in the wake of the attacks, but showed no clear direction. Spot charter rates for product tankers varied by size and route.

Non-OECD Trade

According to preliminary statistics, FSU net exports of crude and products totalled 4.91mb/d in September, 2 % more than the latest figure for August and 12% higher than a year earlier. Heavy winds and high tides temporarily closed Novorossiysk in the middle of September, limiting Black Sea exports and swelling exports shipped via the Baltic. The first “test cargo” has yet to load from the Caspian Pipeline Consortium’s new terminal, and some sources cite rumours of a leak in the new pipeline from Tengiz and hoses missing at the terminal. CPC says only that their current start-up estimate is mid-October.

FSU Net Exports of Crude & Petroleum Products

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jul 01	Aug 01	Sep 01	Latest month vs. Aug 00 Sep 00	
Black Sea Exports	1.56	1.80	1.78	1.83	2.07	2.12	2.17	2.22	1.98	-0.24	0.09
Baltic Exports	1.09	1.37	1.19	1.47	1.67	1.60	1.59	1.48	1.72	0.24	0.41
Total Seaborne	2.66	3.18	2.96	3.30	3.74	3.72	3.76	3.70	3.70	0.00	0.50
Druzhba Pipeline	1.02	1.03	1.07	1.07	1.09	1.11	1.11	1.09	1.12	0.04	0.08
Other	0.08	0.12	0.13	0.06	0.04	0.05	0.03	0.02	0.11	0.09	-0.06
Total Exports	3.75	4.32	4.17	4.44	4.87	4.88	4.90	4.81	4.93	0.12	0.52
Imports	0.03	0.02	0.02	0.01	0.01	0.01	0.00	0.01	0.02	0.01	0.00
Total Net Exports	3.71	4.31	4.15	4.43	4.86	4.87	4.89	4.81	4.91	0.11	0.52
Crude	2.71	3.06	3.12	3.19	3.42	3.49	3.51	3.48	3.49	0.01	0.36
Products	1.01	1.24	1.03	1.24	1.44	1.38	1.39	1.32	1.42	0.10	0.16

Sources: Petro-Logistics, IEA estimates

The FSU’s net exports of petroleum products topped 1.4 mb/d in September. This is consistent with the normal pattern: FSU product exports are highest in the second and third quarters, dropping in the fourth and first quarters to more nearly satisfy domestic demand in winter. The authorities encourage refiners to export less in winter with a combination of export duties, limits on exports to a fixed percentage of refinery output, quotas for domestic deliveries, and occasional bans. Kazakhstan banned the exports of gasoil during the harvest season which just ended, and of fuel oil this winter. The Russian Ministry of Energy is wavering between proposals to raise the export tariff on fuel oil by 60%, to \$29.44/tonne, and to re-impose quotas for domestic deliveries of fuel oil.

The latest **Chinese** oil trade statistics show sharp declines in net oil imports between June and July. Crude oil imports dropped by almost 30%, while imports of petroleum products halved. As noted in previous Reports, China’s administered prices for crude and products have tended to exacerbate the month-to-month swings in Chinese imports and product deliveries. However, the manner in which these prices are set has been changed in order to reduce speculation. But the fundamentals behind the

July decrease are drastic cuts in refinery runs by key players Sinopec and PetroChina (a China National Petroleum Corporation subsidiary) directed by the government and motivated by brimming stocks of petroleum products, stagnating domestic oil consumption and price weakness for gasoline in Asia. With crude imports down sharply, more distant suppliers such as Saudi Arabia, Kuwait and Iran lost ground, while imports from nearer countries like Australia, Indonesia, Kazakhstan and Russia gained. Crude imports from West Africa also surged in July, despite the distance.

“War nerves” led some traders to worry about possible losses of crude supply from the Middle East. They speculated that crude supply from various regions might be favoured or shunned as a consequence of its perceived political or military risk. Chinese oil executives, however, stressed that they would not materially alter either their trade policy or supplier mix to reflect such factors. Their guide is the annual refining schedule set at the beginning of the year, modified only as necessary to reflect possible weakening of global oil demand.

China Crude & Product Trade

(thousand barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Latest month vs.	
										Jun 01	Jul 00
Net Imports/(Exports) of:											
Crude Oil	581	1179	1348	1275	852	1352	959	1486	1046	-440	-71
Products & Feedstocks	436	287	356	299	282	339	262	369	173	-196	-162
Gasoil/Diesel	-6	-6	-2	-5	2	1	3	1	2	1	4
Gasoline	-96	-105	-84	-113	-128	-128	-147	-101	-220	-119	-127
Heavy Fuel Oil	244	192	208	137	304	319	247	303	296	-6	97
LPG	174	152	159	152	131	142	143	157	133	-24	-61
Naphtha	7	-14	-12	-20	-19	-12	-15	-13	-34	-21	-25
Jet & Kerosene	19	9	16	17	3	3	2	5	-1	-7	-10
Other	95	59	72	131	-12	14	29	17	-3	-20	-40
Total	1017	1466	1704	1573	1134	1691	1221	1855	1219	-636	-233

Source: China Oil, Gas and Petrochemicals plus IEA estimates

In the petroleum product trade, China is forced to import large quantities of heavy fuel oil to compensate for reduced domestic fuel oil output as larger refineries upgrade and the smaller, simpler “tea-kettle” refineries cut their throughput or close. The Chinese government set a quota for heavy oil imports from October 2001 to March 2002 around three-fourths of the quota in effect between April and September of this year, implying that fuel oil imports are likely to remain strong throughout the first quarter of the next year.

July’s gasoline exports were nearly double the normal level. Chinese demand for gasoline is developing more slowly than refiners had anticipated, while demand for lower-taxed diesel in agriculture and transport is rising more quickly. Chinese refiners are trying to increase their diesel production, an effort which should be simplified in the short term by current weakness in the demand for jet fuel.

A special working party at the World Trade Organisation (WTO) has recommended approval of China’s application to join the WTO. That decision will be formally taken at the ministerial meeting to be held this November in Doha, Qatar. After China joins, it must gradually open its domestic market, under conditions agreed by WTO. They include setting progressively-higher import quotas for gasoline, diesel, jet fuel and kerosene, eventually eliminating the quotas altogether, and reducing tariffs on product imports.

In **Singapore** refineries are running at about 60% of capacity. Crude runs crept down slightly from 825 kb/d in June to 810 kb/d in July and 795 kb/d in August, supporting refining margins somewhat. But refiners reversed their crude-buying strategy between July and August, with August’s 75 kb/d crude stockdraw offset by a 90 kb/d build in August. The switch translated into an August increase of 20%, to a level just 5% short of that a year earlier. The mix of crude suppliers also shifted, with Saudi Arabia’s startling 40% share in July declining to a quarter in August. Its losses were picked up by Kuwait and Australia. In July, Australian crude represented only about 25 kb/d; in August, Australian crude quintupled to 130 kb/d (a 15% market share).

Singapore Crude & Product Trade

(thousand barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Latest month vs.	
										Jul 01	Aug 00
Net Imports/(Exports) of:											
Crude Oil	885	840	729	981	996	846	847	736	885	149	48
Products & Feedstocks	-185	-90	-29	-188	-145	-51	12	228	53	-174	-23
Gasoil/Diesel	-202	-157	-149	-184	-152	-132	-117	-139	-104	35	43
Gasoline	-83	-82	-87	-61	-78	-84	-48	-25	-83	-57	-10
Heavy Fuel Oil	306	341	373	293	323	323	320	507	426	-82	-45
LPG	-24	-22	-24	-23	-25	-21	-20	-15	-21	-6	4
Naphtha	-28	-33	-19	-47	-46	-24	-11	-31	-29	2	0
Jet & Kerosene	-106	-93	-78	-121	-121	-66	-55	-24	-80	-56	-5
Other	-47	-45	-46	-46	-45	-48	-55	-46	-56	-10	-9
Total	700	750	700	792	851	795	859	963	938	-25	25

Source: Singapore Monthly Oil Statistics, IEA estimates

Singapore's net imports of heavy fuel oil slipped 16% between July and August, while remaining well above their average for the previous 30 months, of 325 kb/d. Singapore prices for heavy fuel oil continued well above those for the US West Coast. This suggests that Asia is bidding in fuel oil because its local production has been limited by the relatively low refinery runs associated with weak product demand and margins.

September's terrorist attacks appear to have worsened the slowdown in global economic activity, weakening Asia's economic prospects. This would reduce Asian oil demand and Singapore's net imports. However, winter-peaking Asian demand for petroleum products should help support Singapore's imports in the fourth quarter. In 1999, Singapore's net imports held roughly steady between the third and fourth quarters at about 675 kb/d, and last year they rose from 700 kb/d in the third quarter to 790 kb/d in the fourth quarter. The increase, if any, is likely to be in crude oil imports to produce kerosene for Asia's winter heating season.

OECD STOCKS

OECD Industry Stock Changes in August 2001

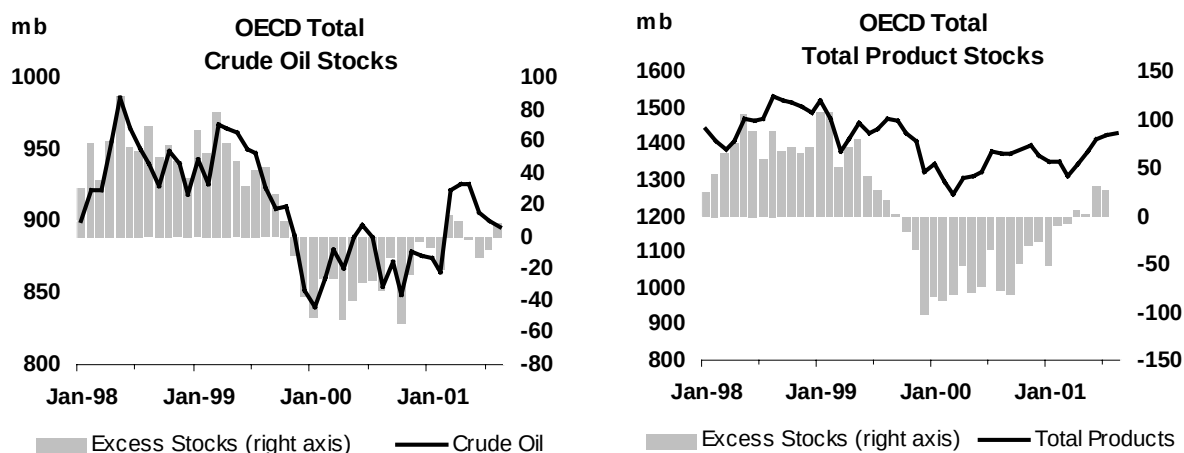
Preliminary data for the OECD show that total oil industry stocks remained virtually unchanged during August, rising by a meagre 50 kb/d over revised July figures. OECD industry stocks of total oil ended the month of August at 2612.3 million barrels. With back-to-back increases in total oil stocks in July and August, the total oil stockbuild into the third quarter is at 0.17 mb/d. Although the build is in line with seasonal expectations, its pace remains modest.

Preliminary Industry Stock Change in August and the Second Quarter 2001
(million barrels per day)

	August (preliminary)				Second Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	-0.20	0.08	-0.01	-0.13	-0.03	-0.14	0.01	-0.17
Gasoline	-0.42	-0.07	0.02	-0.47	0.25	-0.02	0.00	0.23
Distillates	-0.05	0.10	0.14	0.19	0.16	0.12	0.08	0.36
Residual Fuel Oil	-0.14	0.10	0.04	-0.01	0.04	-0.03	-0.01	0.00
Other Products	0.29	0.00	0.14	0.43	0.36	0.07	0.05	0.48
Total Products	-0.32	0.12	0.35	0.14	0.81	0.14	0.12	1.08
Other Oils ¹	-0.02	0.00	0.05	0.04	0.06	-0.05	-0.01	0.00
Total Oil	-0.54	0.20	0.39	0.05	0.84	-0.04	0.12	0.91

¹ other oils includes NGLs, feedstocks and other hydrocarbons

The 4 million barrel OECD crude stockdraw in August came on top of upward revisions in July crude stocks in North America and the Pacific. Although crude stocks in the OECD continued to draw, the pace of the draw was moderate compared to the strong decline registered in June. Regionally, crude stocks in August were flat in the Pacific at -0.01 mb/d, up in Europe by 0.08 mb/d but down in North America by 0.20 mb/d.



Excess stocks are the difference between the current level of stocks and the moving five-year average stock level

The producer target reduction of 1 mb/d in September will be more than offset by refinery maintenance in Europe and North America, which is likely to cut crude runs by 2 mb/d. The target reduction will be further counterbalanced by reduced runs from Asian refiners, which led to an overhang of Middle East crudes. As target cuts are met by reduced demand from refiners, crude stocks will build in the coming months.

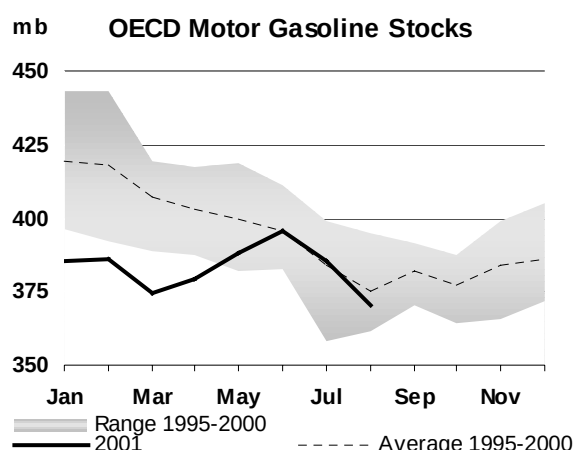
Reported oil movements are consistent with changes in crude stocks. Arrivals into North America dropped significantly by the end of August from their peak in early July, whereas arrivals into Europe trended upwards from July to August. In Asia, arrivals remained steady throughout August, preventing further draws in onshore crude stocks. Oil-at-sea from the Middle East Gulf headed for

western ports in the Atlantic Basin recovered by the end of August after bottoming out in mid-July following the interruption of Iraqi supplies. With lower crude runs in September, westbound oil-at-sea arriving into the Atlantic Basin should increase onshore crude oil inventories. With weakness in oil demand in Asia, refiners have shied away from building crude stocks. The reduction in crude purchases by Asian refiners led to a decline eastbound oil-at-sea from the Middle East during August and will mean lower arrivals into eastern ports in September.

OECD total products stocks built by 0.14 mb/d in August. The Atlantic Basin witnessed divergent trends in stock changes. In Europe, total products stocks rose by 0.12 mb/d as crude runs increased in August, whereas total product stocks were down in North America by 0.32 mb/d. The stockdraw in North America followed early maintenance prompted by poor refining margins in the US during much of July and early August. Product stocks built in the OECD Pacific by 0.35 mb/d. The significant stock increase in the region results from weak oil demand, as OECD Pacific throughputs remained steady from July to August at roughly 6.9 mb/d.

Among products, growth in European and Pacific distillates was offset by declines in North American gasoline stocks. The boost to OECD product inventories provided by gains in "other products" remains tentative, as this product category, which is estimated rather than observed, is subject to considerable revision.

The continuation of the build in OECD total product stocks remains an open question. Refinery maintenance in the Atlantic Basin in September and low Asian runs amid excess capacity in the region will coincide with deteriorating oil demand. Weak demand for petroleum products, not tight supply, will determine refinery economics and thus the extent of further runs and product stock changes.

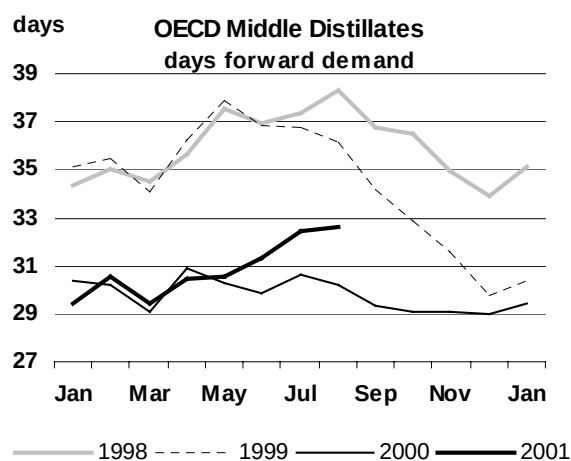


OECD gasoline stocks were off sharply in August (0.47 mb/d) on the heels of strong draws in North America. European stocks were down slightly from upwardly revised July levels while Pacific stocks were up marginally. In autumn, winter fuels increasingly draw attention away from gasoline. Primary storage of middle distillates in the OECD has steadily edged upwards since March. OECD distillate stocks were up by 0.19 mb/d in August and ended the month at 514.5 million barrels. The bulk of this build was shared between Europe, where stocks built by 0.10 mb/d, and the Pacific, with stocks up 0.14 mb/d. North American distillate stocks were down 0.05 mb/d.

With early movement of stocks into tertiary storage in Europe and to some extent in North America, current levels for the OECD are comfortable. OECD distillate stocks are 15.4 million barrels above last year's level and are increasing in terms of days of forward demand. The outlook for September is on the upside because excess jet fuel can be blended into heating oil and diesel, increasing distillate stocks.

Surprisingly, North America did not witness an increase in distillate levels, slipping a modest 0.05 mb/d. Expected builds in the US did not materialise as production and imports declined amidst persistent strength in distillate deliveries more characteristic of winter.

Nevertheless, the end of month futures strip for the NYMEX heating oil contract was in contango from July to September with the prompt month significantly lower than a year earlier. Well-supplied physical markets maintained earlier incentives to hedge forward and build stocks. The IPE gasoil contract offered less support, as the futures strip was flat, but shifting downwards during September.



Revisions and Preliminary OECD Stocks at the End of August

Official numbers for July brought substantial upward revisions in both crude and products stocks. July industry total oil stocks have been revised upwards by 33.5 million barrels and now stand at 2610.7 million barrels.

For the OECD as a whole, crude stocks were revised up by 20 million barrels and total product inventories by 16.9 million barrels. Upward revisions for OECD crude stocks were driven by sizeable increments in both North America and the Pacific. In the Pacific, increments to **Japan** and **Korea** of 4.6 and 5.5 million barrels respectively reduced the previous report's preliminary stockdraw for the OECD Pacific. Crude stocks in North America were incremented by 3.4 million barrels in **Mexico** and 6.3 million barrels in the **US**. Revisions to total products depended mainly on gasoline and distillate stock revisions in Europe. Upward revisions in German gasoline stocks (8.7 mb) and distillate stocks (10.2 mb) reversed last month's preliminary stockdraw in total products for Europe into a build. These revisions put European gasoline stocks back to year-ago levels and additions to distillates stocks partially offset the strength of deliveries over runs last month.

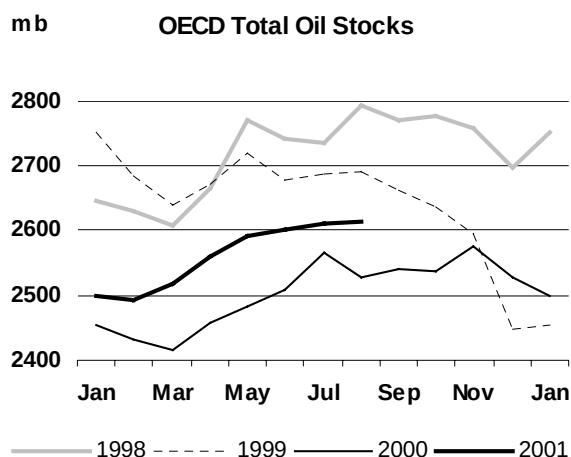
Revisions versus 12 September 2001 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Jun 01	Jul 01	Jun 01	Jul 01	Jun 01	Jul 01	Jun 01	Jul 01
Crude Oil	7.6	9.7	-0.4	1.5	0.1	8.8	7.3	20.0
Gasoline	0.0	1.7	-1.0	8.3	0.0	0.6	-1.0	10.6
Distillates	0.0	3.4	-3.1	9.8	0.3	0.3	-2.8	13.5
Residual Fuel Oil	0.0	-3.1	-2.8	-0.6	0.0	0.2	-2.8	-3.5
Other Products	0.0	-9.6	2.4	6.2	0.0	-0.4	2.3	-3.7
Total Products	0.0	-7.6	-4.5	23.8	0.3	0.7	-4.2	16.9
Other Oils ¹	0.0	0.3	-4.0	-3.2	0.0	-0.6	-4.0	-3.5
Total Oil	7.6	2.5	-8.9	22.1	0.3	8.9	-0.9	33.5

¹ other oils includes NGLs, feedstocks and other hydrocarbons

OECD industry stocks of total oil ended the month of August at 2612.3, up by 83.6 million barrels on the previous year, but still significantly below 1998 and 1999 levels. As oil demand deteriorated, days of forward demand of total oil increased over the previous year by 3 days. Crude stocks for the OECD, at 896.4 million barrels, posted a 42.2 million barrel surplus to the previous year. Product stocks, at 1427.6 million barrels, remained 56.9 million barrels above the year-ago level. All three OECD regions this month posted positive margins for both crude and products stocks over the previous year, with North America witnessing the healthiest surpluses.



Year-on-Year Industry Stock Comparisons for August 2001

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	17.7	16.4	8.2	42.2	Total Oil	3.1	3.0	3.2	3.1
Total Products	32.8	13.5	10.6	56.9	Versus 1999	-1.2	-1.3	2.4	-0.6
Other Oils ¹	-7.3	-8.4	0.2	-15.5	Versus 1998	-5.5	-1.4	-2.2	-3.7
Total Oil	43.1	21.5	19.0	83.6	Total Products	2.1	1.8	1.7	1.9
Versus 1999	-41.0	-43.9	7.1	-77.7	Versus 1999	-0.7	-1.3	2.7	-0.3
Versus 1998	-110.2	-57.5	-12.4	-180.1	Versus 1998	-3.4	-1.5	0.8	-2.1

¹ other oils includes NGLs, feedstocks and other hydrocarbons

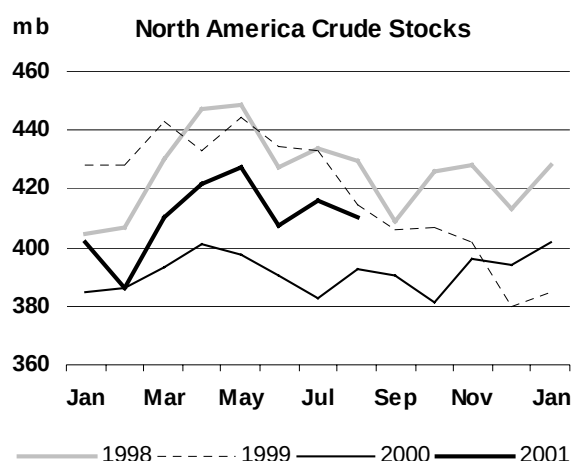
Regional Stock Developments

North America

Crude oil stocks in North America tightened by 6.1 million barrels in August to reach 410.2 million barrels. The draw in stocks comes on top of a significant upward revision to last month's preliminary July figure, which now stands at 416.3 million barrels. Despite the seasonal decline, crude inventories remain comfortably above the previous year's level.

US crude oil stocks were down to 302.5 million barrels in August as crude imports declined. DOE weekly figures indicated a downward trend in crude imports that began in late July. In spite of the return of Iraqi cargoes, the last week of August registered a strong decline in crude imports. The import decline coincided with a one-time upturn in crude runs by the end of August as margins improved over the month, limiting stockbuilds.

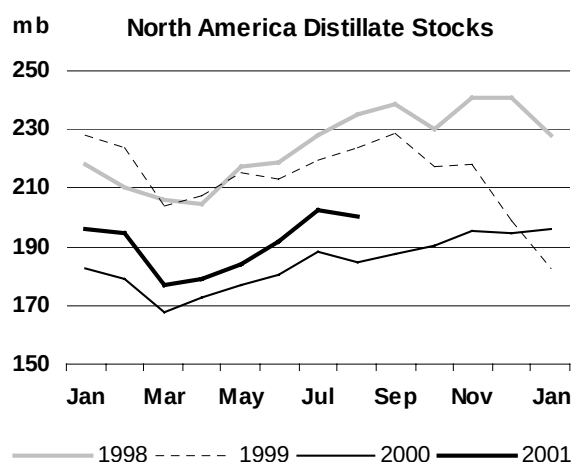
Anticipated crude builds took place in September, as crude runs were considerably down - falling as low as 14.8 mb/d. Demand for crude slackened as planned refinery turnarounds left throughputs at the end of the month at 15 mb/d. However, as imports picked up, DOE weeklies showed a build of crude of 5 million barrels in September as stocks reached 307.5 million barrels. Amid declining product demand, scheduled refinery maintenance in October is likely to further bolster crude stocks.



With the end of the summer driving season, the sharp decline in gasoline inventories in North America came as no surprise. The pace of the decline in August mirrored that of July as stocks shed 13 million barrels to end the month at 224.4 million barrels.

In the **US**, August deliveries of gasoline remained strong averaging 8.8 mb/d. The robust demand amidst weak prices dominated declines in production. In September **US** motor gasoline in primary storage rebounded, ending the month at 203.9 million barrels as production increased while deliveries declined. Imports also supported builds as they rose at the end of the month. Late August and mid-September **US** premium over European gasoline spiked above the usual 5-9 ¢/gallon required to pull cargoes west.

Distillate stocks in North America slipped by 1.6 million barrels ending August at 200.7 million barrels. In the **US**, distillate stocks averaged around 121 million barrels over August, a period that normally sees stock builds in preparation for winter demand. The normal August build was prevented, as deliveries remained strong at 3.8 mb/d while decreased runs led to production declines in volume, rather than yield.

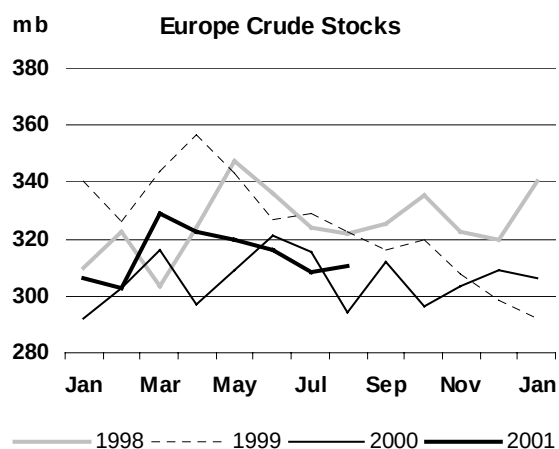


US September figures for distillates stocks edged higher as production rebounded mid-month. Distillate stocks ended the month at 123 million barrels, with heating oil inventories finishing at 53.8 million barrels. On the supply side, maintenance in October may limit domestic availability but distillate stocks can be built from imports, which remain low in comparison with the beginning of the year. As jet fuel demand is expected to remain weak, refinery production is shifting to distillates and gasoline. With lower jet fuel production, diesel and heating oil will benefit from jet blending. As refinery yields shift away from jet fuel, increased runs after the completion of turnarounds will boost already comfortable distillate stocks. Additionally, ample natural gas availability promises to reduce fuel switching into fuel oil, taking more pressure off distillates.

Europe

OECD Europe crude stocks increased in August to 310.7 million barrels. The 2.3 million barrel rebound put an end to the slide in stocks observed since March. Increases in crude stocks by 3 million barrels both in **Italy** and in **France** were offset by declines in **Germany** (3 mb) and the **Netherlands** (1.8 mb). The increase in stocks benefited from the strength of crude arrivals into Europe and should continue into the next month. Additionally, crude stocks will continue to build as heavy refinery maintenance took place during September, in particular in the Mediterranean where upgrading was geared to meeting tighter EU product specifications.

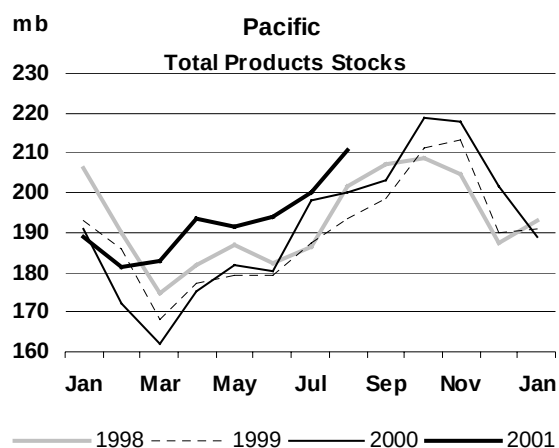
Total product stockbuild in Europe was weak during August. Stocks were up by 3.6 million barrels, to end the month at 522.2 million barrels. Gains of 0.10 mb/d in both distillate and in residual fuel oil stocks outpaced the decline in gasoline (0.07 mb/d). As in North America, reduced jet fuel demand should help build distillate inventories. Despite reports that end of September jet fuel deliveries recovered to 84 per cent of pre-September 11 levels, jet fuel demand is likely to fall with reduced flight schedules in October. Support for distillate production also came from product spreads over dated Brent in Northwest Europe, as the gasoil crack was generally higher than gasoline during August and September. Although throughputs were lower than a year earlier, runs increased in August given seasonal demand strength for distillates, particularly in **France** and **Germany**. Movement into tertiary storage continued as German consumer stocks of heating oil climbed unabated in August. Preliminary September figures show product draws in line with lower throughputs due to refinery maintenance. However, the preliminary counter-seasonal draw in distillates suggests continued consumer stockpiling, placing more stocks in the hands of end users.



Pacific

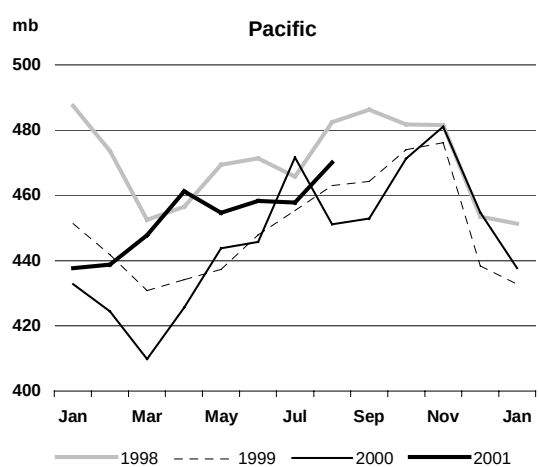
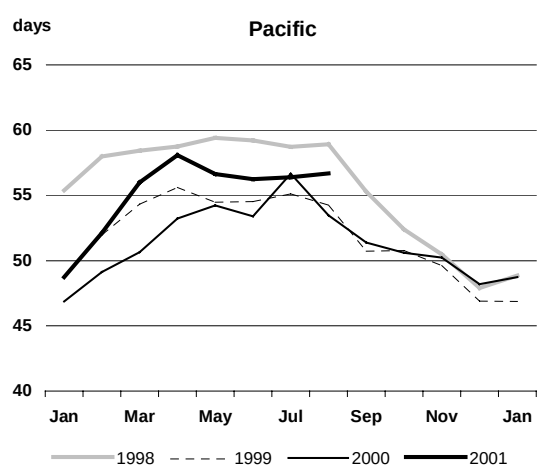
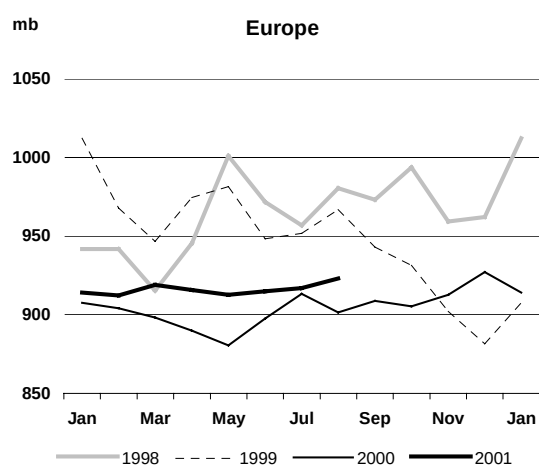
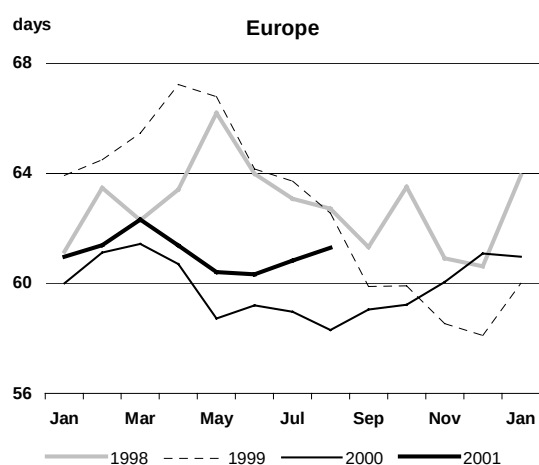
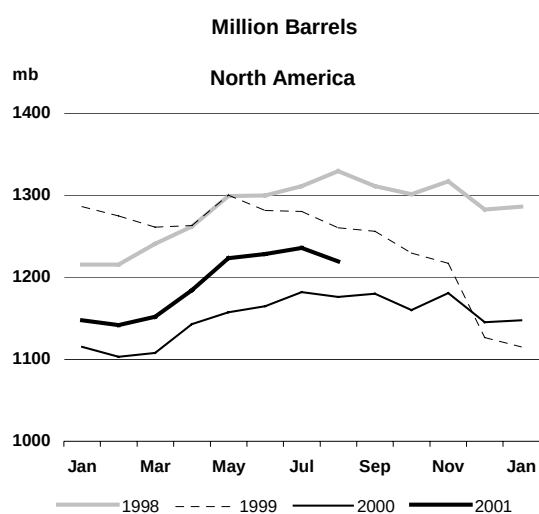
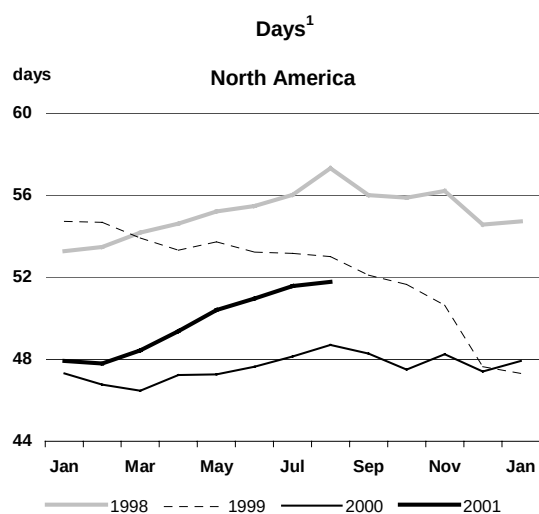
Crude stocks moved sideways in August ending the month at 175.5 million barrels as increases in **Korea** were offset by declines in **Japan**. Depressed oil demand in Asia, weak margins, and excess capacity has pushed refiners to limit throughputs. Refiners shied away from further stockpiling of crude ahead of winter demand in what seems to be an over-supplied crude market. Bleak market perspectives have prompted companies such as Nippon-Mitsubishi Oil Corp – Japan's largest oil company – and Japan Energy to announce cuts in crude runs for the fourth quarter. Aside from refining, direct burn is also falling as demand for crude by Japanese power utilities fell in August from a year earlier by 20 per cent.

Depressed oil demand has led to a product overhang. METI announced August sales of petroleum products in **Japan** of 19.28 million kl, down for the seventh consecutive month. Total products stocks in the OECD Pacific, at 210.9 million barrels in August, were running a surplus of 10.6 million barrels to the previous year. Middle distillates were up 4.5 million barrels at 82.9 million barrels. In **Japan**, METI reported August kerosene stocks up over July by 30.7 per cent or 1.1 per cent higher on the year. The increase in middle distillates was mirrored in Singapore where inventories increased by 2.7 million barrels between the end of July and early September.



The glut in products has led China's Sinopec to announce plans to reduce inventory stockpiles by some 20 per cent by the end of the year. However, in the aftermath of the September 11 attacks, other countries in the region took measures to secure oil supply. **Thailand** boosted mandatory emergency stocks to 15 per cent of demand whereas the **Philippines** and **Taiwan** adopted restraints on product exports.

Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

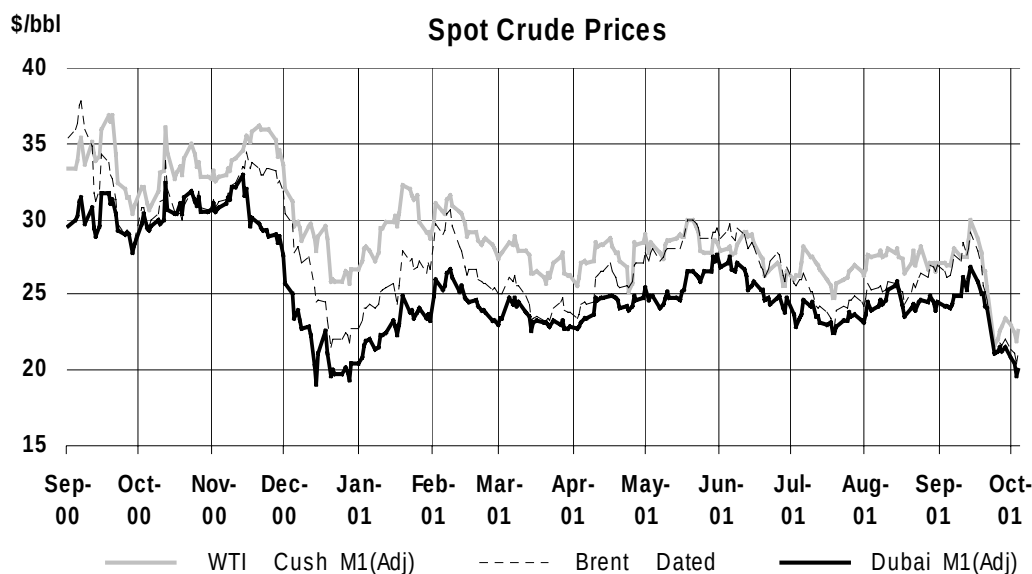


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- Spot prices for the three main **marker crudes** have dropped by \$5-6/bbl compared to their levels immediately before the 11 September terrorist attacks on the United States. After initial gains, fears of a disruption in Middle East supply were overshadowed by concerns about the negative impact on the economy and oil demand. A week later, crude prices had fallen back to their pre-attack levels. Price declines continued, capped on 24 September by a \$3-4 plunge, the steepest one-day fall since the beginning of the Gulf War in January 1991. Crude prices have steadied since then, only easing modestly.
- **Product prices** fell in a pattern generally similar to crude prices. Led by **jet fuel**, the declines were steepest for light products and middle distillates. The most immediate impact of the attacks was on jet fuel demand, which has been slashed. Refiners have reduced the yield of jet fuel, which has increased the supply of **heating oil, diesel** and **naphtha**. The latter has been blended into **gasoline**. Thus, either directly or indirectly, the oversupply of jet fuel has contributed to lower prices for all of the other middle distillates and for light products. In contrast, prices for **fuel oil** were more resilient.
- Compared to early September, **refining margins** in all four of the main refining centres improved in the second half of the month and in early October. Nevertheless, margins can only be described as ranging from breakeven to modest. The outlook for margins is uncertain, at best. Demand weakness implies downside to product prices, while concerns about possible supply interruptions indicate upside to crude prices. This combination points to further pressure on margins.
- OECD **refinery throughput** in August averaged 38.86 mb/d, a decrease of 940 kb/d compared to the year-earlier figure. The decline reflects sluggish product demand and poor refinery margins.



Note: As of the Report dated 11 May 2001, the IEA changed the source of its Platt's price data. As a result, historical price data may differ slightly from that shown in previous Reports.

Crude Oil Prices

Spot Crude Prices and Differentials

In the aftermath of the 11 September terrorist attacks on the United States, prices for the three main marker crudes have fallen by \$5-6, compared to 10 September. On the day of the attacks, dated Brent and Dubai prices gained \$1.24 and \$1.25 respectively in a "knee-jerk" reaction. (There were no price assessments of WTI Cushing on 11-12 September.) OPEC quickly assured the world that it would ensure sufficient crude supplies, which helped to moderate the market response. Nonetheless, in the following days, the markets were concerned about a potential supply disruption in the Middle East. In response, spot prices peaked on 14 September at \$2-2.50 above pre-attack levels.

Attention then shifted to the negative impact of the attacks on the world economy and oil demand, and crude prices began to fall. A week after the attacks, prices were back to where they were before. The most immediate and tangible impact of the attacks was on jet fuel demand. The less direct, but equally important, effect on oil demand was related to lower consumer confidence in the US and the expected worsening of the economic downturn there and elsewhere.

Spot Crude Oil Prices and Differentials*

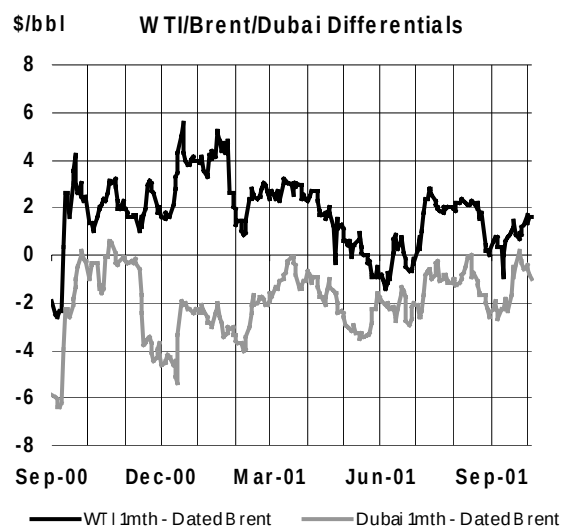
(monthly and weekly averages, \$/bbl)

	Jun	Aug	Sep	Sept-Aug		Week Beginning:				
				Change	%	30 Jul	06 Aug	13 Aug	20 Aug	27 Aug
Crudes										
Brent Dated	24.58	25.74	25.57	-0.17	-0.6	26.69	26.68	28.08	26.00	21.54
WTI Cushing 1 month (adjusted)	26.43	27.40	26.08	-1.32	-4.8	26.89	27.36	28.69	27.04	21.88
Urals (Mediterranean)	23.09	24.50	24.80	0.29	1.2	25.59	25.89	27.23	25.20	20.86
Dubai 1 month (adjusted)	23.43	24.53	24.12	-0.41	-1.7	na	24.39	25.86	na	na
Tapis	25.80	25.32	25.86	0.54	2.1	25.77	26.04	27.22	27.25	22.94
Differential to Dated Brent										
WTI Cushing 1month (adjusted)	1.86	1.66	0.51	-1.15		0.20	0.68	0.61	1.04	0.34
Urals (Mediterranean)	-1.48	-1.24	-0.78	0.46		-1.10	-0.79	-0.85	-0.80	-0.68
Dubai	-1.15	-1.21	-1.45	-0.24		na	-2.29	-2.22	na	na
Tapis	1.22	-0.42	0.29	0.71		-0.93	-0.65	-0.86	1.25	1.41
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	-0.67	-0.07	-0.58	-0.51		0.00	0.04	-0.03	-0.41	-0.91
WTI Cushing 1mth-2mth (adjusted)	0.18	0.70	-0.93	-1.62		0.00	-0.15	-0.16	-0.36	-0.79

* Weekly data for Brent and WTI 1st month and 2nd month are unadjusted

Fears of a Middle East supply disruption began to recede as the US focused its attention on Afghanistan, which is not an oil-producer and not located in the Middle East. The serious concerns about oil demand turned market sentiment increasingly bearish, culminating on 24 September, when crude prices plunged by \$3-4. It was the largest single-day drop since the beginning of the Gulf War in January 1991. Spot crude prices were steady in the last week of the month, before easing modestly in the first week of October. In recent days, **dated Brent** has been at \$20-21, **WTI Cushing** at \$22-23 and **Dubai** at \$19-20. Economic recession and shrinking year-on-year oil demand, at least for the next couple of quarters, seem to be built into oil market expectations.

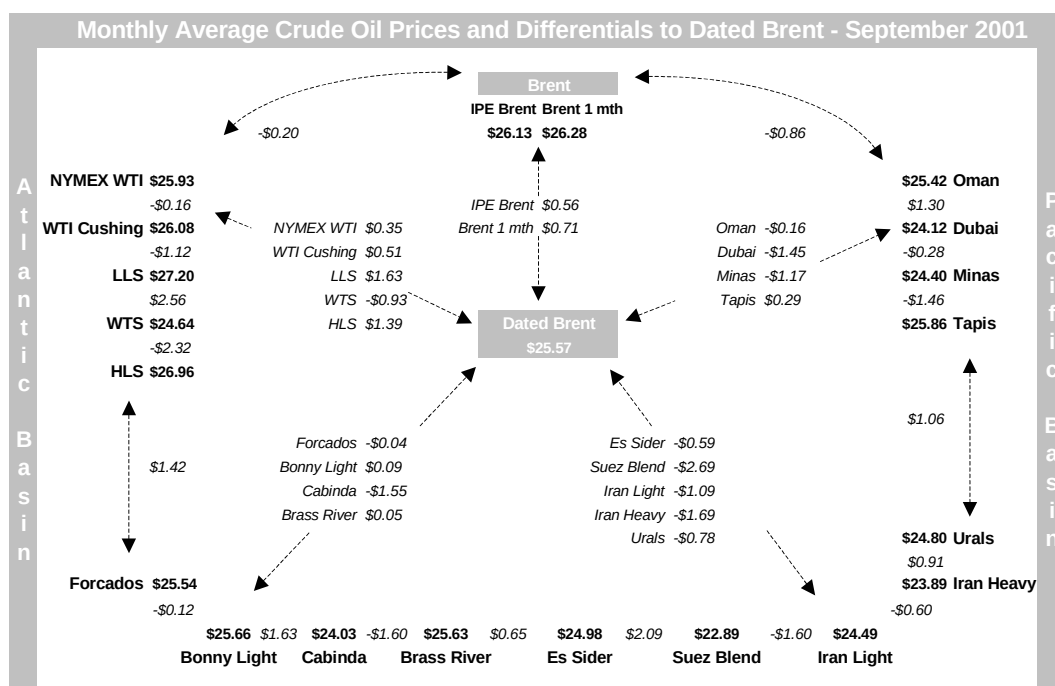
Following the initial coalition military response in Afghanistan, the markets reacted calmly on 8 October. Spot WTI gained 19 cents, while dated Brent and Dubai fell 12 and 18 cents, respectively. Exports of crude from key Middle East producers, including Saudi Arabia, Iran and Iraq, were normal. There is a great deal of uncertainty about the future breadth and duration of the US-led response to the terrorist attacks, as well as the possibility of domestic unrest in Islamic countries. However, at this early stage of the response, the markets are calm, mindful that OPEC currently has spare capacity of 4.7 mb/d.



After 11 September, the **Brent-Dubai** differential, which had been wide at over \$2, narrowed to the \$0-1 range. This was caused by increased demand for crudes with a high yield of residual fuel oil, such as Dubai and other typical light, sour Middle Eastern crudes. With light products and middle distillates in ample supply, there was less demand for crudes such as Brent with high yields of those products.

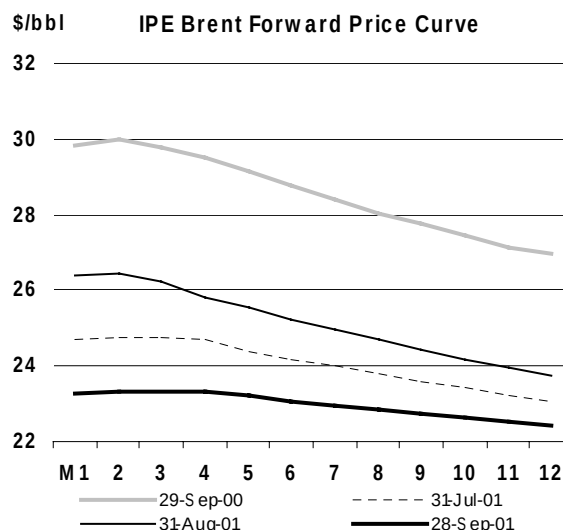
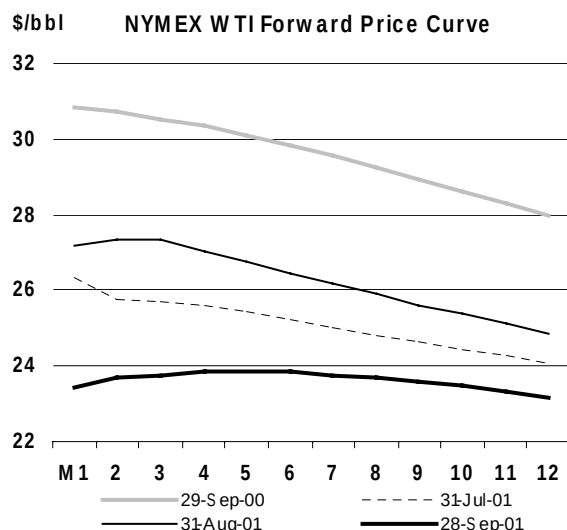
There was little price reaction to OPEC's decision, taken at its 26-27 September meeting, to hold production targets steady. The decision had been widely anticipated, as a cut was considered to be politically unacceptable in the post-11 September environment. With the OPEC basket price under \$22 for 10 consecutive days, as of 5 October, and another OPEC meeting scheduled for 14 November, speculation has begun regarding the "whether, when, and how much" of a possible further cut in production targets. OPEC production above its targets was 1.3 mb/d in September. In the post-11 September oil market, with depressed oil demand, a further cut in production targets is certainly under consideration. The experience of 1998 and 1999 shows that, even if there is significant overproduction versus an existing target, downwardly-revised targets do result in lower crude output.

Market uncertainty is intense. There are questions about the economy and oil demand and future military actions. As if that were not enough, the current phase of the UN-sponsored Iraqi oil-for-food programme expires in less than two months, and many oil market analysts are already factoring in a disruption in exports. A key difference from the situation a year ago is that current OPEC spare capacity is more than double Iraqi exports. Last year, there was not enough spare capacity to make up the difference. Finally, although Atlantic Basin heating oil stocks are more comfortable than a year ago, winter weather is always a wildcard.



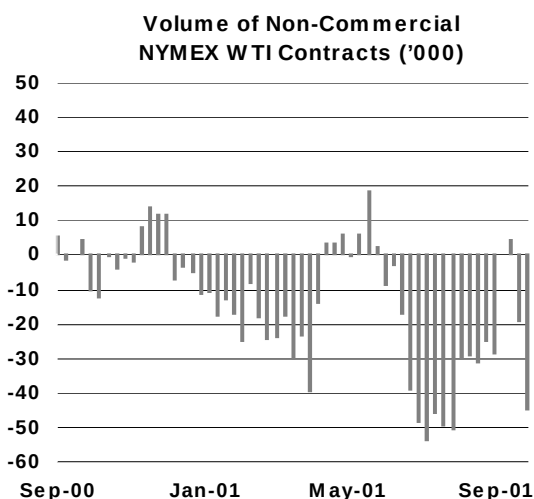
Crude Futures

Front-month futures prices followed a pattern similar to that for spot physical crudes. **IPE Brent** gained \$1.61 to close at \$29.06 on 11 September (after having backtracked from an intra-day high of \$31). It peaked on 14 September at a level \$2 above its pre-attack price. Also on the 14th, **NYMEX WTI** also closed up around \$2 that day. As with the physical markets, the paper markets then fell, as the apparent economic downturn and shrinking oil demand displaced fears of a Middle East supply disruption. A week after the attacks, prices had returned to their 10 September level and declines continued up to the 24th. Since then, the trend has been sideways, with prices at this writing \$5 lower than before the attacks.



At the end of September, the NYMEX futures curve was in shallow contango (upward slope). The contango has become more pronounced since then, encouraging stock holding. The IPE Brent curve was flat at the end of September, but also moved into contango in early October. The contango indicates that the physical market is well supplied. There is no price premium involved in obtaining prompt crude.

Positions held by the "non-commercials", or speculators, correlated well with both the sentiment and the actual price movements in the futures markets. After having been significantly "short", or bearish, before the attacks, the speculators swung to a small "long", or bullish, position on 18 September. However, in the following two weeks, the non-commercials swung back the other way, with the latest data showing very strong short positions. The volume of short positions is almost as high as in July, when a sharp \$2-3 sell-off prompted a quick OPEC production cut of 1 mb/d, agreed by telephone.



Delivered Crude Prices

Crude import prices into IEA countries averaged \$23.79 in July, a decrease of \$2.26 from the previous month's \$26.05 (see Table 8 at the back of the Report). The declines in **IEA North America** and **IEA Europe** track the \$1 and \$3 fall in spot prices for WTI Cushing and dated Brent during July. Given the longer shipping times to Asia, however, the modest 7 cent drop in IEA Pacific import prices reflects Dubai prices in June, which were almost flat with those of the previous month.

Product Prices

Spot Product Prices

After 11 September, product price movements generally followed crude prices. There was an initial upward reaction, followed by steady losses as concerns over the economy and dwindling oil demand superseded fears of a Middle Eastern supply disruption. In late September and early October, product prices steadied. The falls were steepest in **middle distillates** and **light products**, including gasoline and naphtha. Prices for **heavy products** - low sulphur and high sulphur fuel oil - were more resilient and held up better.

Spot Product Prices

(monthly and weekly averages, \$/bbl)

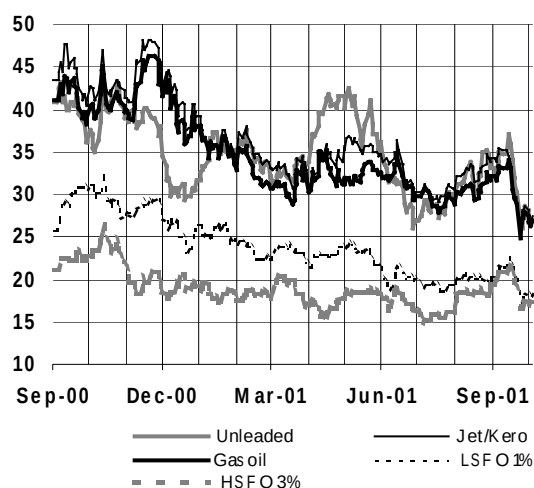
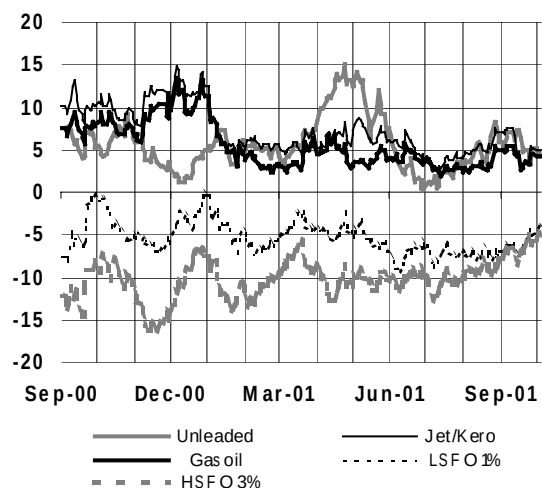
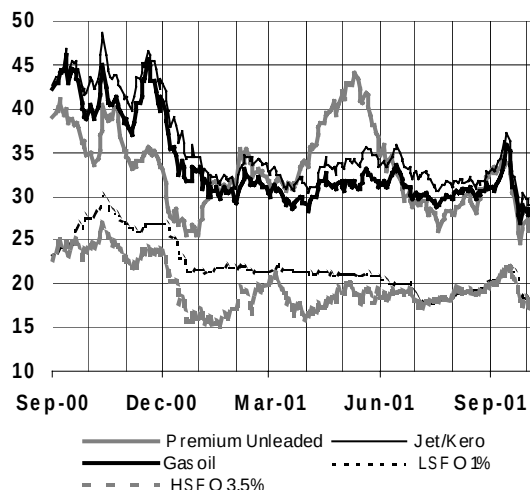
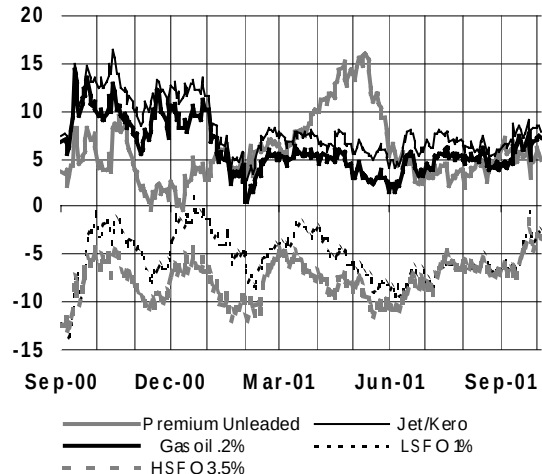
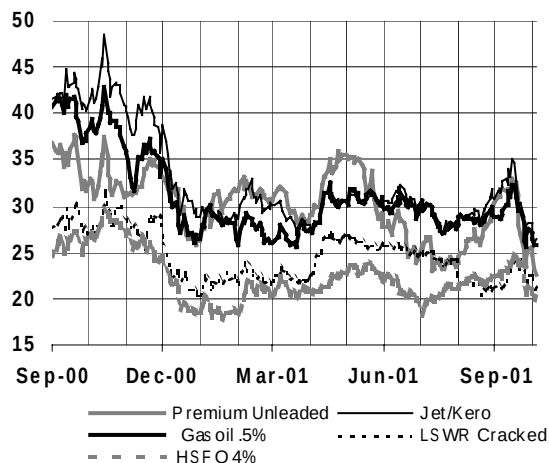
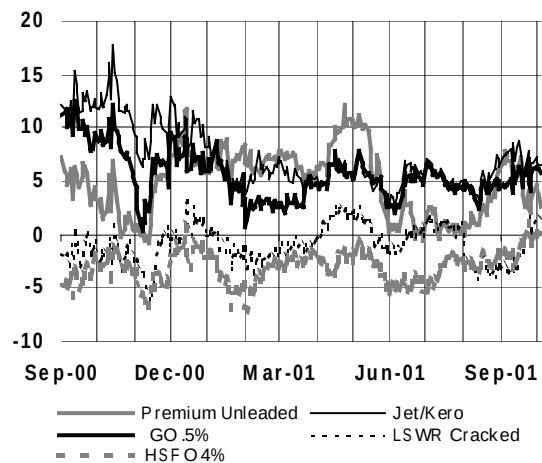
	Jul	Aug	Sep	Sep-Aug Change	%	Week Beginning:						Jul	Aug	Sep
						27 Aug	03 Sep	10 Sep	17 Sep	24 Sep				
Rotterdam, Barges FOB														
											Differential to Brent			
Premium Unleaded (Cargo)	28.18	29.74	31.09	1.35	4.5	32.02	32.95	33.80	31.50	26.12	3.60	4.00	5.52	
Regular Unleaded	27.17	28.60	30.10	1.50	5.3	30.67	31.91	32.76	30.49	25.25	2.60	2.86	4.53	
Naphtha	21.84	21.83	23.10	1.27	5.8	22.22	24.15	25.07	24.06	19.12	-2.73	-3.91	-2.47	
Jet/Kerosene	31.72	31.77	33.01	1.24	3.9	32.57	33.17	35.63	33.75	29.49	7.14	6.03	7.44	
Gasoil	29.72	30.54	31.31	0.77	2.5	31.07	31.08	33.71	32.43	28.01	5.15	4.80	5.74	
Fuel Oil 1.0%S	17.99	19.34	20.71	1.37	7.1	20.00	20.59	21.42	21.66	19.16	-6.58	-6.40	-4.87	
Fuel Oil 3.5%	17.97	19.20	20.15	0.95	4.9	19.75	20.03	21.19	21.03	18.33	-6.61	-6.54	-5.43	
Mediterranean – Basis Italy, Cargoes FOB														
											Differential to Urals			
Premium Leaded (0.15 g/l)	28.74	30.37	31.87	1.50	4.9	32.68	33.68	34.63	32.34	26.84	5.65	5.87	7.07	
Premium Unleaded	28.02	29.56	31.07	1.52	5.1	31.84	32.84	33.80	31.54	26.12	4.93	5.06	6.28	
Naphtha	21.08	21.22	22.65	1.43	6.8	21.79	23.80	24.73	23.63	18.45	-2.01	-3.29	-2.15	
Jet/Kerosene	28.58	28.87	30.23	1.36	4.7	30.31	30.48	33.29	30.71	26.45	5.49	4.37	5.44	
Gasoil	28.17	28.87	29.95	1.08	3.7	29.21	29.68	32.79	30.95	26.39	5.08	4.37	5.15	
Fuel Oil 1.0%S	19.06	19.39	20.19	0.80	4.1	19.55	20.01	21.29	21.18	18.28	-4.03	-5.11	-4.61	
Fuel Oil 3.5%S	16.03	17.07	17.96	0.90	5.2	17.44	17.76	18.91	18.91	16.27	-7.06	-7.43	-6.83	
NY Harbour, Barges														
											Differential to WTI			
Premium Unleaded 93	31.99	36.43	33.70	-2.72	-7.5	38.24	36.50	38.54	35.01	28.22	5.55	9.03	7.62	
Regular Unleaded 87	28.58	32.46	31.40	-1.06	-3.3	34.22	33.32	35.91	32.68	26.76	2.14	5.06	5.31	
Jet/Kerosene	30.14	32.83	30.97	-1.86	-5.7	34.03	34.57	34.78	30.44	27.10	3.71	5.43	4.89	
No.2 Heating Oil	29.29	30.77	30.02	-0.74	-2.4	31.94	32.34	33.52	30.29	26.50	2.86	3.37	3.94	
Fuel Oil 1.0%S (Cargo)	19.22	20.15	20.08	-0.08	-0.4	19.81	21.06	21.78	20.65	17.70	-7.22	-7.24	-6.00	
Fuel Oil 3.0%S (Cargo)	15.70	18.28	19.37	1.10	6.0	18.43	20.41	20.96	20.18	16.80	-10.73	-9.12	-6.71	
Singapore, Cargoes														
											Differential to Dubai			
Premium Unleaded 95	24.43	26.96	29.50	2.54	9.4	29.43	31.48	31.99	30.14	24.40	1.00	2.44	5.38	
Naphtha	22.99	22.92	23.94	1.01	4.4	22.82	24.21	25.01	25.42	21.11	-0.44	-1.60	-0.18	
Jet/Kerosene	28.82	29.53	31.19	1.66	5.6	31.07	31.91	33.46	31.70	27.69	5.39	5.00	7.07	
Gasoil	28.56	28.70	29.32	0.62	2.1	29.28	28.96	31.00	30.45	26.88	5.13	4.18	5.20	
LSWR (0.3%S)	24.28	21.49	22.54	1.05	4.9	21.23	21.27	22.90	23.75	22.25	0.85	-3.04	-1.58	
HSFO (3.5%S 180cst)	20.30	22.04	23.15	1.11	5.0	22.60	23.07	23.77	24.27	21.47	-3.13	-2.49	-0.97	
HSFO 4%S	20.25	21.89	22.86	0.97	4.4	22.25	22.61	23.50	24.07	21.26	-3.18	-2.64	-1.26	

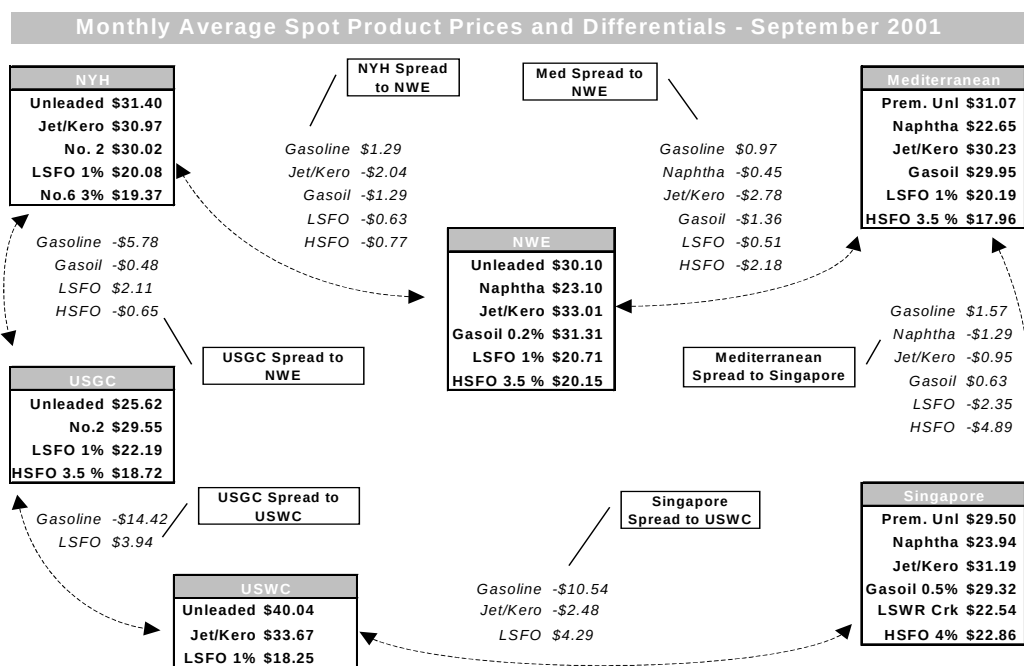
The most immediate and direct impact of the terrorist attacks on oil demand was to slash commercial **jet fuel** consumption, predominantly in the US, but also in Europe and Asia. Consequently, prices for jet/kerosene fell steeply. Although some incremental military jet fuel demand can be expected, this will offset only a small portion of the losses in the commercial sector. Thus, the events of 11 September resulted in an immediate large oversupply of jet fuel.

One option for refiners and distributors was to blend jet fuel back into the gasoil pool, for use as **heating oil** and **diesel**. This has been happening. A more fundamental option for refiners has been to reduce the yield of jet fuel. The overall US jet fuel yield since the mid 1990s has been between 9-12%, only rarely going above 12% or below 9%. The yield is typically in an even narrower range of 10-11%. It was running at 10-10.5% in early September, but refiners cut this to 9% in late September. In absolute terms, US commercial jet fuel production has fallen from 1.48 mb/d to 1.16 mb/d over the same time period.

When the jet fuel yield is reduced, output of other middles distillates, including **heating oil** and **diesel**, as well as a light product, **naphtha**, is increased. Naphtha is used either by the petrochemical industry as a feedstock, or it is blended into **gasoline**. With weak industrial activity keeping petrochemical demand weak, most of the incremental naphtha has been going into gasoline. However, this is only a temporary solution, as gasoline demand is declining seasonally, after the end of the summer driving season. Because it coincides with a weaker demand outlook, the bottom line is that the plunge in jet fuel consumption and production has directly contributed to higher supply and lower prices for all of the other middle distillates and for light products.

Another factor increasing heating oil supply in the Atlantic Basin is the upcoming introduction, on 1 November, of tax breaks for purchasers of ultra-low sulphur diesel (ULSD) in Germany. All retailers in the 600 kb/d German market for "city diesel" are reportedly now set up to sell only ULSD. As a result, some Russian volumes of higher-sulphur gasoil, that would otherwise have gone into the European diesel market, must now be sold as heating oil in the Atlantic Basin.

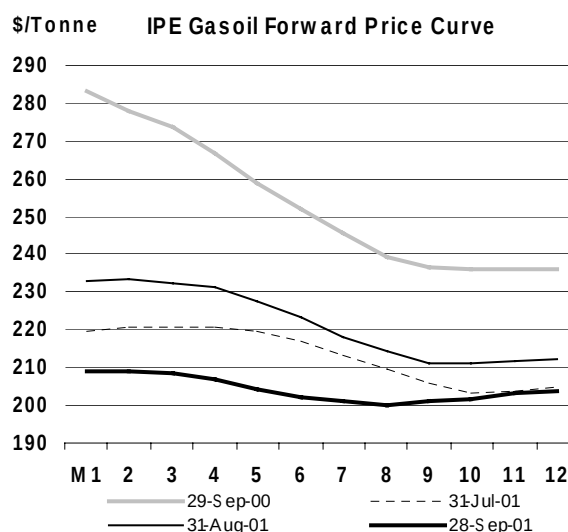
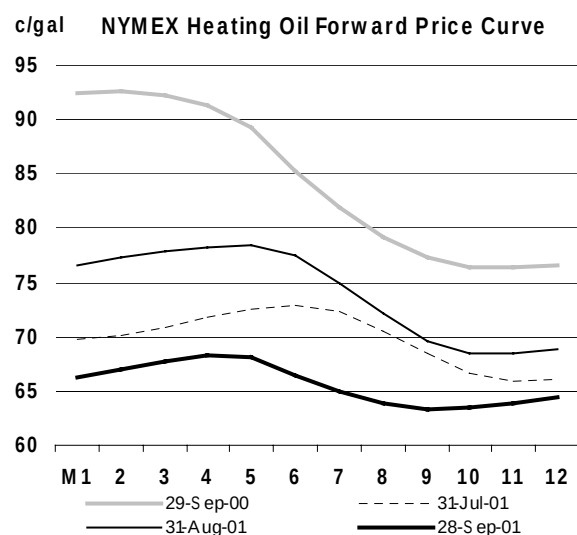
\$/bbl New York Harbour Spot Product Prices**\$/bbl New York Harbour Spreads to WTI****\$/bbl Rotterdam Spot Product Prices****\$/bbl Rotterdam Spreads to Dated Brent****\$/bbl Singapore Spot Product Prices****\$/bbl Singapore Spreads to Dubai**



In the OECD, end of August stocks of middle distillates and gasoline were still tight, but higher output of these products should help inventories to build. Specifically in the US, middle distillate stocks were already more comfortable. As a result, refiners do not need to maximise heating oil/gasoil yields, and can produce a higher proportion of gasoline than is typical for this time of year. This will begin to lay the groundwork for a more comfortable summer driving season next year.

Product Futures

The end of September **NYMEX heating oil** futures curve shifted downwards compared to a month earlier, in line with spot price movements. The shape of the curve remained the same. The slight contango for the first five months indicated an adequately supplied prompt physical market.



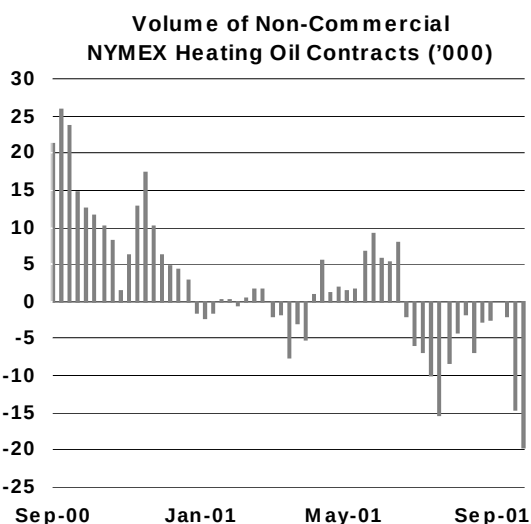
The **IPE gasoil** curve also fell. The curve became even flatter than at the end of August, reflecting ongoing uncertainty about the direction of the European gasoil market. As described above, the outlook is for the Atlantic Basin middle distillate market to be better supplied going forward than it was before 11 September. However, in contrast to the US, European middle distillate stocks are currently tight, and this is offsetting the more relaxed forecast, flattening the curve.

After becoming fewer early in the month, the number of short positions held by the non-commercials for heating oil in New York increased sharply after the terrorist attacks. The implied price outlook became even more bearish for heating oil than it was after the sharp downward correction in July.

End-User Product Prices

Although there were exceptions, overall end-user product prices were higher in September (see Table 9 at the back of the Report). The gains represent early September price strength rather than the post-11 September price declines. Falling wholesale product prices typically take time to pass through to the retail level. End-user **gasoline** prices rose in all countries except the UK, where they fell by less than 1%. **Automotive diesel** prices were higher everywhere apart from Italy and the UK.

Domestic heating oil prices strengthened aside from Italy and the US. With data only available for Europe and Japan, **industrial heavy fuel oil** prices were up except for Germany.



Refining Margins

After 11 September, refining margins on the **US Gulf Coast** (USGC) collapsed for several reasons. The downward correction for light products and middle distillates was faster and sharper in the US than in Europe and Asia. In addition, gasoline prices had undergone a late season surge in August and early September, so margins had farther to fall in the US. Finally, the relatively sophisticated US refining sector benefited the least from the resilience in fuel oil prices around the world, as the US produces the smallest proportion of the heavy products. USGC margins began to recover in late September.

Refining Margins in Major Refining Centres
(\$/bbl)

	Monthly Averages			Aug-Jul		End of Week:				
	Jul 01	Aug 01	Sep 01	Change	%	31 Aug	07 Sep	14 Sep	21 Sep	28 Sep
Refining Margins										
NW Europe										
Brent (Hydroskimming)	-1.58	-2.17	-0.79	1.38		-2.51	-1.97	-1.42	-0.09	-0.17
Brent (Cracking)	-0.28	-0.67	0.77	1.44		-0.74	-0.20	0.32	1.28	1.03
Mediterranean										
Urals (Hydroskimming)	-0.27	-0.92	-0.17	0.75		-1.75	-1.56	-0.84	0.60	0.35
Urals (Cracking)	1.27	0.75	1.60	0.85		0.19	0.42	1.18	2.18	1.76
US Gulf Coast										
Brent (Cracking)	0.09	1.90	1.91	0.00		3.73	5.01	1.75	0.47	1.15
WTI (Cracking)	0.04	1.64	0.73	-0.91		2.04	3.80	0.62	-0.40	0.75
Singapore										
Dubai (Hydroskimming)	-0.62	-0.52	1.07	1.59		0.34	0.89	0.70	1.18	1.53
Dubai (Cracking)	0.86	0.89	2.60	1.71		2.03	2.62	2.65	2.20	2.73
Gross Product Worth										
NW Europe										
Brent (Hydroskimming)	24.19	24.84	26.00	1.17	4.7	25.65	26.79	29.04	25.74	23.16
Brent (Cracking)	25.59	26.44	27.66	1.23	4.6	27.53	28.67	30.88	27.21	24.47
Mediterranean										
Urals (Hydroskimming)	23.03	23.78	24.82	1.04	4.4	24.48	25.52	27.67	24.63	22.08
Urals (Cracking)	24.67	25.55	26.70	1.15	4.5	26.52	27.60	29.79	26.30	23.59
US Gulf Coast										
Brent (Cracking)	27.63	30.40	29.09	-1.31	-4.3	31.98	34.11	32.75	26.98	25.62
WTI (Cracking)	27.39	30.04	28.85	-1.19	-4.0	31.62	33.74	32.47	26.80	25.45
Singapore										
Dubai (Hydroskimming)	23.28	24.48	25.66	1.18	4.8	25.35	26.32	27.97	25.82	23.49
Dubai (Cracking)	24.86	26.00	27.30	1.30	5.0	27.14	28.15	30.02	26.95	24.80

For the purposes of this Report, refining margins are calculated on the basis of an 'average' refinery that is running a 'typical' crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

Margins in **Northwest Europe** and the **Mediterranean** strengthened after the 11th and then tracked sideways. The spread for light products versus crude and middle distillates versus crude actually held steady throughout the month. With higher fuel oil yields than in the US, European margins were boosted by the strength at the bottom of the barrel.

The fuel oil effect was the most pronounced in **Singapore**, and this showed up in margins. The fuel oil yield there, at 46% for a hydroskimming unit and 23% for a cracking plant, is by far the highest of the four main refining centres. In addition, in a gloomy Asian demand environment, spot fuel oil demand was reported as holding up better than for other products.

In general, margins around the world had improved by the second half of September and in early October. Another important factor in the gains was run cuts. There were maintenance turnarounds in the Atlantic Basin and discretionary run cuts in Asia, including Singapore and Japan. Maintenance was heavy in the US in September and was expected to be just as heavy in October. In Europe, maintenance has started to wind down and will be much lower in the second half of October than it was in September and the first half of October. Run cuts were also driven by the lower level of jet fuel demand. Some refiners have already started to reduce throughputs because, even after reducing the yield of jet fuel, they are still producing too much jet fuel. There is little demand, and levels of jet fuel in storage have increased quickly, so there may not be much room left for it.

In the end, despite the recent improvements in refining margins, they can still only be described as ranging from breakeven to modest. The outlook for margins is uncertain at best. The overriding factor is weak demand and consequent weak product prices. In addition, depending on geopolitical and military developments, concerns about supply disruptions are likely to re-emerge from time to time, and crude prices may jump on these occasions. In other words, demand weakness gives a downside to product prices, while supply concerns present upside for crude prices; this combination points to a continuing squeeze on margins.

OECD Refinery Throughput

Preliminary monthly data indicate that **total OECD** refinery throughput in **August** averaged 38.86 mb/d. While this represented an increase of 560 kb/d from the previous month, such gains are typical, as can be seen on the graph. The decrease of 940 kb/d compared to the year-earlier figure is more representative of sluggish OECD product demand and refinery margins. August 2001 throughputs are near the bottom of the 1998-2001 range for August.

Refinery Crude Throughput and Utilisation in OECD Countries

	million barrels per day					Change from Aug 00			Utilisation rate ²	
	Mar 01	Apr 01	May 01	Jun 01	Jul 01	Aug 01 ¹	mb/d	%	Aug 01	Aug 00
OECD North America										
US ³	14.64	15.54	15.77	15.65	15.36	15.28	-0.366	-2.3	92.0	94.8
Canada	1.81	1.66	1.71	1.76	1.70	1.70	0.013	0.8	92.1	91.4
Mexico	1.18	1.18	1.14	1.11	1.24	1.19	0.057	5.0	76.9	73.6
Total	17.63	18.37	18.62	18.52	18.30	18.17	-0.295	-1.6	90.9	92.8
OECD Europe										
France	1.57	1.73	1.75	1.71	1.76	1.84	-0.043	-2.3	106.0	108.5
Germany	2.06	2.20	2.24	2.08	2.23	2.26	-0.015	-0.7	99.9	100.6
Italy	1.73	1.89	1.68	1.58	1.76	1.78	0.004	0.2	87.9	87.7
Netherlands	1.10	1.18	1.14	1.02	1.02	1.12	-0.049	-4.2	92.2	96.2
Spain	1.06	1.14	1.09	1.08	1.07	1.22	0.037	3.1	96.0	93.1
UK	1.54	1.40	1.43	1.36	1.49	1.64	-0.013	-0.8	94.0	94.7
Other OECD Europe	3.64	3.67	3.80	3.90	3.77	3.86	-0.201	-4.9	88.6	93.2
Total	12.70	13.21	13.11	12.73	13.09	13.72	-0.280	-2.0	93.9	95.8
OECD Pacific										
Japan	4.46	4.23	3.64	3.49	3.93	4.14	-0.112	-2.6	83.6	80.6
Korea	2.54	2.55	2.21	2.36	2.16	2.00	-0.291	-12.7	81.2	93.0
Other OECD Pacific	0.82	0.80	0.82	0.82	0.81	0.82	0.039	5.0	99.2	94.5
Total	7.82	7.58	6.67	6.67	6.90	6.96	-0.363	-5.0	84.4	85.5
OECD Total	38.16	39.16	38.40	37.92	38.30	38.86	-0.939	-2.4	90.7	92.4

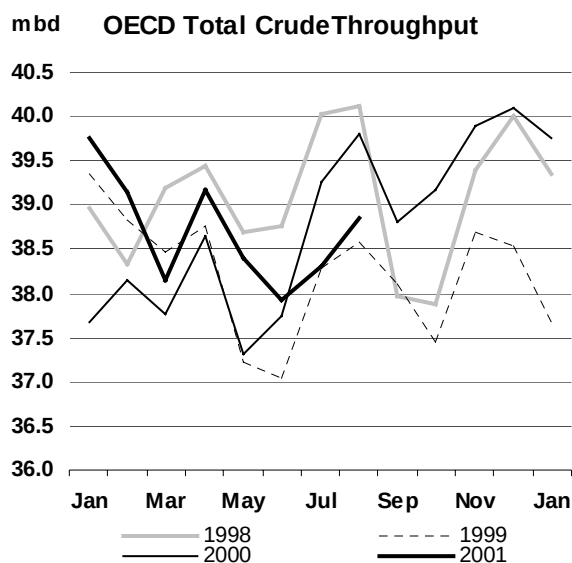
¹ Estimate

² Based on crude throughput and current operable refining capacity

³ US\$0

In the **US**, August throughputs fell by 80 kb/d compared to July, as early refinery maintenance began. Preliminary figures indicate that runs dropped by a further 130 kb/d in September, as maintenance picked up. **European** throughputs rose by 630 kb/d from the previous month, but with maintenance peaking in September, upcoming figures will probably indicate that runs fell back last month. In **Japan**, August throughputs gained 210 kb/d over July, and preliminary statistics point to a minimal 10 kb/d drop in September. Late in September, several major Japanese refiners announced fourth quarter run cuts of 2-6% versus year-earlier volumes, due to weak demand and poor refining margins.

With respect to throughputs in light of the post-11 September oil demand environment, some comments made here last month are more appropriate than ever, and bear repeating. "Uncertain oil demand makes refiners reluctant to risk building inventory that there may be little demand for. From a refiner's business perspective, the same level of inventory considered to be appropriate in a robust demand environment may be too high in a sluggish environment." On the other hand, the current international situation may cause some refiners to build stocks, of both crude and products, to ensure supply for themselves and their customers.



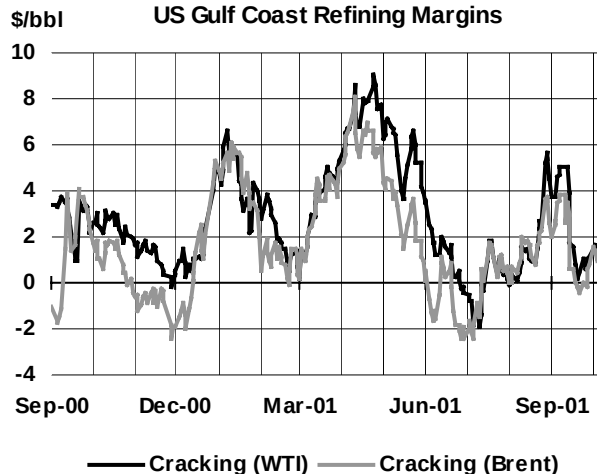
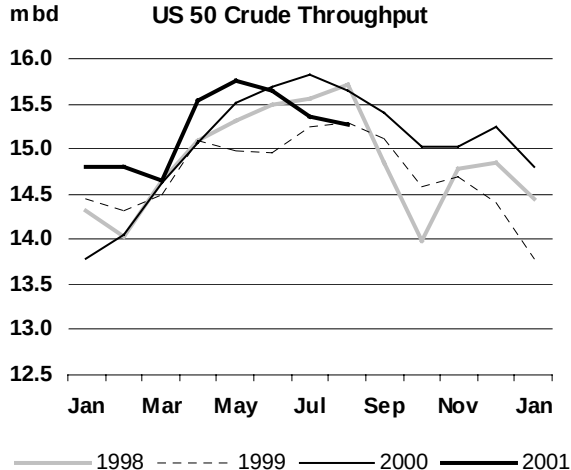
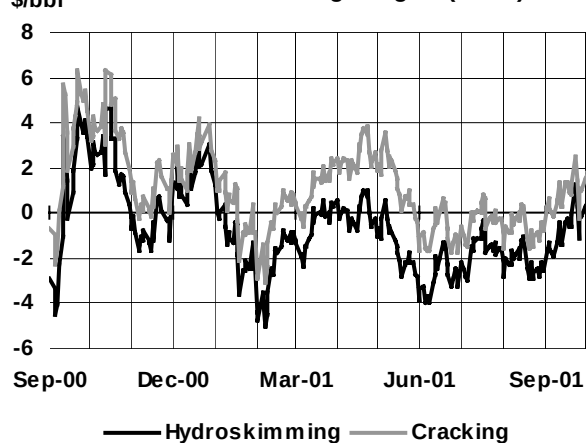
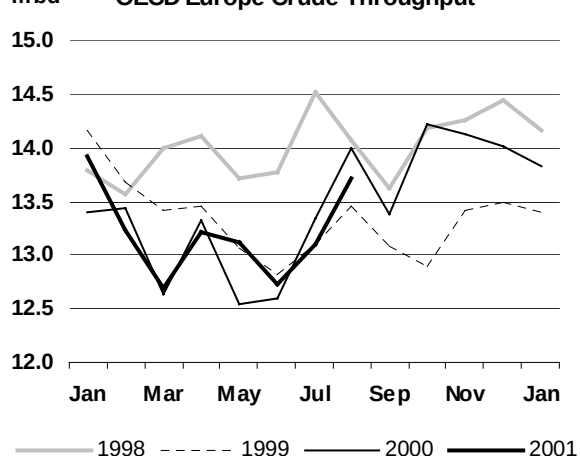
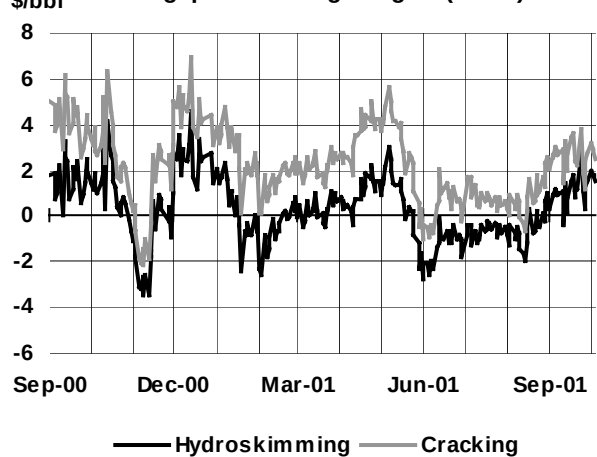
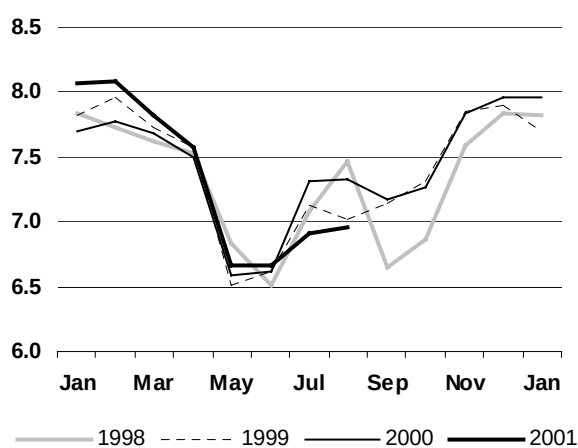
US Gulf Coast Refining Margins**US 50 Crude Throughput****Rotterdam Refining Margins (Brent)****OECD Europe Crude Throughput****Singapore Refining Margins (Dubai)****OECD Pacific Crude Throughput**

Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	23.1	23.8	23.7	23.8	24.5	24.4	24.1	24.2	23.8	24.1	23.9	24.0	23.7	23.6	24.5	24.9	24.2
Europe	15.3	15.2	15.2	14.6	15.2	15.4	15.1	15.2	14.7	15.2	15.1	15.0	15.0	14.6	15.2	15.4	15.1
Pacific	8.4	8.7	9.4	8.1	8.3	8.8	8.7	9.4	8.0	8.1	8.7	8.6	9.2	7.9	8.1	8.7	8.5
Total OECD	46.8	47.7	48.2	46.6	48.0	48.6	47.8	48.8	46.5	47.4	47.7	47.6	48.0	46.2	47.8	49.0	47.7
NON-OECD DEMAND																	
FSU	3.7	3.7	3.6	3.5	3.6	3.8	3.6	3.8	3.6	3.6	3.7	3.7	3.8	3.7	3.6	3.8	3.7
Europe	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7
China	4.2	4.5	4.7	4.6	5.1	4.8	4.8	4.7	5.2	4.7	5.0	4.9	4.9	5.1	4.9	5.3	5.0
Other Asia	6.8	7.2	7.2	7.4	7.4	7.3	7.3	7.3	7.4	7.3	7.3	7.3	7.4	7.4	7.4	7.3	7.4
Latin America	4.8	4.8	4.7	4.9	5.0	4.9	4.9	4.7	4.9	5.0	4.9	4.9	4.8	4.9	5.0	4.9	4.9
Middle East	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5	4.5	4.7	4.8	4.6	4.6
Africa	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.4
Total Non-OECD	26.8	27.6	27.8	27.8	28.5	28.2	28.1	28.1	28.7	28.3	28.5	28.4	28.6	28.9	28.8	29.2	28.9
Total Demand¹	73.6	75.2	75.9	74.4	76.4	76.8	75.9	76.9	75.2	75.7	76.2	76.0	76.5	75.1	76.6	78.1	76.6
OECD SUPPLY																	
North America	14.5	14.0	14.3	14.4	14.3	14.1	14.3	14.2	14.3	14.3	14.5	14.3	14.8	14.7	14.6	14.9	14.8
Europe	6.7	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.6	7.1	6.7	7.0	6.7	6.6	6.7	6.8
Pacific	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7
Total OECD	21.9	21.4	22.3	21.8	21.7	21.8	21.9	21.8	21.5	21.7	22.4	21.8	22.6	22.1	21.9	22.3	22.2
NON-OECD SUPPLY																	
FSU	7.3	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.5	8.7	8.7	8.5	8.8	8.9	9.1	9.2	9.0
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.2	3.3	3.3	3.3	3.3	3.3	3.3
Other Asia	2.3	2.3	2.3	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.3	2.3	2.3
Latin America	3.6	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.8	3.8	3.8	3.9	3.8
Middle East	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.9	1.9	1.9
Africa	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.8	2.9	2.9	2.9	2.8	2.9
Total Non-OECD	21.3	21.6	21.9	22.0	22.4	22.8	22.3	22.8	22.9	23.1	23.2	23.0	23.3	23.3	23.5	23.6	23.4
Processing Gains ²	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Non-OPEC	44.8	44.7	45.9	45.6	45.8	46.3	45.9	46.4	46.1	46.6	47.3	46.6	47.7	47.2	47.2	47.7	47.5
OPEC																	
Crude	28.0	26.6	26.5	27.8	28.4	29.0	27.9	28.4	27.1	27.4							
NGLs	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.2	3.2	3.2	3.2	3.2
Total OPEC	30.8	29.4	29.3	30.7	31.3	31.9	30.8	31.3	30.0	30.4							
Total Supply³	75.6	74.2	75.2	76.2	77.1	78.2	76.7	77.7	76.0	77.0							
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.2	-0.7	-0.4	1.0	0.4	-0.2	0.2	-0.1	0.9								
Government	0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0	0.0								
Total	0.3	-0.7	-0.4	1.0	0.4	-0.4	0.1	-0.1	0.9								
Floating Storage/Oil in Transit	0.1	-0.1	0.0	0.1	0.0	0.4	0.1	0.1	-0.4								
Miscellaneous to balance ⁴	1.6	-0.3	-0.3	0.7	0.2	1.5	0.5	0.7	0.3								
Total Stock Ch. & Misc	2.0	-1.1	-0.7	1.9	0.6	1.4	0.8	0.8	0.8	1.3							
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	26.1	27.7	27.2	25.9	27.8	27.6	27.1	27.6	26.3	26.2	25.8	26.5	25.7	24.7	26.2	27.2	26.0
Total Demand ex. FSU	69.9	71.6	72.3	70.9	72.9	73.1	72.3	73.1	71.6	72.1	72.5	72.3	72.7	71.4	73.0	74.3	72.9
Total demand exc. FSU (% ch) ⁶	0.6	2.4	-0.2	1.4	2.7	-0.1	1.0	1.1	1.1	-1.0	-0.8	0.1	-0.5	-0.3	1.2	2.6	0.8

¹ Measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers, refinery fuel, crude for direct burning, oil from non-conventional sources and other sources of supply

² Net volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ Comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ Includes changes in non-reported stocks in OECD and non-OECD areas

⁵ Equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ Year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	-	-	-	-	-	-	-	-	0.1	-0.3	-0.6	-0.2	-0.5	-0.3	-0.2	-	-0.2
Europe	-	-	-	-	-	-	-	-	-0.1	0.1	-0.3	-0.1	-0.2	-0.2	-0.1	-0.1	-0.1
Pacific	-	-	-	-	-	-	-	-	-	-0.1	-0.2	-	-0.2	-0.1	-0.2	-0.3	-0.2
Total OECD	-	-	-	-	-	-	-	-	-	-0.3	-1.0	-0.3	-0.8	-0.6	-0.5	-0.4	-0.6
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-0.2	-	-	-	-0.1	-0.2	0.2	-0.1
Other Asia	-	-	-	-	0.1	-	-	-	-	-	-	-	0.1	-	0.1	-	0.1
Latin America	-	-	-	-	-	-	-	-	0.1	-	-	0.1	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	0.1	-	-	-0.2	-	-0.1	-	-0.1	-0.2	0.2	-
Total Demand	-	-	-	-	-	-	-	-	-	-0.6	-1.1	-0.4	-0.9	-0.6	-0.7	-0.3	-0.6
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	0.1	-
Europe	-	-	-	-	-	-	-	-	-	0.1	0.2	-	0.2	0.2	0.2	0.2	0.3
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	0.1	0.3	-	0.3	0.1	0.1	0.3	0.2
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	0.1	0.1	-	0.1	0.1	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-0.1
Africa	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-	-	-	-0.1	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-	0.1	-	0.1	-	-	-0.1	-
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-	-	-	-	-	-	0.2	0.3	0.1	0.3	0.1	0.1	0.2	0.2
OPEC																	
Crude	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supply	-	-	-0.1	-	-	-	-	-	-0.1	-	-	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-
Miscellaneous to balance	-	-	-	-	-	-	-0.1	-0.1	-0.2	-	-	-	-	-	-	-	-
Total Stock Ch. & Misc	-	-	-	-	-0.1	-	-	-	-	-	-	-	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	-	0.1	-	-	-	0.1	-0.7	-1.4	-0.5	-1.2	-0.8	-0.8	-0.5	-0.8
Total Demand ex. FSU	-	-	-	-	-	0.1	-	-	-	-0.6	-1.0	-0.4	-0.9	-0.7	-0.7	-0.3	-0.6

When submitting their monthly oil statistics, OECD Member countries periodically update data for prior periods. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	First Quarter			April			May			June			Second Quarter		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
North America															
LPG	3.34	2.85	-14.6	2.90	2.69	-7.1	2.75	2.35	-14.4	2.88	2.59	-10.2	2.84	2.54	-10.6
Naphtha	0.42	0.38	-10.3	0.30	0.34	11.2	0.38	0.29	-24.0	0.37	0.23	-38.4	0.35	0.28	-19.0
Motor Gasoline	9.29	9.51	2.3	9.56	9.78	2.3	9.96	10.04	0.9	10.11	10.06	-0.5	9.88	9.96	0.9
Jet/Kerosene	1.96	2.05	4.6	1.91	1.89	-1.3	1.91	1.98	4.0	1.95	2.02	3.3	1.92	1.96	2.0
Gasoil	4.67	5.14	9.9	4.22	4.60	8.9	4.59	4.62	0.8	4.40	4.43	0.7	4.40	4.55	3.3
Residual Fuel Oil	1.55	1.83	18.6	1.56	1.77	13.7	1.53	1.77	15.5	1.73	1.86	7.4	1.60	1.80	12.0
Other Products	2.42	2.41	-0.6	2.46	2.51	2.0	3.03	2.73	-9.9	3.02	2.80	-7.6	2.84	2.68	-5.7
Total	23.65	24.16	2.1	22.92	23.58	2.9	24.13	23.78	-1.5	24.46	23.97	-2.0	23.84	23.78	-0.3
Europe															
LPG	1.08	1.02	-4.8	0.92	0.91	-1.5	0.87	0.86	-1.1	0.84	0.80	-4.8	0.88	0.86	-2.4
Naphtha	1.25	1.23	-1.7	1.20	1.17	-2.1	1.18	1.18	0.0	1.15	1.09	-5.3	1.18	1.15	-2.4
Motor Gasoline	2.91	2.82	-3.1	3.05	3.01	-1.2	3.16	3.06	-3.2	3.17	3.09	-2.6	3.13	3.05	-2.4
Jet/Kerosene	1.06	1.09	3.4	1.06	1.12	6.2	1.09	1.11	2.3	1.17	1.16	-0.7	1.11	1.13	2.5
Gasoil	5.65	5.86	3.7	5.12	5.33	3.9	5.07	5.19	2.4	5.21	5.37	3.2	5.13	5.30	3.2
Residual Fuel Oil	2.09	2.01	-4.1	1.89	1.81	-4.2	1.84	1.91	3.7	1.94	1.89	-2.9	1.89	1.87	-1.1
Other Products	1.14	1.15	1.0	1.18	1.30	9.6	1.33	1.45	8.9	1.39	1.41	1.0	1.30	1.39	6.4
Total	15.17	15.18	0.0	14.42	14.64	1.6	14.56	14.78	1.5	14.88	14.82	-0.4	14.62	14.75	0.9
Pacific															
LPG	1.02	1.04	2.3	0.91	0.90	-1.5	0.87	0.89	2.2	0.82	0.91	10.2	0.87	0.90	3.4
Naphtha	1.46	1.52	4.5	1.46	1.44	-1.9	1.32	1.38	4.2	1.36	1.34	-1.3	1.38	1.38	0.3
Motor Gasoline	1.46	1.48	1.8	1.48	1.49	0.4	1.56	1.54	-1.5	1.51	1.49	-0.9	1.52	1.51	-0.7
Jet/Kerosene	1.55	1.60	3.2	0.94	0.84	-10.5	0.77	0.75	-2.0	0.66	0.72	10.0	0.79	0.77	-2.1
Gasoil	2.00	1.97	-1.2	1.86	1.81	-2.7	1.84	1.81	-1.2	1.82	1.87	2.3	1.84	1.83	-0.6
Residual Fuel Oil	1.24	1.24	0.1	1.18	1.09	-7.5	1.09	1.04	-4.4	1.14	1.05	-7.7	1.13	1.06	-6.6
Other Products	0.63	0.58	-8.7	0.52	0.55	6.5	0.56	0.56	-0.5	0.63	0.53	-15.8	0.57	0.55	-3.9
Total	9.35	9.44	0.9	8.35	8.11	-2.9	8.00	7.96	-0.4	7.94	7.91	-0.3	8.09	7.99	-1.2
OECD															
LPG	5.43	4.91	-9.5	4.74	4.50	-5.0	4.49	4.11	-8.6	4.55	4.30	-5.5	4.59	4.30	-6.3
Naphtha	3.13	3.13	0.0	2.96	2.95	-0.6	2.88	2.85	-1.2	2.88	2.66	-7.6	2.91	2.82	-3.1
Motor Gasoline	13.67	13.81	1.1	14.09	14.27	1.3	14.68	14.64	-0.3	14.79	14.64	-1.0	14.52	14.52	0.0
Jet/Kerosene	4.57	4.75	3.8	3.91	3.85	-1.5	3.76	3.84	2.3	3.78	3.90	3.2	3.82	3.87	1.3
Gasoil	12.32	12.97	5.3	11.21	11.73	4.7	11.49	11.63	1.2	11.43	11.67	2.1	11.38	11.68	2.6
Residual Fuel Oil	4.87	5.08	4.2	4.62	4.67	1.0	4.46	4.72	5.8	4.81	4.80	-0.3	4.63	4.73	2.1
Other Products	4.19	4.13	-1.4	4.16	4.36	4.7	4.92	4.74	-3.8	5.04	4.73	-6.2	4.71	4.61	-2.2
Total	48.17	48.78	1.2	45.69	46.33	1.4	46.69	46.53	-0.4	47.28	46.70	-1.2	46.56	46.52	-0.1

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	April			May			June			Second Quarter			July		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
LPG	2.12	2.05	-3.2	1.92	1.71	-11.3	2.08	1.84	-11.5	2.04	1.86	-8.6	1.98	1.90	-3.9
Naphtha	0.23	0.26	11.3	0.30	0.21	-28.7	0.30	0.17	-42.2	0.28	0.21	-22.4	0.35	0.20	-43.9
Motor Gasoline	8.38	8.55	2.0	8.66	8.72	0.7	8.80	8.72	-0.9	8.61	8.66	0.6	8.66	8.97	3.6
Jet/Kerosene	1.73	1.71	-1.2	1.70	1.77	4.5	1.75	1.81	3.5	1.73	1.77	2.3	1.81	1.81	0.2
Gasoil	3.46	3.81	10.3	3.68	3.73	1.3	3.55	3.62	1.9	3.56	3.72	4.4	3.37	3.58	6.3
Residual Fuel Oil	0.78	1.01	28.4	0.72	0.96	33.2	0.95	1.00	5.9	0.81	0.99	21.2	1.09	1.06	-3.1
Other Products	2.13	2.21	4.0	2.62	2.40	-8.5	2.61	2.44	-6.3	2.45	2.35	-4.1	2.46	2.37	-3.7
Total	18.82	19.59	4.1	19.60	19.49	-0.5	20.03	19.61	-2.1	19.48	19.56	0.4	19.72	19.89	0.9
Japan³															
LPG	0.60	0.58	-4.0	0.56	0.57	1.1	0.50	0.57	14.2	0.56	0.57	3.1	0.52	0.49	-5.0
Naphtha	0.85	0.81	-3.8	0.74	0.76	3.5	0.73	0.71	-2.4	0.77	0.76	-1.0	0.85	0.71	-16.4
Motor Gasoline	0.94	0.97	3.1	1.00	0.99	-1.2	0.98	0.98	0.4	0.97	0.98	0.7	1.06	1.10	4.2
Jet/Kerosene	0.60	0.57	-6.0	0.48	0.49	2.9	0.42	0.46	9.3	0.50	0.51	1.1	0.43	0.44	2.1
Diesel	0.68	0.66	-2.5	0.65	0.62	-3.2	0.68	0.67	-1.4	0.67	0.65	-2.4	0.69	0.71	2.7
Other Gasoil	0.53	0.52	-1.7	0.48	0.49	1.5	0.48	0.48	0.0	0.50	0.49	-0.1	0.47	0.47	1.7
Residual Fuel Oil	0.62	0.58	-6.9	0.55	0.55	-0.5	0.65	0.55	-14.9	0.61	0.56	-7.7	0.67	0.69	3.3
Direct use of Crude Oil	0.07	0.07	7.4	0.11	0.11	2.9	0.16	0.10	-39.1	0.11	0.09	-16.0	0.19	0.17	-13.1
Other Products	0.34	0.36	8.3	0.33	0.33	-0.4	0.31	0.33	4.6	0.33	0.34	4.1	0.38	0.35	-8.6
Total	5.23	5.13	-1.9	4.90	4.92	0.4	4.91	4.85	-1.2	5.01	4.97	-0.9	5.26	5.14	-2.3
Germany															
LPG	0.09	0.10	6.7	0.09	0.10	12.8	0.09	0.10	12.9	0.09	0.10	10.7	0.10	0.09	-9.7
Naphtha	0.39	0.39	-0.2	0.40	0.40	-0.1	0.37	0.36	-2.8	0.39	0.38	-1.0	0.38	0.36	-3.9
Motor Gasoline	0.69	0.66	-4.4	0.72	0.68	-5.4	0.68	0.68	0.2	0.70	0.67	-3.3	0.68	0.67	-0.6
Jet/Kerosene	0.15	0.15	-2.6	0.16	0.15	-7.2	0.16	0.16	0.3	0.16	0.15	-3.2	0.17	0.16	-3.4
Diesel	0.50	0.50	-0.9	0.58	0.54	-6.8	0.53	0.51	-3.1	0.54	0.52	-3.8	0.53	0.56	5.0
Other Gasoil	0.54	0.60	10.2	0.47	0.54	15.0	0.59	0.71	21.5	0.53	0.62	15.7	0.58	0.83	41.6
Residual Fuel Oil	0.17	0.19	12.3	0.16	0.18	14.0	0.15	0.18	19.4	0.16	0.19	15.1	0.18	0.17	-3.0
Other Products	0.12	0.12	7.0	0.12	0.14	15.3	0.14	0.14	-0.2	0.13	0.14	7.2	0.14	0.14	-0.1
Total	2.66	2.71	1.9	2.69	2.73	1.2	2.72	2.86	5.2	2.69	2.76	2.8	2.76	2.99	8.4
Italy															
LPG	0.13	0.13	-1.8	0.11	0.12	6.1	0.11	0.11	-2.7	0.12	0.12	0.4	0.11	0.11	-2.4
Naphtha	0.11	0.10	-13.1	0.11	0.11	-1.9	0.10	0.11	4.7	0.11	0.10	-3.6	0.09	0.09	4.9
Motor Gasoline	0.41	0.40	-2.5	0.40	0.40	-0.8	0.42	0.41	-4.1	0.41	0.40	-2.5	0.40	0.41	1.8
Jet/Kerosene	0.07	0.08	8.4	0.08	0.06	-19.2	0.09	0.08	-4.8	0.08	0.07	-5.6	0.09	0.09	2.6
Diesel	0.35	0.38	7.7	0.38	0.46	21.4	0.40	0.43	8.6	0.38	0.42	12.7	0.39	0.44	13.9
Other Gasoil	0.16	0.13	-16.0	0.13	0.05	-65.2	0.14	0.14	0.5	0.14	0.11	-26.3	0.15	0.15	3.4
Residual Fuel Oil	0.40	0.35	-12.7	0.38	0.42	10.5	0.49	0.36	-26.7	0.42	0.38	-11.0	0.44	0.39	-10.0
Other Products	0.13	0.15	13.6	0.16	0.20	28.1	0.16	0.15	-5.5	0.15	0.17	12.3	0.15	0.20	32.7
Total	1.78	1.72	-2.9	1.75	1.81	3.7	1.91	1.78	-6.5	1.81	1.77	-2.0	1.81	1.89	4.1
France															
LPG	0.11	0.11	1.1	0.09	0.10	12.9	0.08	0.08	-3.8	0.09	0.10	3.4	0.08	0.08	-3.0
Naphtha	0.21	0.21	0.4	0.19	0.19	0.4	0.20	0.20	0.4	0.20	0.20	0.4	0.20	0.21	0.4
Motor Gasoline	0.32	0.32	0.0	0.33	0.31	-5.5	0.37	0.33	-9.9	0.34	0.32	-5.4	0.35	0.34	-0.5
Jet/Kerosene	0.14	0.14	-3.5	0.13	0.13	0.6	0.14	0.14	-6.5	0.14	0.13	-3.2	0.15	0.15	-3.0
Diesel	0.54	0.58	7.9	0.58	0.57	-1.0	0.58	0.61	4.2	0.57	0.59	3.5	0.57	0.61	8.4
Other Gasoil	0.32	0.33	4.6	0.24	0.28	16.4	0.27	0.29	9.4	0.28	0.30	9.7	0.30	0.35	16.1
Residual Fuel Oil	0.12	0.11	-11.9	0.11	0.10	-12.4	0.11	0.10	-4.2	0.12	0.10	-9.6	0.11	0.09	-11.5
Other Products	0.18	0.22	17.4	0.18	0.21	15.1	0.20	0.21	4.8	0.19	0.21	12.2	0.21	0.22	6.5
Total	1.94	2.01	3.7	1.86	1.90	2.2	1.96	1.97	0.3	1.92	1.96	2.1	1.96	2.05	4.6
United Kingdom															
LPG	0.14	0.16	16.5	0.14	0.15	3.4	0.12	0.12	3.8	0.13	0.14	8.0	0.09	0.13	38.4
Naphtha	0.07	0.06	-16.6	0.04	0.05	9.5	0.07	0.02	-74.1	0.06	0.04	-31.5	0.05	0.06	20.6
Motor Gasoline	0.46	0.48	4.5	0.48	0.47	-2.0	0.48	0.46	-3.7	0.47	0.47	-0.5	0.50	0.47	-4.7
Jet/Kerosene	0.29	0.33	12.7	0.28	0.32	14.6	0.31	0.32	4.1	0.30	0.33	10.3	0.30	0.33	12.1
Diesel	0.29	0.33	13.5	0.32	0.33	3.7	0.33	0.33	-0.8	0.31	0.33	5.1	0.30	0.32	7.3
Other Gasoil	0.17	0.16	-10.0	0.18	0.15	-12.2	0.18	0.14	-17.6	0.18	0.15	-13.3	0.17	0.14	-20.8
Residual Fuel Oil	0.08	0.08	0.3	0.08	0.09	23.9	0.08	0.15	88.1	0.08	0.11	36.9	0.08	0.07	-5.4
Other Products	0.15	0.14	-5.0	0.14	0.13	-8.3	0.13	0.15	12.5	0.14	0.14	-0.7	0.14	0.15	5.4
Total	1.64	1.73	5.1	1.65	1.69	2.2	1.69	1.69	0.2	1.66	1.70	2.5	1.63	1.68	2.9
Canada															
LPG	0.39	0.24	-36.5	0.41	0.24	-39.8	0.37	0.34	-8.0	0.39	0.28	-28.7	0.31	0.28	-9.1
Naphtha	0.07	0.08	9.3	0.07	0.08	4.9	0.06	0.06	-2.4	0.07	0.07	4.3	0.09	0.08	-8.9
Motor Gasoline	0.62	0.64	3.5	0.68	0.68	0.6	0.69	0.70	1.4	0.66	0.67	1.7	0.70	0.71	1.6
Jet/Kerosene	0.10	0.09	-7.7	0.11	0.11	-3.5	0.11	0.11	1.8	0.10	0.10	-3.0	0.12	0.12	0.8
Diesel	0.16	0.16	-4.4	0.17	0.15	-13.7	0.18	0.18	-3.7	0.17	0.16	-7.3	0.17	0.16	-2.0
Other Gasoil	0.27	0.29	8.0	0.33	0.35	3.7	0.28	0.26	-5.4	0.29	0.30	2.2	0.26	0.26	-0.9
Residual Fuel Oil	0.10	0.16	61.3	0.10	0.16	61.9	0.14	0.18	22.4	0.11	0.16	45.2	0.11	0.11	3.1
Other Products	0.22	0.24	7.3	0.28	0.28	-0.8	0.29	0.28	-3.1	0.26	0.27	0.6	0.32	0.28	-10.4
Total	1.92	1.90	-1.5	2.15	2.04	-5.2	2.12	2.10	-0.9	2.07	2.01	-2.6	2.07	2.01	-2.8

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	2000	2001	2002	2Q01	3Q01	4Q01	1Q02	2Q02	Jul 01	Aug 01	Sep 01
OPEC											
Crude Oil											
Saudi Arabia	8.00			7.68	7.70				7.91	7.70	7.49
Iran	3.69			3.72	3.75				3.84	3.75	3.65
Iraq	2.57			2.23	2.56				2.13	2.79	2.77
UAE	2.24			2.15	2.09				2.13	2.10	2.05
Kuwait	1.77			1.71	1.70				1.72	1.72	1.65
Neutral Zone	0.63			0.62	0.66				0.68	0.63	0.66
Qatar	0.69			0.69	0.69				0.70	0.69	0.67
Nigeria	2.04			2.01	2.05				1.96	2.07	2.13
Libya	1.41			1.38	1.38				1.39	1.40	1.35
Algeria	0.81			0.83	0.84				0.85	0.86	0.82
Venezuela	2.89			2.82	2.81				2.81	2.81	2.81
Indonesia	1.20			1.21	1.20				1.21	1.19	1.19
Total Crude Oil	27.92			27.05	27.43				27.33	27.71	27.23
Total NGLs ¹	2.88	2.95	3.18	2.91	2.95	3.03	3.16	3.18	2.93	2.94	2.97
Total OPEC	30.80			29.96	30.37				30.26	30.65	30.20
NON-OPEC²											
OECD											
North America	14.30	14.33	14.75	14.25	14.32	14.53	14.82	14.66	14.32	14.39	14.25
United States	8.11	8.03	8.13	8.07	8.07	8.13	8.25	8.09	8.08	8.11	8.01
Mexico	3.45	3.56	3.64	3.49	3.59	3.58	3.63	3.65	3.63	3.62	3.52
Canada	2.74	2.74	2.99	2.69	2.67	2.82	2.95	2.93	2.61	2.67	2.73
Europe	6.78	6.73	6.76	6.46	6.63	7.05	7.03	6.72	6.72	6.52	6.64
UK	2.70	2.60	2.55	2.49	2.60	2.73	2.71	2.44	2.46	2.66	2.69
Norway	3.32	3.41	3.45	3.30	3.33	3.55	3.54	3.52	3.58	3.16	3.24
Others	0.75	0.72	0.76	0.67	0.70	0.77	0.79	0.76	0.67	0.70	0.71
Pacific	0.84	0.78	0.72	0.76	0.79	0.79	0.76	0.71	0.79	0.80	0.79
Australia	0.78	0.73	0.67	0.70	0.73	0.73	0.71	0.66	0.73	0.74	0.73
Others	0.06	0.06	0.05	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.92	21.84	22.23	21.47	21.74	22.36	22.62	22.09	21.83	21.71	21.68
NON-OECD											
Former USSR	7.92	8.53	8.99	8.46	8.66	8.75	8.80	8.90	8.65	8.66	8.67
Russia	6.50	7.00	7.40	6.92	7.13	7.22	7.25	7.32	7.10	7.16	7.13
Others	1.42	1.53	1.59	1.54	1.53	1.53	1.55	1.57	1.55	1.50	1.54
Asia	5.57	5.67	5.64	5.68	5.67	5.64	5.63	5.63	5.65	5.70	5.67
China	3.23	3.28	3.29	3.31	3.28	3.24	3.25	3.28	3.26	3.30	3.26
Malaysia	0.76	0.78	0.77	0.78	0.78	0.78	0.77	0.77	0.78	0.78	0.78
India	0.73	0.72	0.69	0.70	0.72	0.71	0.71	0.70	0.71	0.72	0.72
Others	0.84	0.90	0.89	0.89	0.90	0.91	0.90	0.89	0.90	0.90	0.91
Europe	0.18	0.18	0.17	0.18	0.18	0.18	0.17	0.17	0.18	0.18	0.18
Latin America	3.77	3.78	3.83	3.72	3.79	3.79	3.80	3.82	3.80	3.79	3.78
Brazil	1.50	1.57	1.70	1.52	1.58	1.60	1.64	1.68	1.57	1.57	1.58
Argentina	0.81	0.82	0.80	0.83	0.82	0.81	0.80	0.80	0.82	0.82	0.82
Colombia	0.70	0.60	0.55	0.58	0.60	0.58	0.57	0.56	0.61	0.61	0.60
Ecuador	0.39	0.43	0.44	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43
Others	0.36	0.36	0.34	0.36	0.36	0.36	0.35	0.35	0.36	0.36	0.36
Middle East³	1.99	1.99	1.94	2.00	1.98	1.97	1.96	1.95	2.00	1.98	1.97
Oman	0.96	0.97	0.95	0.97	0.97	0.96	0.96	0.95	0.98	0.96	0.96
Syria	0.54	0.52	0.49	0.52	0.51	0.51	0.50	0.50	0.52	0.51	0.51
Yemen	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.83	2.85	2.87	2.83	2.84	2.88	2.90	2.87	2.82	2.85	2.86
Egypt	0.81	0.76	0.72	0.74	0.75	0.75	0.74	0.73	0.74	0.76	0.76
Angola	0.75	0.74	0.77	0.73	0.73	0.75	0.77	0.77	0.73	0.73	0.73
Gabon	0.31	0.30	0.29	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Others	0.97	1.05	1.08	1.05	1.06	1.08	1.08	1.08	1.05	1.06	1.07
Total Non-OECD	22.26	23.00	23.43	22.86	23.13	23.20	23.26	23.34	23.09	23.16	23.13
Processing Gains ⁴	1.72	1.76	1.80	1.74	1.74	1.78	1.82	1.78	1.74	1.74	1.74
TOTAL NON-OPEC	45.89	46.59	47.45	46.07	46.60	47.34	47.69	47.20	46.65	46.61	46.55
TOTAL SUPPLY	76.69			76.03	76.97				76.90	77.26	76.75

¹ Includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² Comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ Includes small amounts of production from Israel, Jordan and Bahrain

⁴ Net volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	2000	2001	2002	2Q01	3Q01	4Q01	1Q02	2Q02	Jul-01	Aug-01	Sep-01
United States											
Alaska	970	963	931	972	940	935	959	924	945	967	908
California	836	798	772	799	793	787	781	775	795	792	791
Texas	1234	1193	1155	1200	1185	1171	1164	1158	1189	1187	1179
Federal Gulf of Mexico ²	1396	1512	1633	1488	1525	1591	1635	1651	1511	1546	1519
Other US Lower 48	1375	1338	1292	1345	1334	1318	1307	1297	1340	1331	1329
NGLs ³	1908	1839	1939	1889	1889	1929	1999	1879	1892	1887	1887
Other Hydrocarbons	389	387	403	376	402	401	401	402	410	396	398
Total	8108	8030	8125	8070	8068	8130	8247	8087	8083	8107	8011
Canada											
Alberta Light/Medium/Heavy	764	722	731	724	713	708	707	729	713	714	711
Alberta Bitumen	271	317	324	319	317	319	327	313	311	320	320
Saskatchewan	416	418	424	412	416	417	419	415	417	415	417
Other Crude	227	222	302	222	220	223	263	289	224	219	218
NGLs	738	717	745	694	692	740	760	730	657	700	720
Synthetic Crudes	322	348	466	321	309	410	470	454	289	300	340
Total	2739	2743	2992	2693	2667	2817	2945	2931	2610	2668	2726
Mexico											
Crude	3012	3117	3185	3059	3146	3140	3180	3195	3185	3175	3075
NGLs	438	438	450	432	441	440	450	450	440	444	440
Total	3450	3555	3635	3492	3587	3580	3630	3645	3625	3619	3515
UK Offshore⁴											
Brent Fields	339	298	244	311	286	290	273	236	281	286	290
Forties Fields	775	782	872	726	794	866	893	824	709	830	844
Ninian Fields	140	128	109	122	129	125	119	104	124	132	132
Flotta Fields	177	142	121	128	141	139	133	116	138	140	146
Other Fields	984	936	890	888	960	994	963	852	923	976	982
NGLs	224	256	266	257	234	259	276	255	229	236	239
Total	2639	2543	2503	2432	2545	2673	2656	2388	2404	2599	2633
Norway⁴											
Ekofisk-Ula Area	461	455	444	483	394	456	454	457	488	248	448
Oseberg-Troll Area	731	745	758	701	745	785	777	774	752	713	770
Statfjord-Gullfaks Area	926	960	995	892	987	1024	1018	1012	1058	978	921
Haltenbanken Area	766	746	708	749	726	747	735	726	792	772	612
Sleipner-Frigg Area	316	298	313	275	278	338	327	323	259	257	320
NGLs	121	202	228	200	199	200	230	225	235	190	171
Total	3320	3406	3446	3300	3329	3550	3541	3516	3584	3157	3242
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	403	371	378	335	352	393	391	382	317	364	376
UK Onshore	66	58	49	58	58	55	53	50	59	57	57
Italy	74	73	116	60	67	100	120	117	70	65	64
Turkey	53	50	47	50	52	50	49	48	54	50	51
Other	163	170	160	167	172	168	165	161	179	168	168
NGLs (excl. North Sea)	29	29	28	27	23	30	29	28	23	23	23
Non-Conventional Oils	32	28	28	30	30	30	29	28	31	30	30
Total	820	778	805	726	753	826	835	815	733	758	769
Australia											
Gippsland Basin	178	153	140	152	152	150	145	140	151	152	152
Cooper-Eromanga Basin	25	26	23	27	26	25	24	23	26	25	26
Carnarvon Basin	320	345	335	330	349	355	345	336	342	352	355
Other Crude	183	130	105	117	132	126	119	81	131	140	126
NGLs	73	71	75	72	74	72	75	75	77	72	72
Total	780	725	679	699	733	728	708	655	726	741	730
Other OECD Pacific											
New Zealand	36	34	32	36	35	34	33	33	35	35	35
Japan	7	6	5	6	6	6	6	5	6	6	6
NGLs	16	17	15	17	16	16	15	15	17	16	16
Synthetic Fuels	3	2	2	3	2	2	2	2	2	2	2
Total	62	60	55	61	60	58	57	55	60	60	59
OECD											
Crude Oil	17616	17497	17588	17147	17421	17826	17874	17540	17513	17407	17340
NGLs	3554	3577	3753	3595	3577	3693	3842	3665	3580	3575	3575
Non-Conventional Oils	746	766	899	730	743	843	903	886	732	728	771
Total	21916	21840	22240	21472	21741	22362	22618	22091	21825	21710	21686

¹ Subcategories refer to crude oil only unless otherwise noted

² Only production from Federal waters is included

³ When possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ Other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Apr2001	May2001	Jun2001	Jul2001	Aug2001*	Aug1998	Aug1999	Aug2000	3Q2000	4Q2000	1Q2001	2Q2001
North America												
Crude	422	427	407	416	410	429	414	393	0.00	0.04	0.20	-0.03
Motor Gasoline	236	244	250	237	224	242	230	222	-0.14	0.02	0.00	0.25
Middle Distillate	179	184	192	202	201	235	224	185	0.08	0.08	-0.19	0.16
Residual Fuel Oil	50	51	53	48	44	52	48	46	0.00	-0.01	0.05	0.04
Total Products ³	622	653	676	675	665	733	687	632	0.09	-0.25	-0.15	0.81
Total ⁴	1184	1223	1228	1236	1219	1329	1260	1176	0.16	-0.37	0.08	0.84
Europe												
Crude	323	320	316	308	311	322	323	294	-0.10	-0.03	0.22	-0.14
Motor Gasoline	117	117	120	122	120	128	127	120	0.03	0.00	0.00	-0.02
Middle Distillate	219	224	225	228	231	279	283	233	0.11	0.07	-0.24	0.12
Residual Fuel Oil	86	86	82	83	86	94	84	83	0.02	0.09	0.00	-0.03
Total Products ³	531	533	540	549	552	597	587	539	0.22	0.22	-0.26	0.14
Total ⁴	916	913	915	917	923	981	967	902	0.12	0.20	-0.09	-0.04
Pacific												
Crude	181	178	183	176	176	188	186	167	-0.19	0.04	0.11	0.01
Motor Gasoline	26	26	26	26	26	24	25	24	0.00	-0.02	0.03	0.00
Middle Distillate	75	71	73	78	83	85	77	82	0.13	0.01	-0.20	0.08
Residual Fuel Oil	23	23	24	23	25	26	23	24	0.02	-0.01	0.02	-0.01
Total Products ³	193	192	194	200	211	202	194	200	0.25	-0.01	-0.21	0.12
Total ⁴	461	455	458	458	470	482	463	451	0.08	0.02	-0.08	0.12
Total												
Crude	925	925	906	900	896	940	923	854	-0.29	0.05	0.53	-0.17
Motor Gasoline	379	388	396	385	371	395	382	366	-0.11	-0.01	0.02	0.23
Middle Distillate	474	479	490	509	515	599	584	499	0.32	0.17	-0.63	0.36
Residual Fuel Oil	159	161	160	155	154	172	155	153	0.05	0.08	0.06	0.00
Total Products ³	1346	1378	1410	1423	1428	1531	1468	1371	0.55	-0.04	-0.62	1.08
Total ⁴	2561	2591	2602	2611	2612	2792	2690	2529	0.36	-0.16	-0.09	0.91

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Apr2001	May2001	Jun2001	Jul2001	Aug2001*	Aug1998	Aug1999	Aug2000	3Q2000	4Q2000	1Q2001	2Q2001
North America												
Crude	542	543	543	544	544	563	575	571	0.02	-0.32	0.02	0.01
Products ⁷	2	2	2	2	2	0	0	0	0.02	0.01	0.00	0.00
Europe												
Crude	140	141	140	139	139	143	150	140	-0.03	-0.01	-0.01	0.03
Products	211	208	207	204	204	214	203	213	0.07	0.03	-0.03	-0.07
Pacific												
Crude	314	314	314	314	314	315	315	314	-0.02	0.01	0.01	0.00
Total												
Crude	997	999	998	997	997	1021	1040	1025	-0.04	-0.32	0.02	0.04
Products	213	210	209	206	206	214	203	213	0.09	0.03	-0.03	-0.07
Total ⁴	1210	1210	1207	1204	1204	1236	1244	1238	0.05	-0.29	0.00	-0.03

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 US government-controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	March			April			May			June			July		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States															
Crude	296.2	304.5	2.8	302.1	325.4	7.7	297.9	325.6	9.3	293.8	305.6	4.0	285.7	311.0	8.9
Motor Gasoline	203.8	193.6	-5.0	206.3	200.7	-2.7	207.6	212.3	2.3	209.5	220.1	5.1	209.4	208.4	-0.5
Middle Distillate	139.7	147.7	5.7	143.8	148.6	3.3	149.5	152.9	2.3	152.7	160.8	5.3	158.9	171.3	7.8
Residual Fuel Oil	36.4	39.1	7.4	35.3	40.7	15.3	37.3	42.4	13.7	37.0	42.7	15.4	35.4	39.1	10.5
Other Products	105.7	119.2	12.8	119.1	128.4	7.8	131.5	143.0	8.7	137.6	151.3	10.0	148.8	156.0	4.8
Total Products	485.6	499.6	2.9	504.5	518.4	2.8	525.9	550.6	4.7	536.8	574.9	7.1	552.5	574.8	4.0
Other ²	125.2	131.0	4.6	128.6	130.7	1.6	128.8	133.2	3.4	130.6	134.8	3.2	135.6	135.2	-0.3
Total	907.0	935.1	3.1	935.2	974.5	4.2	952.6	1009.4	6.0	961.2	1015.3	5.6	973.8	1021.0	4.8
Japan															
Crude	126.0	135.4	7.5	121.1	135.7	12.1	130.5	136.1	4.3	134.2	139.0	3.6	132.4	132.6	0.2
Motor Gasoline	14.7	15.2	3.4	16.1	15.0	-6.8	15.7	14.6	-7.0	13.9	14.3	2.9	13.5	13.2	-2.2
Middle Distillate	33.2	40.2	21.1	39.9	43.7	9.5	44.0	43.2	-1.8	43.8	42.4	-3.2	47.9	44.8	-6.5
Residual Fuel Oil	9.9	10.7	8.1	10.0	10.8	8.0	9.9	11.0	11.1	8.7	10.3	18.4	9.4	9.0	-4.3
Other Products	41.1	48.2	17.3	45.3	50.8	12.1	46.9	53.2	13.4	46.2	50.8	10.0	48.6	52.2	7.4
Total Products	98.9	114.3	15.6	111.3	120.3	8.1	116.5	122.0	4.7	112.6	117.8	4.6	119.4	119.2	-0.2
Other ²	66.0	71.5	8.3	70.7	75.9	7.4	72.1	74.9	3.9	70.3	70.4	0.1	73.3	70.0	-4.5
Total	290.9	321.2	10.4	303.1	331.9	9.5	319.1	333.0	4.4	317.1	327.2	3.2	325.1	321.8	-1.0
Germany															
Crude	20.2	22.4	10.9	19.9	21.2	6.5	21.7	19.5	-10.1	20.4	19.9	-2.5	19.7	22.8	15.7
Motor Gasoline	11.6	13.2	13.8	11.9	12.1	1.7	11.0	11.7	6.4	11.3	12.0	6.2	12.9	13.1	1.6
Middle Distillate	18.3	13.8	-24.6	19.5	17.8	-8.7	18.2	20.0	9.9	14.6	15.4	5.5	17.6	15.9	-9.7
Residual Fuel Oil	8.3	9.6	15.7	8.6	9.8	14.0	8.6	9.6	11.6	9.2	9.4	2.2	10.2	9.1	-10.8
Other Products	12.0	12.5	4.2	12.2	12.5	2.5	12.2	12.6	3.3	12.7	12.2	-3.9	12.3	12.3	0.0
Total Products	50.2	49.1	-2.2	52.2	52.2	0.0	50.0	53.9	7.8	47.8	49.0	2.5	53.0	50.4	-4.9
Other ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	70.4	71.5	1.6	72.1	73.4	1.8	71.7	73.4	2.4	68.2	68.9	1.0	72.7	73.2	0.7
Italy															
Crude	39.3	38.9	-1.0	34.2	40.1	17.3	36.4	41.0	12.6	41.6	38.1	-8.4	37.8	38.1	0.8
Motor Gasoline	30.5	21.3	-30.2	27.9	21.6	-22.6	24.6	21.0	-14.6	23.4	21.4	-8.5	23.6	21.4	-9.3
Middle Distillate	25.9	31.3	20.8	31.2	31.0	-0.6	29.5	29.7	0.7	28.7	28.0	-2.4	31.3	28.0	-10.5
Residual Fuel Oil	19.5	20.8	6.7	19.3	21.0	8.8	19.3	20.0	3.6	16.6	17.9	7.8	15.5	17.9	15.5
Other Products	10.8	18.4	70.4	11.2	18.9	68.8	11.7	18.5	58.1	12.4	19.2	54.8	12.8	19.2	50.0
Total Products	86.7	91.8	5.9	89.6	92.5	3.2	85.1	89.2	4.8	81.1	86.5	6.7	83.2	86.5	4.0
Other ²	10.3	9.5	-7.8	10.5	9.3	-11.4	8.5	7.8	-8.2	11.9	6.9	-42.0	11.6	6.9	-40.5
Total	136.3	140.2	2.9	134.3	141.9	5.7	130.0	138.0	6.2	134.6	131.5	-2.3	132.6	131.5	-0.8
France															
Crude	39.7	42.3	6.5	39.2	39.7	1.3	43.4	40.8	-6.0	44.0	42.1	-4.3	39.6	35.6	-10.1
Motor Gasoline	14.4	13.2	-8.3	13.0	11.4	-12.3	13.2	12.3	-6.8	13.1	11.7	-10.7	12.8	11.6	-9.4
Middle Distillate	34.1	27.1	-20.5	36.1	29.5	-18.3	34.4	29.0	-15.7	33.6	28.5	-15.2	34.3	26.9	-21.6
Residual Fuel Oil	7.5	7.5	0.0	6.8	7.9	16.2	6.9	7.8	13.0	7.7	7.2	-6.5	7.8	6.6	-15.4
Other Products	9.0	8.6	-4.4	8.6	9.6	11.6	8.3	9.1	9.6	8.5	10.1	18.8	8.8	9.9	12.5
Total Products	65.0	56.4	-13.2	64.5	58.4	-9.5	62.8	58.2	-7.3	62.9	57.5	-8.6	63.7	55.0	-13.7
Other ²	11.9	12.2	2.5	12.5	12.5	0.0	11.4	11.4	0.0	11.9	10.6	-10.9	12.4	11.9	-4.0
Total	116.6	110.9	-4.9	116.2	110.6	-4.8	117.6	110.4	-6.1	118.8	110.2	-7.2	115.7	102.5	-11.4
United Kingdom															
Crude	39.1	39.1	0.0	34.4	37.6	9.3	30.8	35.8	16.2	31.8	33.9	6.6	37.7	34.1	-9.5
Motor Gasoline	10.3	8.4	-18.4	9.9	8.3	-16.2	8.9	8.8	-1.1	8.2	8.9	8.5	8.5	8.9	4.7
Middle Distillate	20.5	18.8	-8.3	22.4	19.9	-11.2	21.9	21.2	-3.2	21.5	23.0	7.0	21.2	23.5	10.8
Residual Fuel Oil	5.4	5.1	-5.6	5.5	4.8	-12.7	5.6	4.9	-12.5	5.8	5.1	-12.1	5.6	6.2	10.7
Other Products	13.5	16.6	23.0	14.5	16.5	13.8	14.8	16.8	13.5	15.7	18.6	18.5	15.5	20.0	29.0
Total Products	49.7	48.9	-1.6	52.3	49.5	-5.4	51.2	51.7	1.0	51.2	55.6	8.6	50.8	58.6	15.4
Other ²	14.2	12.2	-14.1	14.4	11.9	-17.4	12.9	11.1	-14.0	13.5	12.2	-9.6	14.1	11.3	-19.9
Total	103.0	100.2	-2.7	101.1	99.0	-2.1	94.9	98.6	3.9	96.5	101.7	5.4	102.6	104.0	1.4
Canada³															
Crude	69.3	75.6	9.1	69.8	74.7	7.0	70.2	75.2	7.1	69.1	75.2	8.8	70.7	75.2	6.4
Motor Gasoline	19.1	18.7	-2.1	18.5	18.3	-1.1	16.5	16.3	-1.2	16.0	16.3	1.9	15.6	16.3	4.5
Middle Distillate	19.4	20.1	3.6	20.2	20.3	0.5	18.4	21.2	15.2	19.0	21.2	11.6	20.1	21.2	5.5
Residual Fuel Oil	3.9	4.4	12.8	3.9	4.1	5.1	4.0	4.9	22.5	3.7	4.9	32.4	4.1	4.9	19.5
Other Products	20.1	21.9	9.0	21.3	21.4	0.5	21.2	22.8	7.5	20.8	22.8	9.6	21.1	22.8	8.1
Total Products	62.5	65.1	4.2	63.9	64.1	0.3	60.1	65.2	8.5	59.5	65.2	9.6	60.9	65.2	7.1
Other ²	9.4	8.0	-14.9	10.1	9.9	-2.0	11.5	9.9	-13.9	14.5	9.9	-31.7	16.1	9.9	-38.5
Total	141.2	148.7	5.3	143.8	148.7	3.4	141.8	150.3	6.0	143.1	150.3	5.0	147.7	150.3	1.8

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

³ Due to lack of receipt of data, the following counties are estimated: Canada for June and July 2001; Italy for July 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End June 2000		End September 2000		End December 2000		End March 2001		End June 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	143.1	67	148.4	68	143.4	70	148.6	74	150.3	-
Mexico	38.3	19	47.2	24	47.6	24	46.0	24	40.8	-
United States	1530.1	76	1533.8	77	1474.9	74	1479.4	76	1560.5	-
Total ⁴	1733.6	71	1751.6	72	1688.1	70	1696.1	71	1773.7	74
Pacific										
Australia	41.2	49	43.9	51	40.9	47	41.0	46	42.4	-
Japan	631.6	117	626.8	111	634.0	104	635.6	128	641.5	-
Korea ⁵	77.4	40	83.0	38	82.5	36	74.8	37	77.0	-
New Zealand	10.2	76	11.6	84	10.6	77	10.8	81	11.8	-
Total	760.4	91	765.4	87	768.0	81	762.2	95	772.8	95
Europe⁶										
Austria	17.1	64	17.6	75	19.0	74	16.7	65	16.9	-
Belgium	27.4	51	27.7	42	26.4	41	26.7	48	27.7	-
Czech Republic	14.6	90	14.9	87	15.2	102	16.9	90	16.7	-
Denmark	17.7	85	17.2	83	17.6	83	17.6	85	19.1	-
Finland	20.4	102	23.4	115	27.0	124	26.4	138	25.2	-
France	169.7	89	168.4	81	169.7	81	166.9	85	167.0	-
Germany	281.1	96	277.7	98	273.6	101	272.8	99	266.6	-
Greece	24.6	66	26.7	65	26.7	64	27.5	75	27.5	-
Hungary	21.1	139	21.5	150	21.6	158	20.8	149	20.6	-
Ireland	8.5	53	8.2	48	9.2	49	9.5	55	8.9	-
Italy	134.6	73	138.6	73	139.9	75	140.3	79	131.4	-
Luxembourg	0.9	18	0.7	15	1.1	20	0.8	16	0.9	-
Netherlands	106.4	123	110.0	127	112.3	126	120.3	135	113.4	-
Norway	26.6	128	25.3	135	31.7	160	24.9	133	31.2	-
Poland	22.7	49	24.5	53	27.8	68	24.6	59	25.7	-
Portugal	21.1	62	23.3	70	23.4	74	21.6	66	25.4	-
Spain	110.1	78	112.7	78	114.1	77	113.9	80	112.8	-
Sweden	33.8	103	37.8	135	34.4	119	32.8	108	34.9	-
Switzerland	39.1	138	39.2	135	37.3	128	37.3	139	38.8	-
Turkey	52.7	74	50.5	71	53.7	87	52.2	90	50.5	-
United Kingdom	96.4	56	95.7	55	100.0	57	100.2	59	101.7	-
Total	1246.5	82	1261.6	82	1281.5	84	1270.5	86	1262.8	83
Total OECD	3740.5	78	3778.5	78	3737.6	77	3728.9	80	3809.2	80
DAYS OF IEA Net Imports⁷	-	111	-	112	-	112	-	112	-	114

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net

imports used for the calculation of IEA Emergency Reserves

3 end June 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
2Q1998	3971	1228	2743	85	26	59
3Q1998	4008	1238	2770	83	26	58
4Q1998	3947	1249	2698	81	26	55
1Q1999	3887	1248	2639	85	27	58
2Q1999	3927	1250	2678	83	27	57
3Q1999	3903	1240	2663	80	25	54
4Q1999	3675	1228	2446	76	26	51
1Q2000	3650	1234	2416	78	27	52
2Q2000	3740	1232	2508	78	26	52
3Q2000	3778	1237	2542	78	25	52
4Q2000	3738	1210	2527	77	25	52
1Q2001	3729	1210	2519	80	26	54
2Q2001	3809	1207	2602	80	25	55

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 2Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	4Q00	1Q01	2Q01	3Q01	Apr 01	May 01	Jun 01	Jul 01	Aug 01	Sep 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>													
IEA North America	12.12	17.12	27.67	28.46	24.30	23.91		22.96	24.49	24.25	23.15		
IEA Europe	12.30	17.32	27.89	29.23	25.32	26.19		24.62	27.10	26.93	24.20		
IEA Pacific	13.77	17.48	28.89	31.89	25.61	27.01		25.90	27.06	28.20	28.13		
IEA Total	12.52	17.26	28.00	29.46	25.01	25.43		24.21	26.06	26.05	23.79		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	29.67	25.79	27.38	25.30	25.66	28.51	27.83	24.58	25.74	25.57
WTI (1st month)	14.39	19.31	30.37	31.96	28.72	27.88	26.70	27.40	28.61	27.57	26.43	27.40	26.08
Urals (del. Med.)	11.79	17.30	26.63	27.89	23.68	25.39	24.12	23.91	26.63	25.50	23.09	24.50	24.80
Dubai (1st month)	12.16	17.30	26.24	27.68	23.67	25.17	24.03	24.18	25.60	25.65	23.43	24.53	24.12
Tapis (1st month)	13.77	18.99	29.85	31.22	26.92	28.36	25.65	27.94	28.98	28.13	25.80	25.32	25.86
OPEC Basket	12.28	17.47	27.60	28.84	24.42	25.67	24.13	24.64	26.25	26.04	23.73	24.49	24.17
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	33.31	31.77	36.98	29.63	38.03	40.84	32.17	28.18	29.74	31.09
Unleaded	16.53	20.86	34.41	32.22	30.66	35.44	28.58	36.59	39.25	30.60	27.17	28.60	30.10
Naphtha	14.33	18.34	29.09	30.35	27.54	27.99	22.23	27.15	29.80	26.96	21.84	21.83	23.10
Jet/Kerosene	17.09	22.04	36.98	41.83	32.46	33.55	32.14	32.49	34.22	33.85	31.72	31.77	33.01
Gasoil .2 %	16.17	20.12	34.38	39.06	30.54	31.31	30.50	30.75	31.56	31.56	29.72	30.54	31.31
LSFO 1%	11.96	15.05	23.74	26.40	21.63	20.72	19.30	21.17	21.08	19.95	17.99	19.34	20.71
HSFO 3.5%	10.12	14.37	21.42	22.45	17.73	18.46	19.07	17.66	18.88	18.77	17.97	19.20	20.15
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	34.55	32.34	37.50	30.28	38.89	41.10	32.63	28.74	30.37	31.87
Premium Unleaded	17.34	22.23	36.43	33.83	31.63	36.78	29.50	38.18	40.38	31.91	28.02	29.56	31.07
Naphtha	13.56	17.76	28.16	28.96	25.40	26.53	21.62	25.46	28.14	25.89	21.08	21.22	22.65
Jet/Kerosene	14.93	20.55	34.82	38.70	28.32	29.89	29.20	28.81	30.56	30.19	28.58	28.87	30.23
Gasoil .2 %	14.82	19.12	33.87	38.89	28.29	28.94	28.97	27.96	28.54	30.24	28.17	28.87	29.95
LSFO 1%	11.16	14.41	23.77	26.16	20.21	19.54	19.53	20.27	19.92	18.50	19.06	19.39	20.19
HSFO 3.5%	8.85	12.78	18.92	20.12	14.66	15.55	16.99	14.58	15.77	16.22	16.03	17.07	17.96
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	37.37	36.52	41.26	34.15	45.03	44.71	34.06	31.99	36.43	33.70
Unleaded	17.80	22.76	36.10	36.52	34.04	36.16	30.82	39.37	38.81	30.33	28.58	32.46	31.40
Jet/Kerosene	18.00	21.78	38.05	42.91	34.66	34.16	31.39	33.81	35.58	33.01	30.14	32.83	30.97
No. 2 (Heating Oil)	16.41	20.50	36.37	41.15	33.11	32.21	30.05	32.53	32.38	31.73	29.29	30.77	30.02
LSFO 1%	12.33	15.51	25.05	27.90	24.01	22.07	19.81	22.86	23.12	20.21	19.22	20.15	20.08
HSFO 6 3%	10.24	13.99	20.68	20.89	18.55	17.56	17.70	16.75	18.36	17.48	15.70	18.28	19.37
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	31.97	30.43	30.72	26.89	32.80	32.59	26.87	24.43	26.96	29.50
Naphtha	14.77	19.54	28.38	28.54	26.19	27.24	23.26	27.00	28.08	26.63	22.99	22.92	23.94
Jet/Kerosene	16.31	21.59	34.39	38.44	29.46	30.54	29.80	30.06	30.66	30.86	28.82	29.53	31.19
Gasoil .5%	15.40	19.25	32.58	34.59	27.56	30.23	28.85	29.78	30.91	30.00	28.56	28.70	29.32
LSWR Cracked	10.95	15.61	25.83	26.48	22.24	25.67	22.78	25.71	25.96	25.35	24.28	21.49	22.54
HSFO 180 CST	10.60	15.71	24.43	25.02	20.73	22.23	21.79	21.89	23.33	21.46	20.30	22.04	23.15
HSFO 4%	10.34	15.60	24.21	24.78	20.16	21.92	21.63	21.62	23.06	21.07	20.25	21.89	22.86

* IEA CIF Average Import price for July is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS¹
September 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE² (Price per Litre)												
France	6.857	4.888	2.0	6.5	-7.6	-15.8	0.945	0.272	2.3	6.7	-4.1	-12.6
Germany	2.047	1.442	2.8	8.4	-2.2	-14.3	0.946	0.279	3.0	8.7	1.5	-11.0
Italy	2038	1347	1.0	2.5	-6.0	-13.6	0.952	0.323	1.3	2.7	-2.4	-10.2
Spain	134.9	80.5	0.4	1.0	-3.0	-6.2	0.733	0.296	0.7	1.2	0.7	-2.6
UK	0.766	0.572	-0.5	-1.5	-4.3	0.5	1.120	0.284	1.1	0.0	-2.3	2.6
Japan	107.1	58.9	0.0	0.0	0.0	0.0	0.893	0.402	1.4	1.4	-10.9	-10.9
Canada	0.754	0.307	2.9	4.2	0.4	0.2	0.483	0.286	1.4	2.7	-4.5	-4.7
USA	0.404	0.101	7.2	9.8	-3.3	-4.1	0.404	0.303	7.2	9.8	-3.3	-4.1
AUTOMOTIVE DIESEL³ (Price per Litre)												
France	4.416	2.469	1.1	2.5	-12.0	-20.5	0.609	0.268	1.3	2.7	-8.7	-17.5
Germany	1.397	0.800	1.5	3.5	-7.7	-22.9	0.646	0.276	1.7	3.7	-4.2	-19.9
Italy	1384	739	-0.4	-0.9	-7.6	-15.0	0.646	0.301	-0.2	-0.6	-4.1	-11.8
Spain	100.59	44.90	0.2	0.3	-2.4	-4.3	0.547	0.303	0.4	0.6	1.4	-0.6
UK	0.658	0.458	-0.5	-1.5	-5.9	-5.2	0.962	0.292	1.1	0.1	-4.0	-3.3
Japan	87.2	36.3	0.0	0.0	1.3	2.0	0.727	0.424	1.4	1.4	-9.8	-9.1
Canada	0.674	0.239	1.7	2.6	-5.7	-8.8	0.432	0.279	0.2	1.1	-10.3	-13.3
USA	0.385	0.118	6.1	9.0	-9.6	-13.3	0.385	0.267	6.1	9.0	-9.6	-13.3
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2659.8	714.8	4.3	5.0	-26.3	-21.9	366.7	268.1	4.6	5.2	-23.5	-18.9
Germany	779.0	227.4	4.0	5.0	-26.0	-30.0	360.2	255.0	4.3	5.2	-23.2	-27.3
Italy	1577000	960231	-0.8	-1.6	-12.9	-19.9	736.5	288.0	-0.5	-1.3	-9.6	-16.8
Spain	65851	22180	1.9	2.5	-16.8	-20.8	357.9	237.3	2.2	2.7	-13.6	-17.7
UK	204.03	41.02	1.4	1.7	-18.2	-21.0	298.2	238.3	3.0	3.3	-16.6	-19.4
Japan ⁴	49980	2380	0.0	0.0	5.8	5.8	416.6	396.8	1.4	1.4	-5.7	-5.7
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA ⁵	327.0	-	-1.5	-	-0.7	-	327.0	-	-1.5	-	-0.7	-
HFO FOR INDUSTRY^{3,6} (Price per Metric Ton)												
France	1243.8	121.8	5.2	5.8	-12.8	-14.0	171.5	154.7	5.5	6.1	-9.4	-10.6
Germany	313.9	35.0	-3.7	-4.2	-21.2	-23.3	145.1	128.9	-3.5	-3.9	-18.2	-20.3
Italy	404545	60777	2.8	3.3	-14.9	-17.1	188.9	160.5	3.0	3.6	-11.6	-13.9
Spain	31657	2235	2.9	3.1	-12.0	-12.8	172.0	159.9	3.2	3.4	-8.6	-9.4
UK	132.56	27.62	4.4	5.6	1.4	2.0	193.8	153.4	6.1	7.3	3.5	4.1
Japan	26526	1263	0.0	0.0	4.3	4.3	221.1	210.6	1.4	1.4	-7.0	-7.0
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

1 Mid-month prices

2 Unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

3 VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

4 Kerosene

5 Data for the Previous month

6 High sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Year Earlier	
											Jul 00	change
OECD North America												
Venezuela	1.57	1.63		1.64	1.74	1.74	1.70	1.71	1.69	1.89	1.60	0.29
Other Central & South America	0.78	0.60		0.60	0.53	0.51	0.51	0.54	0.46	0.43	0.49	-0.07
North Sea	0.99	1.11		1.30	0.94	1.15	1.09	1.29	1.04	1.26	1.62	-0.36
Other OECD Europe	-	0.01		0.01	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.00	0.00	-	-	-	-	-	-	-
Saudi Arabia	1.51	1.62		1.66	1.74	1.77	1.79	1.82	1.81	1.78	1.60	0.18
Kuwait	0.25	0.27		0.33	0.30	0.26	0.24	0.25	0.26	0.29	0.26	0.04
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.89	0.66	0.52	1.01	1.13	0.87	0.83	0.92	-0.09
Oman	-	0.00		-	-	-	0.01	-	0.02	0.10	-	-
United Arab Emirates	-	0.00		0.00	-	0.03	0.03	0.03	-	-	0.01	-
Other Middle East	0.00	0.03		0.03	0.02	0.05	0.01	-	0.04	0.04	0.07	-0.03
West Africa ²	1.38	1.55		1.64	1.50	1.63	1.52	1.46	1.35	1.43	1.59	-0.16
Other Africa	0.11	0.07		0.05	0.11	0.08	0.13	0.20	0.14	0.11	0.05	0.06
Asia	0.20	0.17		0.17	0.17	0.14	0.16	0.15	0.12	0.16	0.19	-0.03
Other	0.03	0.05		0.04	0.06	0.05	0.04	-	0.10	0.01	0.01	0.00
Total	7.62	7.77		8.36	7.79	7.92	8.24	8.58	7.88	8.35	8.42	-0.08
of which Non-OECD	6.63	6.66		7.01	6.82	6.74	7.12	7.28	6.83	7.03	6.73	0.30
OECD Europe												
Canada	-	0.00		-	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.21	0.20	0.18	0.21	0.21	0.27	0.15	0.17	-0.03
Venezuela	0.17	0.14		0.16	0.12	0.12	0.15	0.16	0.14	0.14	0.11	0.03
Other Central & South America	0.00	0.01		0.00	0.02	0.06	0.05	0.05	0.07	0.01	0.00	0.00
Non-OECD Europe	0.01	0.01		0.01	0.00	0.01	0.01	0.01	0.01	-	0.01	-
Former Soviet Union	2.18	2.40		2.47	2.42	2.47	2.65	2.49	2.66	2.54	2.52	0.01
Saudi Arabia	1.31	1.39		1.45	1.61	1.39	1.23	1.08	1.34	1.38	1.44	-0.06
Kuwait	0.17	0.20		0.26	0.21	0.23	0.12	0.07	0.14	0.18	0.20	-0.02
Iran	0.94	0.79		0.93	0.81	0.88	0.71	0.85	0.66	0.76	0.93	-0.17
Iraq	0.80	0.74		0.74	0.69	0.26	0.53	0.61	0.27	0.51	0.52	-0.01
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		0.00	0.01	0.01	-	-	-	0.00	-	-
Other Middle East	0.35	0.31		0.30	0.32	0.41	0.45	0.43	0.46	0.40	0.33	0.06
West Africa ²	0.59	0.64		0.51	0.79	0.84	0.61	0.63	0.56	0.41	0.38	0.03
Other Africa	1.54	1.58		1.61	1.62	1.54	1.52	1.44	1.52	1.40	1.59	-0.19
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.10	0.04	0.06	0.11	0.15	0.13	0.23	0.06	0.17
Total	8.25	8.45		8.75	8.86	8.48	8.34	8.18	8.23	8.10	8.27	-0.18
of which Non-OECD	8.06	8.26		8.54	8.66	8.29	8.13	7.97	7.97	7.95	8.10	-0.15
OECD Pacific												
Canada	-	-		-	-	0.01	0.01	-	-	-	-	-
Mexico + USA	0.10	0.07		0.03	0.03	0.04	0.04	-	0.02	-	0.02	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.05	0.05	0.07	0.07	0.05	0.06	0.07	0.04	0.03
North Sea	0.04	0.02		0.01	-	-	-	0.04	0.03	-	0.03	-
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		0.06	0.05	-	-	-	0.08	0.12	0.04	0.08
Saudi Arabia	1.65	1.83		1.76	1.92	2.08	2.08	1.78	1.66	1.67	1.80	-0.13
Kuwait	0.56	0.60		0.55	0.71	0.76	0.76	0.62	0.54	0.62	0.48	0.14
Iran	0.73	0.72		0.70	0.72	0.83	0.83	0.78	0.68	0.65	0.69	-0.04
Iraq	0.13	0.13		0.13	0.23	0.01	0.01	-	-	-	0.05	-
Oman	0.45	0.36		0.38	0.31	0.42	0.42	0.43	0.34	0.33	0.49	-0.16
United Arab Emirates	1.39	1.46		1.42	1.54	1.67	1.67	1.26	1.29	1.22	1.45	-0.23
Other Middle East	0.57	0.59		0.58	0.64	0.72	0.72	0.52	0.49	0.52	0.63	-0.12
West Africa ²	0.28	0.17		0.13	0.17	0.07	0.07	0.16	0.09	0.09	0.19	-0.09
Other Africa	0.07	0.06		0.06	0.04	0.04	0.04	0.07	0.04	0.05	0.13	-0.07
Non-OECD Asia	1.03	0.87		0.85	0.81	1.02	1.02	0.77	0.91	0.80	0.87	-0.07
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		6.71	7.22	7.71	7.71	6.47	6.23	6.14	6.91	-0.78
of which Non-OECD	6.93	6.87		6.67	7.19	7.67	7.67	6.44	6.18	6.14	6.86	-0.72
Total OECD Trade												
of which Non-OECD	22.93	23.19		23.82	23.87	24.12	24.30	23.23	22.35	22.58	23.61	-1.04
	21.62	21.78		22.22	22.67	22.71	22.93	21.69	20.97	21.11	21.69	-0.58

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

2. West Africa includes Angola, Nigeria, Gabon, Congo and Democratic Republic of Congo.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01*	Year Earlier Jul 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.33	0.57	0.59	0.73	0.68	0.80	0.89	0.25	0.64
Europe	1.01	1.01		1.04	1.12	1.01	0.85	0.79	0.95	0.71	1.05	-0.33
Pacific	0.53	0.64		0.60	0.70	0.88	0.71	0.75	0.70	-	0.54	-
Saudi Medium												
North America	0.65	0.68		0.65	0.83	0.73	0.80	0.71	0.88	0.66	0.58	0.08
Europe	0.21	0.23		0.25	0.25	0.18	0.12	0.12	0.11	0.16	0.21	-0.06
Pacific	0.15	0.13		0.11	0.11	0.08	0.07	0.04	0.06	0.01	0.11	-0.09
Saudi Heavy												
North America	0.31	0.31		0.34	0.25	0.27	0.19	0.18	0.13	0.17	0.35	-0.18
Europe	0.09	0.14		0.14	0.23	0.17	0.16	0.14	0.18	0.16	0.11	0.05
Pacific	0.09	0.12		0.13	0.13	0.12	0.08	0.09	0.11	-	0.12	-
Iraqi Basrah Light²												
North America	0.71	0.61		0.75	0.57	0.34	0.76	0.81	0.66	0.63	0.77	-0.13
Europe	0.15	0.16		0.21	0.10	0.14	0.15	0.13	0.07	0.13	0.07	0.06
Pacific	0.11	0.08		0.06	0.17	-	-	-	-	-	-	-
Iraqi Kirkuk												
North America	0.01	-		-	-	-	0.11	0.10	0.13	-	-	-
Europe	0.65	0.55		0.53	0.58	0.22	0.38	0.48	0.22	0.02	0.41	-0.39
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.29	0.17	0.20	0.14	0.17	0.12	0.09	0.29	-0.20
Pacific	0.12	0.13		0.12	0.11	0.15	0.13	0.12	0.14	-	0.16	-
Iranian Heavy³												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.58	0.55	0.62	0.46	0.60	0.36	0.49	0.60	-0.11
Pacific	0.38	0.37		0.36	0.38	0.44	0.38	0.40	0.27	-	0.30	-
Venezuelan Light & Medium												
North America	0.76	0.72		0.68	0.73	0.69	0.61	0.63	0.62	0.47	0.69	-0.22
Europe	0.08	0.04		0.03	0.05	0.03	0.04	0.04	0.04	-	0.02	-
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.49	0.62	0.70	0.66	0.68	0.61	0.76	0.33	0.43
Europe	0.05	0.06		0.09	0.05	0.05	0.08	0.10	0.08	0.08	0.07	0.01
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.76	0.69	0.76	0.72	0.65	0.79	0.68	0.68	0.00
Europe	0.14	0.17		0.19	0.16	0.09	0.15	0.19	0.16	0.15	0.17	-0.01
Pacific	0.02	0.02		0.02	0.02	0.02	0.01	-	0.02	-	0.02	-
Mexican Isthmus												
North America	0.11	0.07		0.05	0.04	0.08	0.03	0.02	-	0.02	0.01	0.01
Europe	0.04	0.01		0.02	0.01	0.08	0.02	0.01	0.04	0.01	0.02	-0.01
Pacific	0.01	0.02		0.01	0.01	0.02	0.01	-	-	-	0.00	-
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.77	0.61	0.83	1.10	1.07	0.90	1.02	0.83	0.19
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light⁴												
North America	0.40	0.65		0.81	0.53	0.55	0.63	0.57	0.55	0.43	0.83	-0.40
Europe	0.32	0.38		0.33	0.49	0.40	0.29	0.36	0.30	0.36	0.30	0.06
Pacific	0.03	0.01		0.00	0.03	-	-	-	-	-	0.01	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.03	-	-	-	-	-	-
Europe	0.08	0.06		0.01	0.15	0.07	0.06	0.06	0.03	-	-	-
Pacific	-	0.00		-	0.01	-	-	-	-	-	-	-

1. Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the report.

IEA North America includes United States and Canada.

IEA Europe includes OECD Europe but excludes Hungary and Poland.

IEA Pacific includes OECD Pacific but excludes Korea.

2. Iraq Basrah Light includes other Iraq.

3. Iranian Heavy includes other Iranian.

4. 33 API and lighter (Bonny Light, Escravos, Qua Iboe, Oso Condensate)

* Japanese data not received in time for this report.

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Year Earlier	
											Jul 00	change
OECD North America												
Venezuela	0.13	0.10		0.10	0.13	0.09	0.12	0.09	0.15	0.11	0.12	-0.01
Other Central & South America	0.05	0.06		0.08	0.06	0.08	0.11	0.10	0.15	0.09	0.07	0.03
ARA (Belgium Germany Netherlands)	0.06	0.04		0.03	0.06	0.07	0.09	0.09	0.09	0.02	0.01	0.01
Other Europe	0.15	0.12		0.10	0.12	0.20	0.16	0.17	0.12	0.14	0.07	0.06
FSU	0.02	0.03		0.04	0.01	0.05	0.05	0.05	0.04	0.02	0.05	-0.02
Saudi Arabia	0.11	0.06		0.07	0.06	0.05	0.06	0.06	0.06	0.05	0.03	0.02
Algeria	0.00	-		-	-	-	0.00	0.00	-	-	-	-
Other Middle East & Africa	0.00	0.03		0.03	0.04	0.02	0.05	0.05	0.06	0.01	0.03	-0.02
Singapore	0.01	0.01		0.01	0.01	0.01	0.01	0.02	0.01	0.01	0.02	0.00
OECD Pacific	0.02	0.00		0.00	0.00	0.01	0.02	0.02	0.01	0.03	0.00	0.03
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.00	0.02	0.02	0.02	0.03	0.01	0.00	0.01
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.47		0.45	0.49	0.61	0.71	0.68	0.72	0.51	0.40	0.11
of which Non-OECD	0.35	0.31		0.33	0.32	0.33	0.46	0.42	0.53	0.33	0.32	0.01
OECD Europe												
OECD North America	0.00	0.00		0.01	0.00	0.00	0.00	0.00	-	0.00	0.01	0.00
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.01	0.00	0.00	0.01	0.01	0.00	0.00	0.01	-0.01
Non-OECD Europe	0.02	0.02		0.02	0.02	0.02	0.01	0.01	0.02	0.01	0.02	-0.02
FSU	0.01	0.02		0.03	0.02	0.01	0.02	0.01	0.02	0.02	0.02	0.00
Saudi Arabia	0.00	0.00		0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00
Algeria	0.01	0.01		0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00
Other Middle East & Africa	0.00	0.01		0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.01	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	0.00	0.00	-	-	-	-
Other	0.07	0.08		0.07	0.05	0.12	0.11	0.14	0.08	0.15	0.11	0.03
Total²	0.11	0.14		0.16	0.10	0.16	0.15	0.17	0.14	0.20	0.20	0.01
of which Non-OECD	0.11	0.14		0.15	0.11	0.16	0.17	0.19	0.17	0.22	0.19	0.03
OECD Pacific												
OECD North America	0.00	0.00		-	-	0.01	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		0.00	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	0.00	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.01	0.00	0.01	0.02	-	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		0.01	-	-	-	-	-	-	-	-
Singapore	0.02	0.02		0.02	0.01	0.02	0.03	0.03	0.03	0.01	0.02	-0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.00	0.01	0.00	0.00	-	0.00	0.00	0.00
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.04	0.02	0.04	0.04	0.05	0.03	0.02	0.02	-0.01
of which Non-OECD	0.03	0.04		0.04	0.02	0.03	0.04	0.05	0.03	0.02	0.02	-0.01
Total OECD Trade²	0.70	0.65		0.65	0.62	0.81	0.90	0.90	0.90	0.72	0.62	0.11
of which Non-OECD	0.49	0.49		0.53	0.45	0.52	0.67	0.66	0.73	0.57	0.53	0.03

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Year Earlier	
											Jul 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.07	0.08	0.04	0.03	0.04	0.03	0.05	-0.02
Other Central & South America	0.01	0.01		0.00	0.02	0.07	0.02	0.01	0.03	0.01	-	-
ARA (Belgium Germany Netherlands)	0.00	0.01		0.00	0.00	0.01	0.01	0.02	0.02	-	0.01	-
Other Europe	0.00	0.01		-	0.00	0.05	0.02	0.04	0.01	0.01	-	-
FSU	0.02	0.02		0.01	0.03	0.11	0.02	0.03	0.00	0.01	-	-
Saudi Arabia	0.01	0.00		-	-	0.01	-	-	-	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	0.01	0.01	-	-	-	-
Other Middle East & Africa	-	0.00		-	0.00	0.02	0.01	0.03	0.01	0.02	-	-
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.01	0.00		0.00	0.01	0.01	0.01	0.01	0.01	0.01	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.01	0.02	0.01	0.03	-	-	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.08	0.16	0.39	0.16	0.20	0.13	0.09	0.06	0.03
of which Non-OECD	0.10	0.11		0.07	0.15	0.32	0.13	0.16	0.08	0.08	0.05	0.03
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.00	0.01	0.03	0.01	0.01	0.01	0.00
Venezuela	0.00	0.00		-	-	0.00	0.00	0.00	-	-	-	-
Other Central & South America	0.00	0.00		-	0.00	0.00	0.01	0.01	0.01	-	-	-
Non-OECD Europe	0.04	0.05		0.05	0.05	0.04	0.03	0.02	0.04	0.02	0.04	-0.02
FSU	0.32	0.29		0.29	0.24	0.36	0.32	0.39	0.28	0.29	0.28	0.01
Saudi Arabia	0.01	0.00		0.00	0.00	0.00	0.00	0.01	0.00	-	-	-
Algeria	0.04	0.03		0.03	0.02	0.03	0.03	0.02	0.03	0.03	0.02	0.01
Other Middle East & Africa	0.03	0.02		0.03	0.02	0.01	0.02	0.03	0.03	0.03	0.01	0.02
Singapore	-	0.00		-	0.00	-	-	-	-	-	-	-
OECD Pacific	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	0.00	-	-	-	0.01	0.02	-0.01
Other	0.07	0.08		0.09	0.08	0.13	0.08	0.04	0.16	0.13	0.15	-0.02
Total²	0.52	0.50		0.51	0.44	0.58	0.50	0.54	0.56	0.53	0.54	-0.01
of which Non-OECD	0.51	0.48		0.49	0.43	0.58	0.52	0.54	0.59	0.56	0.53	0.03
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		0.00	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		0.00	-	0.00	-	-	-	-	0.00	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.00	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	-	0.00	-	0.00	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.02	0.01	0.01	0.02	0.02	0.02	0.03	0.01	0.02
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	0.00	0.01	0.01	0.01	0.00	0.00	-	-
Other	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Total²	0.03	0.02		0.02	0.02	0.02	0.03	0.03	0.03	0.04	0.02	0.02
of which Non-OECD	0.03	0.02		0.02	0.02	0.02	0.03	0.03	0.04	0.04	0.02	0.02
Total OECD Trade²	0.67	0.65		0.60	0.62	0.99	0.69	0.77	0.71	0.66	0.61	0.04
of which Non-OECD	0.64	0.61		0.59	0.59	0.93	0.68	0.73	0.72	0.68	0.60	0.08

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Year Earlier	
											Jul 00	change
OECD North America												
Venezuela	0.03	0.03		0.01	0.04	0.03	0.03	0.03	0.02	0.01	0.01	0.00
Other Central & South America	0.02	0.01		0.02	0.02	0.03	0.02	0.04	0.01	0.02	-	-
ARA (Belgium Germany Netherlands)	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Other Europe	-	0.00		-	0.00	0.00	-	-	-	-	-	-
FSU	0.00	-		-	-	0.00	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.00	0.02	-	-	-	-	0.02	-
Algeria	0.00	0.00		0.00	0.00	0.00	0.00	-	-	-	-	-
Other Middle East & Africa	0.00	0.01		-	0.01	0.03	0.01	0.01	-	0.01	-	-
Singapore	0.02	0.01		0.00	0.01	0.01	0.01	0.01	0.01	0.00	0.01	-0.01
OECD Pacific	0.03	0.05		0.08	0.05	0.02	0.08	0.12	0.10	0.08	0.10	-0.02
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.01	0.02	0.01	0.00	0.01	-	-	-
Other	-	-		-	-	0.00	-	-	-	-	-	-
Total²	0.11	0.12		0.14	0.14	0.18	0.17	0.21	0.14	0.11	0.13	-0.02
of which Non-OECD	0.08	0.07		0.06	0.09	0.16	0.09	0.09	0.05	0.03	0.03	0.00
OECD Europe												
OECD North America	0.00	0.00		0.00	0.00	-	-	-	-	-	-	-
Venezuela	0.01	0.01		0.02	0.01	-	-	-	-	0.01	0.02	0.00
Other Central & South America	-	0.00		0.00	0.00	0.00	0.01	0.01	0.00	0.00	-	-
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	-	-	-	-	-	-
FSU	0.03	0.02		0.03	0.02	0.02	0.02	0.02	0.02	0.04	0.03	0.01
Saudi Arabia	0.01	0.02		0.01	0.01	0.02	0.03	0.03	0.03	0.04	0.02	0.02
Algeria	0.01	0.01		0.02	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00
Other Middle East & Africa	0.03	0.07		0.08	0.07	0.09	0.15	0.14	0.18	0.12	0.09	0.02
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.05	0.05	0.03	0.03	0.03	0.05	0.06	0.07	0.00
Total²	0.12	0.17		0.22	0.18	0.17	0.25	0.25	0.30	0.29	0.23	0.06
of which Non-OECD	0.11	0.17		0.22	0.18	0.17	0.25	0.25	0.30	0.31	0.23	0.08
OECD Pacific												
OECD North America	-	0.00		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		-	0.00	0.00	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		0.00	0.01	0.02	-	-	-	-	-	-
Singapore	0.03	0.01		0.01	0.00	0.01	0.01	0.02	0.01	0.00	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.00	0.03	0.05	0.00	0.00	-	0.01	0.00	0.01
Other	-	0.03		0.03	0.05	0.06	0.03	0.04	0.02	0.02	0.02	0.00
Total²	0.07	0.07		0.04	0.10	0.15	0.04	0.05	0.03	0.03	0.03	0.00
of which Non-OECD	0.07	0.07		0.04	0.10	0.15	0.04	0.05	0.03	0.03	0.03	0.00
Total OECD Trade²	0.30	0.37		0.41	0.42	0.50	0.45	0.51	0.47	0.43	0.39	0.04
of which Non-OECD	0.26	0.31		0.32	0.37	0.48	0.37	0.39	0.37	0.37	0.29	0.07

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	May 01	Jun 01	Jul 01	Year Earlier	
											Jul 00	change
OECD North America												
Venezuela	0.06	0.06		0.04	0.09	0.07	0.09	0.07	0.11	0.09	0.06	0.04
Other Central & South America	0.05	0.07		0.08	0.11	0.10	0.12	0.12	0.10	0.10	0.10	0.01
ARA (Belgium Germany Netherlands)	0.01	0.01		-	0.03	0.04	0.05	0.07	0.02	0.02	-	-
Other Europe	0.01	0.03		0.05	0.05	0.06	0.06	0.04	0.08	0.05	0.06	0.00
FSU	0.02	0.01		0.02	0.02	0.01	0.01	0.01	0.02	0.03	0.00	0.03
Saudi Arabia	0.00	0.00		0.00	-	0.01	-	-	-	-	-	-
Algeria	0.04	0.05		0.05	0.05	0.05	0.06	0.08	0.04	0.07	0.05	0.02
Other Middle East & Africa	0.01	0.02		0.01	0.03	0.03	0.01	-	0.00	0.01	0.02	-0.01
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	-	-		-	-	-	-	-	-	0.01	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.02	0.02	0.01	0.00	0.01	0.00	0.00	0.00
Other	0.00	-		-	-	-	0.02	0.03	-	-	-	-
Total²	0.21	0.26		0.27	0.39	0.40	0.43	0.43	0.38	0.39	0.29	0.10
of which Non-OECD	0.19	0.22		0.22	0.32	0.32	0.36	0.36	0.31	0.34	0.23	0.11
OECD Europe												
OECD North America	0.02	0.01		0.01	0.01	0.01	0.02	0.01	0.04	0.01	0.01	0.01
Venezuela	0.01	0.01		0.00	0.02	0.02	0.01	0.00	0.01	0.01	-	-
Other Central & South America	0.01	0.02		0.01	0.01	0.02	0.00	0.00	0.00	0.01	0.00	0.01
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.00	-	-	0.02	0.02	-0.01
FSU	0.17	0.19		0.24	0.17	0.18	0.22	0.22	0.22	0.27	0.24	0.04
Saudi Arabia	0.00	0.00		-	0.00	0.01	-	-	-	-	-	-
Algeria	0.00	0.00		0.00	0.00	-	-	-	-	-	-	-
Other Middle East & Africa	0.08	0.07		0.07	0.08	0.07	0.05	0.05	0.04	0.07	0.06	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Other	0.02	0.08		0.09	0.07	0.11	0.03	0.04	0.06	0.14	0.07	0.07
Total²	0.32	0.39		0.44	0.37	0.43	0.33	0.32	0.38	0.52	0.40	0.13
of which Non-OECD	0.31	0.38		0.43	0.35	0.41	0.32	0.32	0.34	0.52	0.39	0.13
OECD Pacific												
OECD North America	0.00	0.00		0.00	0.00	0.00	0.00	-	0.00	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.01	0.01		0.01	0.00	0.01	0.01	0.01	0.01	0.02	-	-
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.06	0.04	0.04	0.06	0.05	0.06	0.07	0.05	0.02
Other	0.01	0.01		0.01	0.02	0.01	0.01	0.03	0.00	0.02	0.02	0.00
Total²	0.08	0.09		0.09	0.07	0.07	0.08	0.09	0.07	0.11	0.07	0.04
of which Non-OECD	0.08	0.09		0.09	0.06	0.07	0.08	0.09	0.07	0.11	0.07	0.04
Total OECD Trade²	0.61	0.74		0.80	0.82	0.90	0.85	0.84	0.83	1.03	0.76	0.27
of which Non-OECD	0.57	0.69		0.74	0.74	0.81	0.76	0.78	0.72	0.97	0.70	0.27

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 10 August 2001), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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12 November 2001

HIGHLIGHTS

- Global oil demand contracted by an estimated 750 kb/d in the third quarter, due to the global economic downturn and the terrorist attacks of 11 September. While jet fuel deliveries held up better than had been expected, OECD demand fell by 2.5% in September, the steepest monthly drop this year. Demand growth estimates are unchanged at about 100 kb/d for 2001 and 600 kb/d for 2002.
- World oil production averaged 76.7 mb/d in October, virtually unchanged from the previous month. OPEC 10 production fell by 350 kb/d to 24.1 mb/d, but remained some 920 kb/d above the current target of 23.2 mb/d. Iraqi production rose by 300 kb/d, offsetting most of the decrease in OPEC 10 production. Looking ahead, the next OPEC meeting will be on 14 November, and the current phase of the UN- sponsored Iraqi "oil-for-food" programme will end on 30 November.
- Crude prices dropped by \$2/bbl between early October and early November. Market sentiment was bearish, due to weak economies, reduced oil demand and comfortable oil inventories. Product prices also fell, with the largest decline in gasoline and the smallest in gasoil. Although refining margins rose in Europe, they were generally mediocre worldwide and declined as the month progressed.
- Total oil industry stocks in the OECD, in primary storage, grew by 1.18 mb/d in September, ending the month at 2.6 billion barrels. Stocks began the Northern Hemisphere heating season at comfortable levels, having gained a normal 500 kb/d in the third quarter. In addition, early movements of distillate from primary storage to end-users in Europe and North America have left stocks higher than the primary storage figures alone might suggest.

Next Issue: 12 December 2001

12 November 2001

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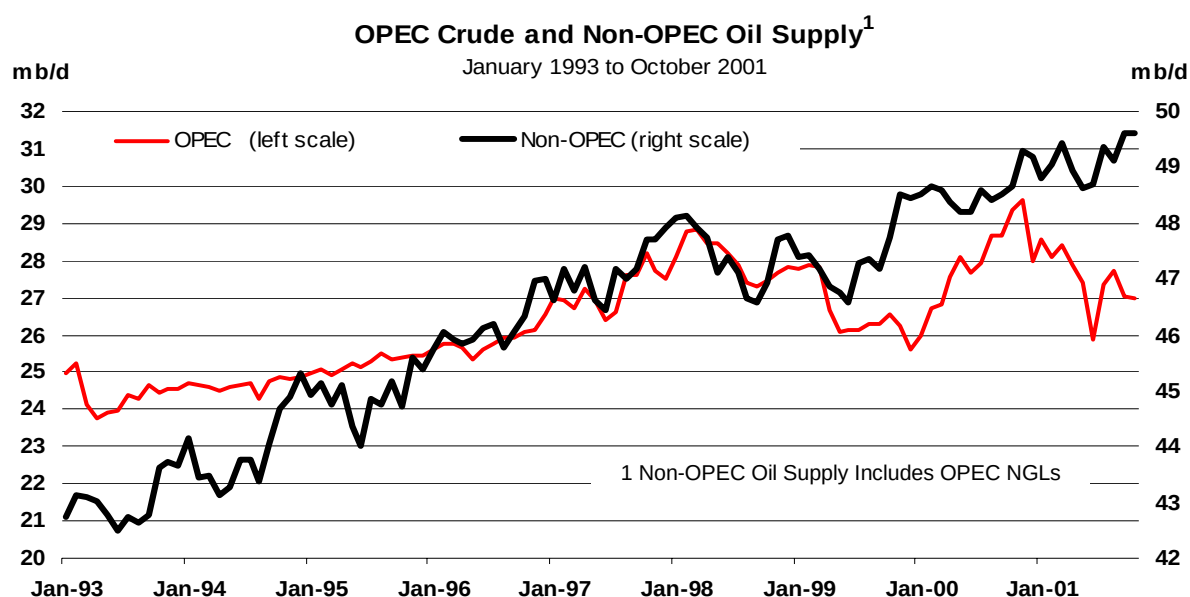
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MARKET SHARE

Oil prices are falling despite a number of supportive factors in the crude market. These include a seasonal uptick in heating oil demand, uncertainty surrounding the roll-over of the UN oil-for-food programme for Iraq, a potential build-up of the US Strategic Petroleum Reserve, an increase in non-OECD oil demand due to lower crude and product prices and "war premia" associated with possible future terrorist actions and military reactions. Furthermore, oil prices are falling despite indications that producers are considering an additional round of target reductions.

Market psychology is decidedly bearish. The 11 September terrorist attacks, and subsequent anthrax scares, have shaken consumer confidence, which had previously counteracted the industrial slow-down in the North American economy. Suggestions of a long-term battle against terrorism, and the possibility of more terrorist activities to come, are unsettling consumers. Clearly, the recent atrocities and long lines at airport check-in counters are deterrents to non-essential travel. And talk of job cuts and increased unemployment are exacting their toll.

But market psychology alone cannot fully explain developments in the oil market. The world is gradually returning to normal. As unfortunate as it may be, learning to live with terrorism is fast becoming a reality of the new world. Indeed, it could be argued that recent events suggest that the post-11 September economy may soon be on the rebound. The industrial inventory overhang, which contributed to the pre-11 September slow-down in manufacturing activity, has largely been eliminated. An unprecedented reduction in lending rates, coupled with a large stimulus package, could kick start the US economy. Furthermore, the Chinese economy largely has been unaffected by the downturn in global economic activity. These factors are supportive of oil markets.



So what is depressing prices? For one thing, market conditions are less supportive of producer cohesion. OPEC is losing market share, and this situation is unlikely to improve over the short-term. Indeed, OPEC surplus capacity now stands at 5.0 mb/d, with 0.9 mb/d of over-production. A further round of target reductions can only make matters worse. At some point, producers will have to decide whether to fight for market share, or become swing producers to protect revenues.

In addition to losing market share, and questions about the resolve of producers to remove sufficient oil from the market to stabilise prices within a target range, concerns are being voiced as to the impact of high oil prices on a fragile economy. Producers and consumers alike are waking up to the reality that sustained high prices may chase demand down and deepen the impact of the global recession.

Prices have fallen below target levels and are now lower than they have been over the past two years. But they are still higher than what was previously thought to be sustainable. What constitutes high and low oil prices is a matter of perspective.

DEMAND

Summary

- Early indications of oil products deliveries for September confirm expectations of a downturn in global oil demand, as the already ailing economy of the US and the rest of the world deteriorates in the wake of the terrorist attacks on the US. The assessment of global oil demand growth is unchanged at about 100 kb/d for this year, and 600 kb/d for 2002.
- After edging lower in the second quarter, OECD oil product demand contracted at a faster pace in the third quarter in North America and the Asia-Pacific region. Demand in OECD Europe bucked the trend, buoyed by exceptionally robust buying of distillates in France and Germany. Early stockpiling of heating fuels may lead to lower deliveries later on, however, in effect “borrowing” demand from the peak heating season. Demand is expected to keep contracting until the middle of next year across all OECD regions, though the pace of decline is likely to slow after the fourth quarter.

Global Oil Demand from 2000 to 2002

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q00	75.9	-0.4	-0.3	-
2Q00	74.4	1.4	1.1	-
3Q00	76.4	2.6	1.9	-
4Q00	76.8	-0.2	-0.1	-
1Q01	76.9	1.3	1.0	-
2Q01	75.2	1.2	0.9	-
3Q01	75.7	-1.0	-0.7	-
4Q01	76.2	-0.9	-0.7	-
1Q02	76.6	-0.4	-0.3	0.1
2Q02	75.1	-0.2	-0.2	-
3Q02	76.5	1.0	0.8	-0.1
4Q02	78.1	2.5	1.9	-
2000	75.9	0.9	0.6	-
2001	76.0	0.1	0.1	-
2002	76.6	0.7	0.6	-

* year-on-year change

- The downturn in OECD oil demand spans all products. The September attacks may have taken a less massive toll on jet fuel consumption than initially expected, at least judging from preliminary data. Those must be treated with caution, however, as they are subject to revisions. But demand for other products is also faltering, as rising unemployment in all regions threatens to erode consumer confidence, in turn prolonging the global downturn in industrial output. Aggressive economic stimulus measures may not revive oil demand in earnest until the second half of next year, though lower prices would soften the downturn.

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2001	2000	2001	2002	2000	2001	2002
North America	24.01	0.33	-0.09	0.20	1.4	-0.4	0.8
Europe	15.82	-0.12	0.01	0.02	-0.7	0.0	0.1
OECD Pacific	8.53	-0.04	-0.13	-0.09	-0.4	-1.5	-1.1
China	4.88	0.30	0.08	0.16	6.7	1.8	3.3
Other Asia	7.31	0.10	0.00	0.04	1.4	0.0	0.6
<i>Subtotal Asia</i>	20.71	0.37	-0.04	0.12	1.8	-0.2	0.6
FSU	3.69	-0.05	0.07	0.05	-1.2	2.0	1.3
Middle East	4.53	0.09	0.15	0.11	2.1	3.4	2.4
Africa	2.40	0.01	0.03	0.03	0.3	1.3	1.2
Latin America	4.84	0.02	-0.02	0.04	0.3	-0.4	0.8
<i>World</i>	76.00	0.64	0.11	0.56	0.9	0.1	0.7

- While it made up little more than a third of global oil demand last year, non-OECD demand is expected to amount to nearly triple the growth of OECD demand in 2002, as such key markets as China and the FSU remain relatively sheltered from the global economic slowdown. Non-OECD demand is still expected to advance this year, helped by lower prices, even as OECD demand swings into contraction. Yet demand growth in the developing economies will remain lackluster. Indian deliveries declined at an increasingly fast pace throughout the third quarter. Chinese apparent demand likely fell in the third quarter, though it is expected to rebound in the fourth. Latin American demand edged lower in the third quarter as well.

Estimated Annual World Oil Demand Growth 1997-2002

	(million barrels per day)					
	97-96	98-97	99-98	00-99	01-00	02-01
North America	0.48	0.38	0.68	0.33	-0.09	0.20
Latin America	0.34	0.05	0.00	0.02	-0.02	0.04
FSU	-0.16	-0.06	-0.07	-0.05	0.07	0.05
Europe	0.15	0.27	-0.13	-0.12	0.01	0.02
OECD Pacific	0.13	-0.54	0.27	-0.04	-0.13	-0.09
China	0.47	-0.02	0.30	0.30	0.08	0.16
Other Asia	0.33	0.06	0.39	0.10	0.00	0.04
Subtotal, Asia	0.93	-0.50	0.96	0.37	-0.04	0.12
Middle East	0.16	0.17	0.12	0.09	0.15	0.11
Africa	0.07	0.06	0.05	0.01	0.03	0.03
World	1.97	0.36	1.62	0.64	0.11	0.56

OECD

Early Indications of Current Demand

Early indications of oil products deliveries for September point to a sharp downturn in OECD oil demand, consistent with macro-economic statistics that reflect further deterioration across most economies in the wake of the September attacks.

Nowhere is the downturn as dramatic as in the US itself. For the first time in more than eight years, the US economy contracted in the third quarter. Third-quarter Gross Domestic Product declined by 0.4%, the US Commerce Department indicated late last month in a preliminary report. For the first time this year, consumer spending failed to offset a continued fall in business investment and spending. Consumer sentiment slid further in October as US job losses soared to their highest level in 21 years.

In Japan, the world's second-largest economy, industrial output fell 12.7% in September compared to a year earlier, as the country's unemployment rate posted its biggest rise since 1967, to a new post-war high of 5.3%. The steep drop in September left production down 4.3% for the quarter, the third quarterly decline in a row. Yet despite that nosedive in production, the inventory-to-ships ratio, a key indicator of supply-demand conditions, hit its highest level on record in September, suggesting that production continues to outpace demand – and probably signals deeper cutbacks ahead.

While European consumers continue to show more resilience than their counterparts in Asia and North America, confidence among European businessmen is plummeting. A rapidly deteriorating labour environment suggests that it might be only a matter of time before consumers follow suit. Already, confidence among householders in the UK, where consumer sentiment had been especially resilient, sank in October to its gloomiest state in a year, after bearing up relatively well in the immediate aftermath of the September terrorist attacks.

Against such a downbeat economic background, it is hardly surprising that preliminary reports show September oil deliveries contracting in eight of the largest OECD economies at an aggregate rate of 3%, led by a 4.9% decline in North America (see table below). OECD demand as a whole is estimated to have contracted by 2.5% in September, its steepest monthly drop this year. However, delivery figures for France, Korea and, to a lesser extent, Italy, appear unexpectedly strong. Aggregate deliveries of jet fuel and kerosene lost more ground, compared to last year, than deliveries of any other product. But even that double-digit decline fell somewhat short of expectations, given the extent to which the September attacks disrupted air travel.

Preliminary Inland Deliveries – September 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.46	-0.6	1.48	-15.6	2.34	-7.0	1.32	3.8	0.81	-9.3	4.62	-6.4	19.03	-4.3
Canada	0.67	0.4	0.13	-8.4	0.41	-5.9	0.05	-15.9	0.10	-34.2	0.20	-20.9	1.57	-8.8
Mexico	0.52	-0.8	0.05	-3.7	0.26	-11.4	0.00	-100.0	0.41	-19.2	0.35	-0.3	1.58	-8.1
Japan	1.01	-3.0	0.37	-4.7	0.72	-3.5	0.45	-5.0	0.45	-25.5	1.55	-7.2	4.54	-7.6
Korea	0.19	18.6	0.06	8.9	0.39	11.5	0.15	-22.1	0.31	4.7	0.96	9.9	2.06	6.9
France	0.30	-0.1	0.13	-7.8	0.58	8.8	0.42	166.7	0.05	11.0	0.50	3.8	1.97	19.4
Germany	0.66	-4.2	0.16	-7.4	0.62	-2.5	0.73	1.8	0.11	-3.4	0.48	-2.2	2.76	-2.1
Italy	0.37	-6.0	0.08	-12.9	0.44	13.7	0.13	26.8	0.29	-15.8	0.42	6.9	1.73	1.1
Total	12.18	-0.9	2.46	-12.1	5.75	-2.3	3.25	9.2	2.53	-14.4	9.08	-7.2	35.25	-3.0

Sources: US EIA, Statistics Canada, Mexico Pemex, Japan MITI, Korea PEDCO, France CPDP, Germany MWV, Italy Ministry of Industry
Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Percentage change is calculated versus last year.

While September data in general are still too sketchy to provide any firm indication, preliminary estimates show that September jet fuel deliveries fell by as much as 15.6% in the US. Weekly reports from the US Department of Energy suggest that US jet fuel deliveries have since recovered to less than 10% below last year, however. Elsewhere, the September decline was smaller, reaching double-digit levels only in Italy. In Mexico, the drop was as low as 3.7%. In Korea, deliveries actually soared, by 8.9%. The surprisingly bullish data seem at odds with reports from the airline industry pointing to much steeper cuts in air traffic, flight schedules and fleet capacity.

Most major airlines have cut both fleet capacity and flight schedules by 15% to 25%. Quarterly earnings reports in recent weeks showed the extent of the financial turmoil at the world's major airlines and the scope of their cost-cutting efforts. The world's biggest carrier, American Airlines, announced capacity cuts on the order of 20%, as it posted the largest quarterly loss in its history. The reduction seems in line with those of most of its US competitors. Continental Airlines, for example, retired 49 planes in the third quarter and 15 more in October. Taking into account the delivery of 22 new planes, its fleet was trimmed by a total of 42. In Europe, British Airways reported drops of more than 30% both in the number of passengers carried and in revenue passenger miles in the Americas. For the world as a whole, "passengers carried" and revenue passenger miles fell by about 15% and 25%. According to the Association of European Airlines, air traffic contracted by more than 35% in the Americas in the five weeks from 10 September to 14 October, and by 15-20% world-wide. The International Air Transport Association predicts a 15% drop in global commercial air traffic this quarter.

Translating those changes into shifts in jet fuel demand is tricky, however. Most airlines are likely to ground their most fuel-inefficient aircraft, so the corresponding cut in jet fuel requirements could actually exceed their reduction in fleet capacity. The timing of the expected cuts and the correlation between air travel and fuel requirements are also unclear. Announced fleet reductions can take time to work through the system, and so jet fuel demand can keep eroding even as passenger traffic shows signs of a rebound. But cuts in fleet capacity or flight schedules can cause only small drops in fuel requirements if the airlines target long-haul flights, which by definition entail fewer fuel-intensive takeoffs and landings than do short-haul ones. Financial incentives to cut fuel costs will also decrease as fuel prices ease, or if the airlines locked in jet fuel supplies at a pre-set price.

Preliminary inland delivery data are hardly more transparent. Those data often overlook exports, or even deliveries to foreign companies, which, at international airports, can be substantial. A 4.7% contraction in Japanese jet fuel and kerosene deliveries in September excludes not only actual exports, but also local deliveries to foreign airlines. Assuming trading patterns in line with last year, the September drop in deliveries of kerosene-type jet fuel would come closer to 22% if deliveries to foreign airlines are included. Given uncertainties about trade, a more conservative 8% decline estimate has been used in this Report for aggregate Japanese deliveries of jet fuel and kerosene. Recent US shifts in products exports and imports also may not be fully reflected in preliminary data. Anecdotal evidence suggests that, breaking from established patterns, the US exported jet fuel in September, while product imports in general were subdued. Pending more detailed surveys due at end of the month, the estimates on jet fuel demand used in this Report are thus somewhat lower than those reflected in the preliminary data. However, the latest assessments – roughly in line with informal reports from major jet fuel suppliers – have been revised upwards from last month.

While recent estimates of jet fuel deliveries may overstate demand, evidence of high product deliveries in Western Europe stems less from reporting glitches than from an apparent temporary distortion of seasonal buying patterns. Most striking is a 166.7% jump in French deliveries of heating oil, up to 418 kb/d from 157 kb/d in September last year. French deliveries of residual fuel oil and “other products” also reached double-digit growth, while diesel demand soared by 8.8%. Altogether, a jump of roughly 19% in French product demand appears to have propped up total OECD European deliveries in September even as demand vanished elsewhere.

Most of the gains appear to be a one-off event and should be balanced by declines this quarter, however. To a large extent, the increase in heating oil deliveries reflects the depressed levels of a year ago, when tax considerations caused end-users to delay buying until October. As a result, French heating oil demand had slumped by 37.6% in September last year, only to soar by 65.2% the following month. In addition, this year’s terrorist attacks, and concerns about US retaliation, appear to have encouraged precautionary buying by French end-users, as well as by their German and Italian counterparts. Sharply lower product prices offered an added incentive to stockpile. But early buying leaves less room to build up stocks further later on, and demand accordingly should slump in the coming months.

Regional contrasts in OECD demand patterns thus seem to reflect one-off distortions rather than structural divergences, in line with the pattern of the economic downturn in the US and elsewhere. The downturn in demand covers not only the globe, but also the product range. The decline in residual fuel oil demand actually outpaced the apparent drop in jet fuel and kerosene demand in September in the eight leading OECD economies for which preliminary data were available. Reduced industrial demand undermines natural gas prices, making residual fuel oil less competitive for power generation. At the other end of the barrel, slower consumer spending is also threatening to extend the down cycle of the petrochemical industry, undermining demand for naphtha, and causing demand for “other products” to slump. Gasoline demand also slumped in September in the US, the product’s largest market, a shift that tilted aggregate gasoline demand for the entire OECD into decline.

Moving Annual Average Change in Oil Demand – September 2001

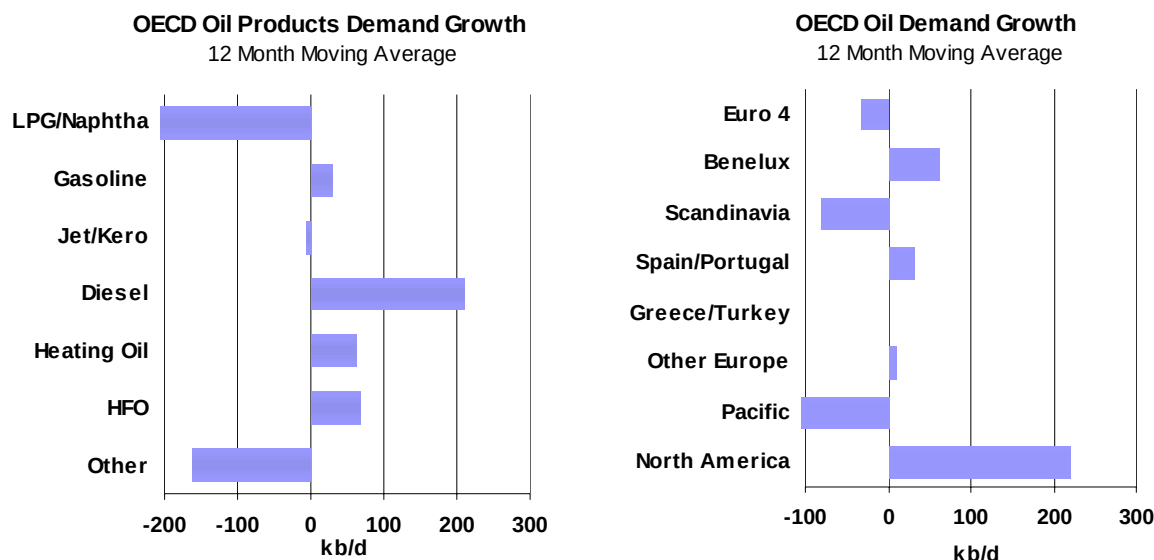
	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	kb/d
US	-7.8%	-9.6%	0.9%	1.1%	5.0%	7.0%	18.3%	-5.4%	0.7%	139
Canada*	-11.7%	2.5%	1.4%	-2.9%	1.6%	0.1%	24.7%	3.5%	0.5%	10
Mexico	-2.6%	-55.6%	3.3%	3.9%	-2.5%	-1.4%	-1.1%	-46.9%	-2.4%	-49
Japan	1.2%	-1.6%	0.6%	1.2%	-2.6%	-1.2%	-8.1%	-10.5%	-2.2%	-124
Korea	1.2%	1.5%	-1.6%	-12.1%	13.5%	-19.7%	0.0%	-33.3%	-1.3%	-29
France	-4.6%	0.3%	-4.5%	-3.0%	2.6%	12.1%	-16.2%	3.8%	1.0%	20
Germany	-4.9%	-4.0%	-4.7%	-0.4%	1.7%	6.6%	9.3%	-1.6%	0.5%	14
Italy	0.2%	-2.8%	-2.2%	-1.4%	10.3%	-12.6%	-11.6%	21.0%	-1.1%	-21
UK*	-8.5%	-8.0%	-0.9%	5.9%	1.8%	1.8%	6.5%	0.3%	-0.5%	-9
Total	-5.5%	-2.4%	0.3%	0.1%	3.6%	2.3%	2.3%	-4.6%	-0.2%	-60
Kb/d	-237	-61	42	5	200	84	80	-173	-60	

* near-month data are estimated

The twelve-month moving-average change in aggregate oil demand growth for the nine largest OECD markets (see table above) shows how widespread the downtrend in demand is across the OECD and the product mix. For the first time in many months, the aggregate moving-average change swung into decline in September, led by a steep drop in OECD Asia’s leading economies, Japan and Korea. Even as the twelve-month moving-average changes of the latter two countries sinks deeper into decline, contrasts between regions and between products are generally fading. Waning support from fuel-switching by US electric utilities and industrial users is eroding growth in North American demand for residual fuel oil and gasoil. As this decline is compounded by a continued drop in North American LPG and naphtha deliveries, the US and Canada no longer stand out as demand strongholds. It is France that showed the strongest moving-average change this month, at a mere one percent. Since the dramatic increase in September heating oil deliveries that propelled it to the top of the list is a one-off event, however, the French moving-average is likely to recede next month.

Not surprisingly, the moving-average change in jet and kerosene demand fell in September by more than the moving-average changes in demand for any other product, shedding 1.8 percentage points. Residual fuel oil came next, down 1.1 percentage points, as waning support from North American

fuel-switching more than offset upticks in Europe. Moving-average changes for LPG and naphtha were little changed, and were still among the very weakest. By contrast, distillate demand showed relatively robust moving average changes, propped up by a dramatic surge in French and Korean deliveries in September. That support should vanish in coming months, however, pushing moving average changes in demand for diesel and “other gasoil” back in line with other products.



North America

Unusually gloomy US economic data call for a gloomy North American oil demand forecast. The longest period of uninterrupted economic expansion in US history ended in the third quarter. The US economy contracted, shrinking in the three months that ended in September for the first time in eight years, and at the fastest pace since the last officially declared recession, at the time of the 1990-1991 Gulf War. Consumer spending, roughly two thirds of economic growth, continued to edge up, but growth fell from 2.5% in the second quarter to 1.2% in the third, the slowest since the first quarter of 1993. US retail sales slumped 2.4% in September, the steepest decline in nearly 10 years.

While the terrorist attacks of September and the subsequent anthrax scares undoubtedly helped tilt US economic growth into reverse, components of economic growth had long been weakening. US factories orders fell 5.8% for the fourth consecutive month in September, while construction spending declined for the fifth month in a row. Industrial output shrank for the twelfth consecutive month, marking the longest uninterrupted industrial downturn since World War II. Almost one fourth of estimated production capacity was unused, a level unsurpassed since June 1983.

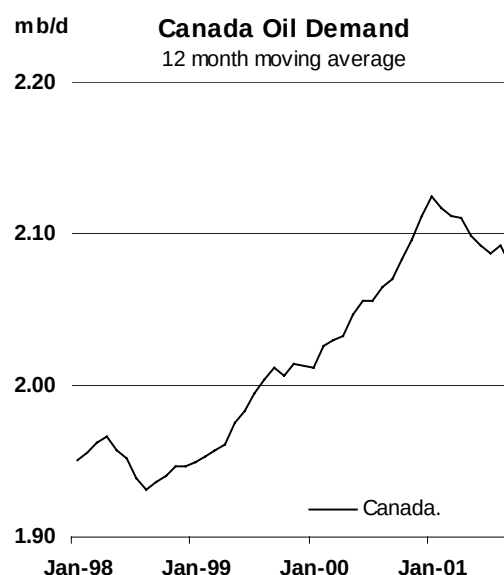
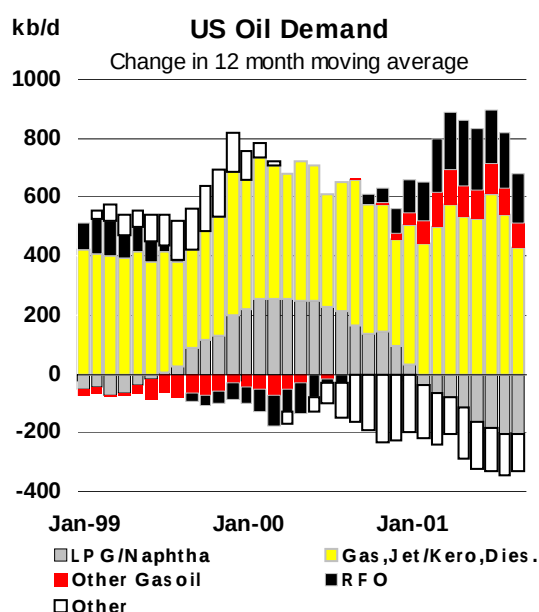
More bad news followed in October. Unemployment levels rose to an 18-year high, leading personal spending to contract at the fastest pace in more than 14 years. Consumer spending had slid a seasonally adjusted 1.8% in September, the sharpest decline since January 1987. Consumer confidence dropped in October to the lowest level in more than seven and a half years. A measure of US manufacturing for October sank to its lowest level since February 1991. New orders and production sank, making a recovery unlikely soon.

Poor economic data were matched by equally poor oil delivery data. US oil demand appears to have posted the first quarterly drop in the third quarter since early 1997, down to 19.69 mb/d from 20.02 mb/d a year earlier. Moreover, US oil demand is expected to keep contracting for three more quarters, before rebounding in the second half of next year, marking the longest period of demand contraction since the 1980s. Much of the decline is expected to be led not only by sharply lower jet fuel demand in the wake of the September terrorist attacks, but also by even steeper drops in residual fuel oil demand. Lower consumer demand and reduced industrial output are also expected to continue curtailing petrochemical demand for naphtha, which is already in a severe downturn.

Despite the gloom, there is also some upside potential in the US demand outlook. The Commerce Department's National Oceanic and Atmospheric Administration forecasts a colder-than-normal winter in much of the northern US, signalling strong demand for heating fuels for the second year in a

row. While no repeat of the record-breaking cold temperatures of November and December of last year is expected, this winter should be cooler than the warm winters of the 1990s, according to the NOAA. This should partly offset lower heating-oil demand due to fuel switching by power generators in the Northeast and elsewhere.

In addition, sharply lower distillate and gasoline prices are expected to curb fuel conservation efforts, boosting demand for transportation fuels and for heating. US retail gasoline prices fell to their lowest level since August 1999 in the wake of the September terrorist attacks. Partly as a result, and also because of aggressive zero-percent financing packages offered by the automobile industry, sales of highly fuel-inefficient sports utility vehicles soared in October.



Aggressive economic stimulus measures are expected to help revive economic growth in the second half of next year. Citing the damping effect on economic activity of “heightened uncertainty and concerns about a deterioration in business conditions both here and abroad,” the Federal Reserve’s Open Market Committee earlier this month cut its target for the federal funds rate by 50 basis points to 2%, the lowest rate in 40 years. The cut, the tenth this year, was matched by a 50 basis point reduction in the discount rate, to 1.5%.

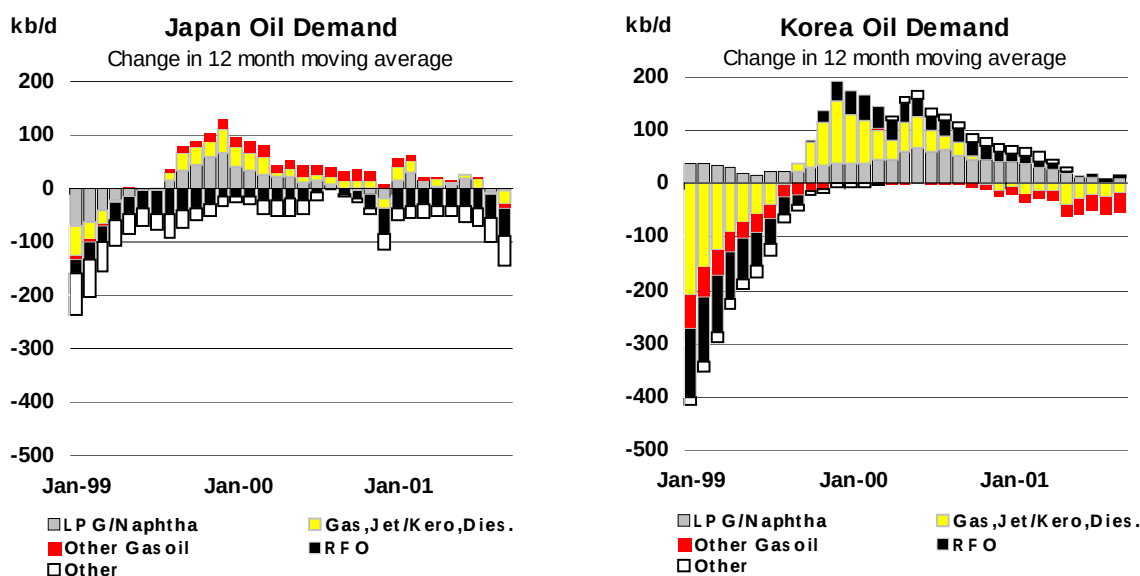
Meanwhile, recent re-submissions of US data have raised the demand estimate for the first quarter by roughly 60 kb/d. Sharp upward revisions in LPG deliveries, and smaller ones in residual fuel oil, helped raise the assessment of January demand by nearly 160 kb/d. More modest revisions for February lift the assessment by roughly 55 kb/d, while March revisions cut the assessment by an aggregate 40 kb/d. For the second quarter, US re-submissions raise the estimate of demand by only 10 kb/d, as sharp downward adjustments in June deliveries of LPGs and residual fuel oil offset upward revisions for April and May. Combined with 57 kb/d downward revisions in Canadian demand, US re-submissions cut the estimate of June North American demand by nearly 150 kb/d.

Pacific

Asia’s largest economy, Japan, struggling with a prolonged downturn in activity and rising unemployment, posted its steepest drop in oil demand so far this year in September. Deliveries fell roughly 7.5% short of last year’s level, according to preliminary data. That contraction, coming on the heels of declines of 2.3% and 5.4% in July and August, brings the quarterly average change in Japanese oil demand to minus 5.1%. This compares to a drop of 0.9% in the second quarter and a 1.5% gain in the first.

Demand for all products contracted in the third quarter, led by declines of 10.6% for residual fuel oil, 8% for naphtha and 14.5% for “other oils”. Sinking jet fuel demand is expected to lead to further declines until well into next year. Fear of flying in the wake of the September terrorist attacks and falling consumer and business spending have severely curtailed air travel. Japan’s major airlines have cut flights to the US by as much as 50%. Declining air traffic is causing jet fuel tanks to bulge. Trade

publications recently quoted Japanese oil traders as complaining that there was not enough storage capacity in either Japan or Korea to accommodate excess jet fuel production.



In the face of falling demand, Japanese refiners are deepening crude oil run cuts announced barely a month ago, while buyers are deferring purchases of both crude and products in the expectation of further price drops. Most refiners now expect to keep crude oil throughputs 9% below last year's level until the end of the year. For Nippon Mitsubishi, the cut reportedly brings operating levels to 63% of capacity, the lowest level since 1991. Both September crude imports and refinery throughputs already were sharply lower than in August, in anticipation of weakening demand.

By contrast, Korean deliveries surged 7.4% in September, reversing declines of 0.4% and 5.6% in July and August, and lifting the quarterly average by 0.4% from last year, following three quarters of decline. The unexpected gain stands in sharp contrast with recent patterns that saw Korean demand contract in nine of the 13 months since last September, shrinking by 1.9% in the fourth quarter of 2000, and by 0.7% and 3.1% in the first and second quarters of this year. While Korea faces brighter prospects, this export-driven, technology-driven country cannot expect a quick uptick in economic activity. Rather, a combination of business opportunism and precautionary stockpiling seems to have driven market participants in this wholly import-dependent economy to boost their purchases. Demand should slow again if products in secondary and tertiary storage fail to find an outlet.

Europe

European consumers have remained relatively more resilient than their American and Asian counterparts, though European business confidence and industrial output continue to erode. But rising unemployment signals a coming shift in consumer spending. And the region's largest economy, Germany, accounting for roughly one third of eurozone economic output, may be on the brink of recession, according to the country's leading economic institutes.

Germany's most important business climate index registered a spectacular fall last month, touching its lowest level since 1993 and recording the biggest monthly drop since the world economic crisis of 1973. The sharper-than-expected drop in the Ifo index, echoing an earlier plunge in a closely watched Belgian gauge of business confidence to its lowest level in five years, gave rise to fears that the eurozone may be lurching into recession. Those fears increased when recent data showed that manufacturing activity in three European countries contracted sharply in October. Purchasing managers' indices for Denmark, Ireland and the Netherlands all dropped to record lows, while growth in the Greek manufacturing sector appears to be grinding to a halt. More bad news came from the UK, where industrial production and manufacturing output fell much faster than expected in September, down 3% and 3.7% on the year, respectively.

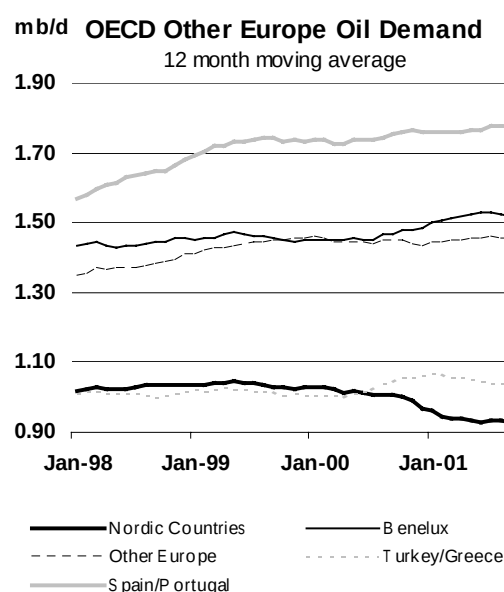
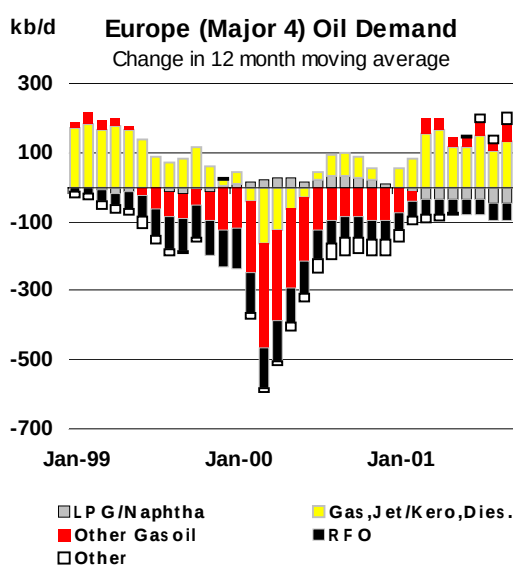
Slight gains in French and Dutch consumer confidence in September, after an initial dip in the immediate aftermath of the terrorist attacks against the US, may be short-lived. As noted above, consumer confidence in the UK is already showing signs of faltering. Consumer sentiment is

typically a lagging indicator, and so can be expected to dip as the effect of the US' economic woes trickle down to its trading partners in the eurozone.

Likewise, relatively strong European oil deliveries in September, and in the third quarter as a whole, will likely be a prelude to relatively steep declines in the fourth quarter. September data already are mixed, with steep gains in France and, to a lesser extent, Italy partly offset by a substantial dip in the region's weakest but largest economy, Germany. Demand contraction of 2.1% in Germany would have been steeper if not for a further gain in heating oil stockpiling by residential users, following heavy price-opportunistic buying in the summer. With German residential tanks now well above year-earlier levels, and barring a severe and early cold snap, German oil demand is unlikely to receive further support from heating fuel deliveries this winter.

A dramatic spike in French buying in September is also likely to amount to "borrowed demand" from the winter. Year-ago French demand had been abnormally depressed in September by the expectation of tax cuts on heating oil purchases and blockades of refineries and service stations by truck drivers protesting high diesel prices. But the 19% gain in French demand this year more than offsets last year's 10.2% drop, and likely reflects hoarding and precautionary buying spurred by the September terrorist attacks.

While European demand seems unlikely to receive much support from the economy before the middle of next year, the weather might be more helpful. Precipitation levels are so far well below last year's record highs, raising the prospects of greater residual fuel oil requirements in Italy and France to make up for a shortfall in hydropower production. The average water level in Swiss hydropower reservoirs in early November stood at only 84% of capacity, versus 92% a year earlier. It is the lowest figure for the corresponding week for four years.



Non-OECD

Tepid growth in OECD oil deliveries expected next year, following an overall contraction this year, places the spotlight on non-OECD economies as the main source of oil demand gains. However, many developing economies are export-driven and thus highly dependent on the US, and to a lesser extent on Japan and the eurozone, for their continued expansion. Lower product prices in some countries might reinvigorate faltering consumer demand, partly offsetting the depressing effects of a synchronised downturn striking the three main OECD regions simultaneously. Oil demand should continue to expand among the fast-growing populations of the Middle East, where economic growth this year benefited from the influx of revenue offered by high international oil prices, even as domestic consumers continue to enjoy prices well below those of international markets.

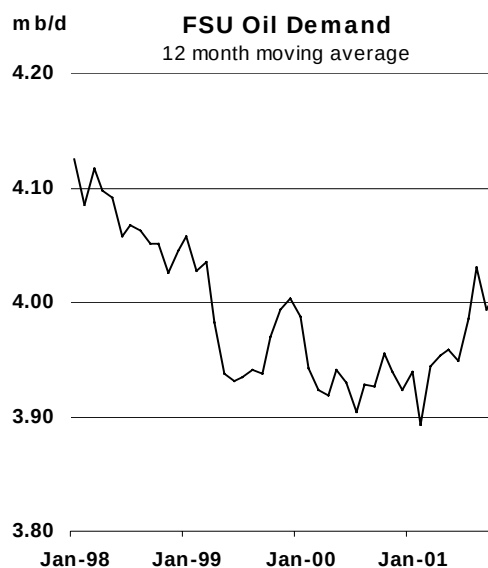
More uncertain is the outlook for oil demand growth in the two large developing economies considered most insulated from the US and global slowdowns, the FSU and China. Both show potential for demand gains, though in both cases demand growth should remain relatively modest in the short term.

Former Soviet Union

FSU economic growth this year has been benefiting from the twin windfall of fast-rebounding crude oil production and, until recently, strong crude oil prices. Russia, in particular, remained largely unaffected by the global economic slowdown, with economic growth estimated at 5% in the first half and widely expected to stay on track for a full-year expansion rate of 5-6%. The terrorist attacks of 11 September had no discernible impact on either business or consumer activity, as retail sales soared 11.3% in September compared with the previous year.

While most of the FSU's oil production growth has been geared to export markets rather than to the domestic scene, economic expansion has spurred higher consumer demand for transportation fuels, especially in the Moscow area. Domestic refiners have increasingly sought to capture that burgeoning market, reconfiguring their plants to boost gasoline production. Further gains in FSU crude production should remain geared towards exports, helped by a recent expansion of the country's export infrastructure. But domestic demand should also continue to edge higher next year, though lower oil prices could slow the region's economic expansion.

In the very near term, domestic consumption is expected to grow seasonally, constraining exports of residual fuel oil, the region's main heating fuel. Gasoil exports, by contrast, should increase seasonally to meet export heating-demand, though tighter product specifications in Germany should reduce that market's role as a key outlet for Russian products. In an effort to secure adequate stocks during the peak heating season and avoid a repeat of last winter's heating crisis, the Russian government last month capped gasoil exports at 30% of refinery output. However, the restrictions failed, and fuel storage levels reportedly fell by more than 20%. The government has since said that it would extend the quota into November and tighten it further. A comprehensive, but short-lived, ban on all Russian fuel exports late last month appears to have been the result of a bureaucratic mix-up. The government reportedly had merely sought to block exports by four refiners that allegedly tried to obtain bigger quota allocations by inflating their reported processing volumes.



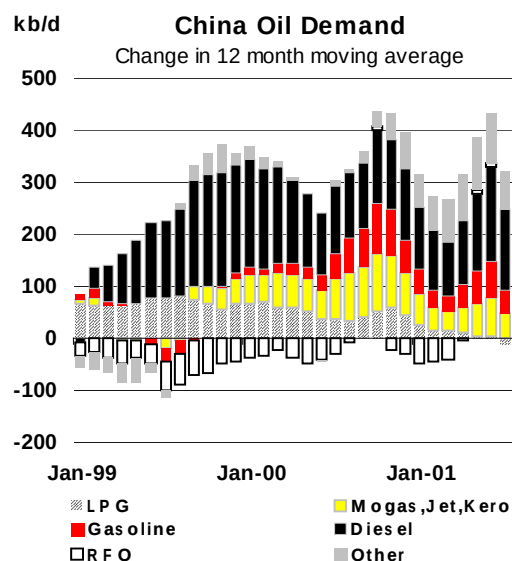
China

Apparent Chinese demand is by definition tied to the country's oil import levels, which in recent months have been swinging widely from month to month. In the short run, dramatic shifts in apparent demand thus may not directly reflect underlying trends in consumer and industrial consumption and in the country's economic activity, though in the longer run they are obviously linked. A recent reform of China's oil product pricing mechanism, in effect as of 17 October, should moderate import volatility and smooth out month-to-month swings. How effective the reform will be is still unclear, however. In the meantime, apparent oil demand patterns will continue to be partly driven by the country's efforts at inventory management, as well as final demand.

China's crude oil and product stocks reached highs deemed excessive by the government ahead of summer as its two main refiners competed for market share. Apparent demand had been expected subsequently to enter a downturn as the refiners carried out a government mandate to draw down their inventories. Demand did contract as expected in August, by 8.4%, extending July's 10.6% decline. As in July, the decline was spread across the product mix, with the exception this month of diesel demand, which inched up by 0.4%. Gasoline demand fell the most, by 20.9%, followed this month by demand for jet fuel and kerosene, which fell by 15.4%.

Anecdotal evidence points to further declines in September, as refiners continued to unload excess gasoline barrels across Asia, while keeping a lid on residual fuel oil imports. Chinese fuel oil buying still was conspicuous by its scarcity in October, reflecting lower requirements from southern Chinese manufacturers in the face of falling export demand. But apparent demand was expected to start rebounding last month, following throughput increases in September, as refiners prepared to meet increased requirements due to the resumption of fishing by mid-September as well as to autumn farming. In addition, LPG imports were reported to have soared in September as Chinese buyers took advantage of a perceived bottoming out of prices. After falling an estimated 7.4% in the third quarter, Chinese apparent demand is thus expected to rebound by 3.5% in the fourth, even as the contraction in OECD demand is expected to peak.

In the longer run, Chinese demand depends mostly on the country's ability to extend its economic growth in a global context of synchronised slowdowns among the world's leading economies. It will also depend on how oil intensive its main areas of economic development will be. The Chinese government has slightly lowered its GDP growth forecast in recognition of a slowdown in export growth due to the effects of the global economic downturn. However, GDP growth is seen to remain strong based on domestic developments, as the growth of the domestic service industry, in particular, is expected to absorb the slack of reduced exports. Should the focus of Chinese economic growth shift from manufacturing and infrastructure development to the service sector, even comparatively substantial economic development could lead to relatively moderate oil demand growth.



Other non-OECD

Indian demand continued to edge lower in September. Unadjusted official data show that, far from slowing, a decline in diesel demand, which has now been going on for 12 consecutive months, reached double-digit rates at the end of the third quarter. Diesel accounts for roughly 40% of total Indian demand. Moreover, gasoline demand growth, which in the winter and spring was often running at double-digit rates, swung into decline for the first time since August 1998. Adjusted data show quarterly demand shifting from nearly flat growth of 0.1% in the first quarter to accelerating declines of 0.4% and 3.3% in the second and third quarters. With the exception of Reliance Petroleum's giant Jamnagar plant, Indian refiners have been reducing runs to reflect the persistent decline in product demand. While lower prices potentially could cause consumption to rebound, prices are not set for deregulation until April. In the mean time, the government will likely prefer to recoup some of the costs of subsidising oil prices in recent months than to boost demand by dropping prices.

Thai demand declined in August for the 19th consecutive month, while Philippine consumption is set for further declines after President Gloria Arroyo last month inaugurated the Malampaya gas-to-power project. Manila expects the scheme to reduce its dependence on imported fuel for power generation. First gas delivery was made ahead of schedule in September to the 1,000-megawatt Santa Rita station. Two other plants, the 1,200-MW Ilijan facility and the 500-MW San Lorenzo station, are also to be supplied with Malampaya gas.

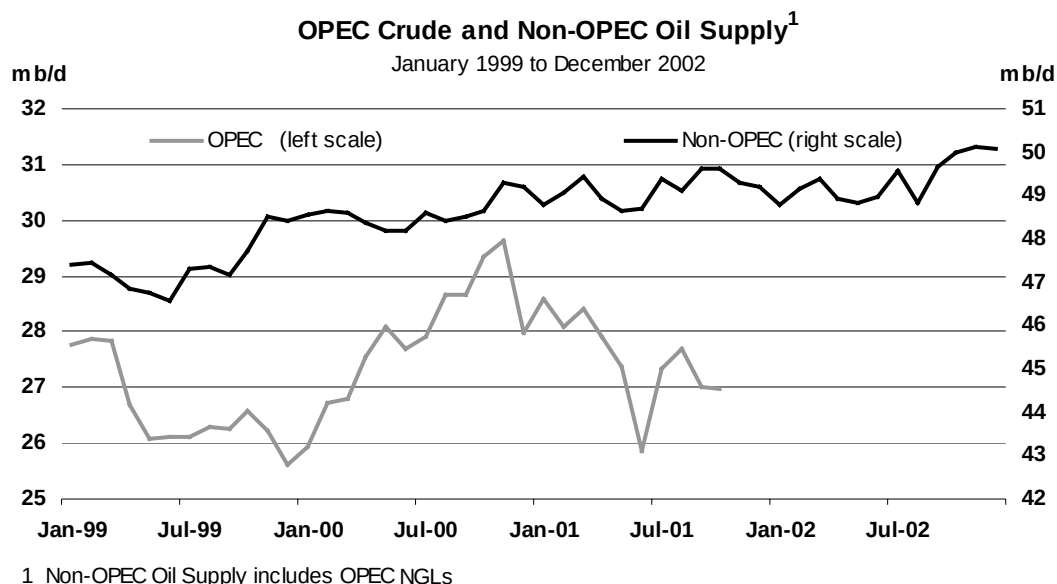
Summary of Global Oil Demand

	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
Demand (mb/d)																
North America	23.77	23.65	23.84	24.45	24.43	24.10	24.22	23.76	24.05	24.01	24.01	23.86	23.66	24.36	24.93	24.21
Europe	15.21	15.17	14.62	15.16	15.40	15.09	15.18	14.76	15.36	15.05	15.09	15.03	14.64	15.38	15.36	15.10
Pacific	8.69	9.35	8.09	8.35	8.81	8.65	9.44	7.99	8.09	8.59	8.53	9.19	7.89	8.04	8.64	8.43
Total OECD	47.68	48.17	46.56	47.96	48.64	47.84	48.83	46.52	47.50	47.65	47.62	48.07	46.19	47.77	48.92	47.74
FSU	3.66	3.65	3.49	3.55	3.77	3.61	3.77	3.62	3.58	3.78	3.69	3.82	3.66	3.63	3.85	3.74
Europe	0.71	0.77	0.72	0.67	0.72	0.72	0.77	0.73	0.67	0.73	0.73	0.78	0.74	0.68	0.74	0.74
China	4.49	4.73	4.55	5.05	4.82	4.79	4.67	5.16	4.68	4.99	4.88	4.89	5.07	4.89	5.30	5.04
Other Asia	7.21	7.23	7.40	7.35	7.26	7.31	7.34	7.42	7.23	7.26	7.31	7.35	7.45	7.30	7.34	7.36
Latin America	4.85	4.72	4.89	4.96	4.88	4.86	4.71	4.85	4.93	4.86	4.84	4.73	4.88	4.98	4.93	4.88
Middle East	4.29	4.27	4.41	4.52	4.32	4.38	4.41	4.57	4.68	4.46	4.53	4.52	4.68	4.80	4.56	4.64
Africa	2.37	2.40	2.34	2.36	2.41	2.37	2.42	2.36	2.39	2.44	2.40	2.44	2.39	2.42	2.47	2.43
Total Non-OECD	27.57	27.76	27.80	28.46	28.18	28.05	28.10	28.72	28.17	28.51	28.38	28.53	28.86	28.69	29.19	28.82
World	75.25	75.93	74.36	76.42	76.82	75.89	76.94	75.24	75.68	76.17	76.00	76.60	75.05	76.46	78.11	76.56
Of which:																
US	19.52	19.27	19.48	20.02	19.98	19.69	19.86	19.57	19.69	19.65	19.69	19.50	19.47	19.92	20.47	19.84
Euro 4	8.54	8.46	8.08	8.43	8.56	8.38	8.41	8.20	8.66	8.31	8.39	8.30	8.12	8.64	8.52	8.40
Japan	5.60	6.01	5.01	5.41	5.63	5.51	6.10	4.97	5.14	5.47	5.42	5.92	4.88	5.09	5.47	5.34
Korea	2.08	2.33	2.06	1.95	2.18	2.13	2.32	2.00	1.96	2.10	2.10	2.26	1.98	1.95	2.13	2.08
Mexico	1.94	2.00	2.00	2.00	1.94	1.99	1.96	1.90	1.96	1.92	1.94	1.95	1.90	1.99	1.97	1.95
Canada	2.01	2.06	2.07	2.14	2.19	2.11	2.06	1.98	2.09	2.11	2.06	2.07	1.99	2.12	2.15	2.08
Brazil	2.15	2.07	2.16	2.20	2.17	2.15	2.08	2.13	2.18	2.16	2.14	2.09	2.15	2.20	2.18	2.16
India	2.00	2.09	2.04	2.00	1.97	2.03	2.10	2.03	1.93	1.99	2.01	2.12	2.08	1.97	2.03	2.05
Annual Change (% per annum)																
North America	3.0	0.6	1.9	1.6	1.4	1.4	2.4	-0.3	-1.6	-1.7	-0.4	-1.5	-0.4	1.3	3.8	0.8
Europe	-0.5	-4.4	1.1	2.6	-2.2	-0.8	0.0	1.0	1.3	-2.3	0.0	-1.0	-0.8	0.1	2.0	0.1
Pacific	3.2	-1.2	2.1	1.6	-3.7	-0.4	0.9	-1.2	-3.1	-2.5	-1.5	-2.7	-1.4	-0.7	0.5	-1.1
Total OECD	1.9	-1.4	1.7	1.9	-0.7	0.3	1.4	-0.1	-1.0	-2.0	-0.4	-1.6	-0.7	0.6	2.7	0.2
FSU	-1.9	-3.9	1.6	-1.1	-1.4	-1.2	3.5	3.8	0.9	0.2	2.0	1.2	0.9	1.3	1.9	1.3
Europe	-7.7	1.1	1.4	1.3	1.3	1.3	0.0	1.3	0.9	0.7	0.7	0.8	1.2	1.5	1.5	1.2
China	7.2	8.2	-1.4	16.7	3.9	6.7	-1.4	13.5	-7.4	3.5	1.8	4.8	-1.7	4.5	6.2	3.3
Other Asia	5.7	1.4	2.3	2.0	0.1	1.4	1.6	0.2	-1.6	-0.1	0.0	0.0	0.4	0.9	1.1	0.6
Latin America	0.1	0.5	1.0	0.6	-0.8	0.3	-0.2	-0.8	-0.5	-0.2	-0.4	0.5	0.6	0.9	1.3	0.8
Middle East	3.0	0.1	1.4	3.5	3.5	2.1	3.4	3.6	3.6	3.1	3.4	2.4	2.3	2.5	2.4	2.4
Africa	2.1	1.8	0.0	-0.1	-0.6	0.3	1.1	1.1	1.3	1.5	1.3	0.9	1.3	1.2	1.3	1.2
Total Non-OECD	2.8	1.4	1.0	3.7	0.9	1.7	1.2	3.3	-1.0	1.2	1.2	1.5	0.5	1.8	2.4	1.6
World	2.2	-0.4	1.4	2.6	-0.2	0.9	1.3	1.2	-1.0	-0.9	0.1	-0.4	-0.2	1.0	2.5	0.7
Annual Change (mb/d)																
North America	0.68	0.15	0.45	0.38	0.33	0.33	0.57	-0.08	-0.40	-0.42	-0.09	-0.36	-0.10	0.31	0.92	0.20
Europe	-0.07	-0.70	0.15	0.38	-0.35	-0.13	0.01	0.15	0.20	-0.35	0.00	-0.15	-0.12	0.01	0.31	0.01
Pacific	0.27	-0.12	0.17	0.13	-0.34	-0.04	0.09	-0.10	-0.26	-0.22	-0.13	-0.25	-0.11	-0.05	0.04	-0.09
Total OECD	0.88	-0.67	0.78	0.89	-0.36	0.16	0.66	-0.04	-0.46	-0.99	-0.21	-0.76	-0.33	0.27	1.27	0.12
FSU	-0.07	-0.15	0.06	-0.04	-0.05	-0.05	0.13	0.13	0.03	0.01	0.07	0.05	0.03	0.05	0.07	0.05
Europe	-0.06	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01
China	0.30	0.36	-0.06	0.72	0.18	0.30	-0.07	0.61	-0.37	0.17	0.08	0.22	-0.09	0.21	0.31	0.16
Other Asia	0.39	0.10	0.16	0.14	0.01	0.10	0.12	0.02	-0.12	-0.01	0.00	0.00	0.03	0.06	0.08	0.04
Latin America	0.00	0.02	0.05	0.03	-0.04	0.02	-0.01	-0.04	-0.03	-0.01	-0.02	0.02	0.03	0.04	0.06	0.04
Middle East	0.12	0.00	0.06	0.15	0.15	0.09	0.15	0.16	0.16	0.14	0.15	0.10	0.11	0.11	0.11	0.11
Africa	0.05	0.04	0.00	0.00	-0.02	0.01	0.03	0.03	0.03	0.04	0.03	0.02	0.03	0.03	0.03	0.03
Total Non-OECD	0.74	0.39	0.28	1.01	0.24	0.48	0.34	0.92	-0.29	0.33	0.33	0.42	0.14	0.52	0.67	0.44
World	1.62	-0.28	1.05	1.90	-0.12	0.64	1.01	0.88	-0.75	-0.65	0.11	-0.34	-0.18	0.78	1.94	0.56
Changes from Last Month's Report																
North America	-	-	-	-	-	-	0.06	-0.02	-0.06	0.08	0.01	0.13	0.01	-0.12	0.06	0.02
Europe	-	-	-	-	-	-	-	0.02	0.20	-0.02	0.05	0.03	0.01	0.15	-0.01	0.05
Pacific	-	-	-	-	-	-	-	-	-0.06	-0.09	-0.04	-0.06	-0.02	-0.09	-0.08	-0.06
Total OECD	-	-	-	-	-	-	0.06	-	0.08	-0.04	0.02	0.10	-	-0.05	-0.04	-
FSU	-	-	-	-	-	-	-	-	0.02	0.03	0.01	-	-	0.02	0.03	0.01
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-0.03	-	-0.01	-	-	-0.03	-	-0.01
Other Asia	-	-	-	-	-	-	-	-	-0.08	-0.01	-0.02	-0.01	-	-0.08	-	-0.02
Latin America	-	-	-	-	-	-	-	-	-0.02	-0.02	-0.01	-0.02	-0.02	-0.04	-0.02	-0.03
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-0.10	-	-0.03	-0.03	-0.02	-0.13	0.01	-0.04
World	-	-	-	-	-	-	0.06	-	-0.03	-0.04	-	0.06	-0.02	-0.18	-0.03	-0.04

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 76.74 mb/d for October, almost unchanged from 76.80 mb/d in the previous month (see Table 4). **OPEC 10** production fell by 350 kb/d, to 24.12 mb/d, but remained some 920 kb/d above their October target of 23.2 mb/d. During the month, OPEC called on non-OPEC producers to co-operate with OPEC in the effort to support prices. However, a meeting between OPEC and non-OPEC producers on 29 October did not produce a breakthrough. OPEC reportedly is considering a 1-1.5 mb/d reduction in its production target at the next meeting in Vienna on 14 November. Meanwhile, **Iraqi** production rose by 300 kb/d in October, offsetting the bulk of the decrease in OPEC 10 production. Phase X of the UN oil-for-food programme will end on 30 November.
- **Non-OPEC** supply remained virtually unchanged at 46.77 mb/d. In the **OECD**, North Sea production increased in October as maintenance work was completed, while output from North America decreased due to weather conditions and maintenance (see Table 4A). The Northstar field in Alaska came onstream on 1 November.
- In **non-OECD** areas, Russian supply increased, while Chinese output fell due to declines at the Daqing field. An oil workers' five-day strike in Brazil resulted in a loss of 140 kb/d, on a monthly basis, while the Cano Limon pipeline in Colombia was shut down for two weeks because of guerrilla attacks. Offshore Angola, the 30 kb/d Kuito field Phase 1C development came onstream in early November. Output is expected to increase further over the next several months, as the 180 kb/d Girassol field is scheduled for start-up in December.
- The **"call on OPEC crude plus stock change"** for the fourth quarter of this year has been revised upwards by 0.3 mb/d, to 26.1 mb/d, due mainly to revisions in supply (see Table 1). The "call" for the year 2001 now stands at 26.5 mb/d, while the "call" for 2002 is reduced to 25.9 mb/d.



All world oil supply figures for October discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary October crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 200 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

OPEC asked non-OPEC producers to co-operate with OPEC's efforts to support oil prices during the month of October. The Venezuelan President Hugo Chavez conducted a three-week tour, visiting major producers and consumers, and a meeting between OPEC and non-OPEC producers was held in Vienna on 29 October. Along with the 11 OPEC countries, Angola, Egypt, Kazakhstan, Mexico, Norway and Russia were represented at the talks. These efforts, however, did not produce a major breakthrough in obtaining substantive co-operation from non-OPEC producers. OPEC reportedly is mulling a 1-1.5 mb/d reduction in its production target at its next meeting on 14 November.

Preliminary estimates show that October OPEC crude supply, excluding Iraq's, fell by 350 kb/d from the previous month, to 24.12 mb/d. Production was some 920 kb/d above the October target of 23.2 mb/d. OPEC 11 output decreased by only 50 kb/d to 26.96 mb/d, as Iraqi production rose by 300 kb/d. In October, it is estimated that OPEC spare capacity stood at 5.0 mb/d. September OPEC production has been revised downwards by 220 kb/d; Saudi Arabian production is revised upwards, while supplies from most other countries are lowered.

OPEC Crude Production

(million barrels per day)

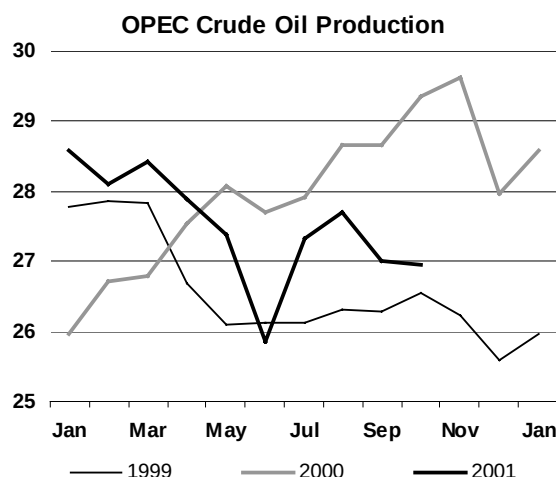
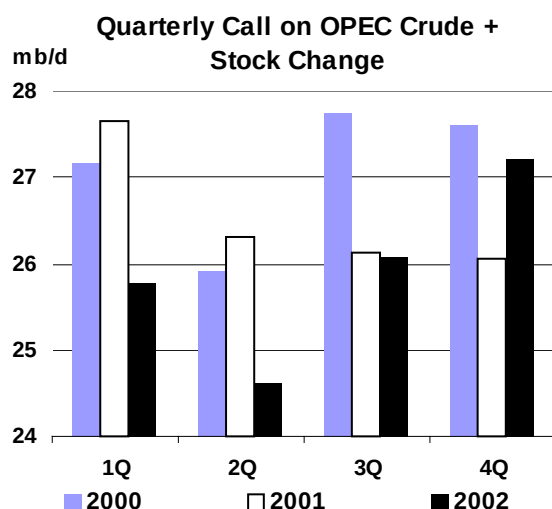
	1 Apr 2001 Target	Cut	1 Sep 2001 Target	Oct 2001 Production	Sustainable Production Capacity ¹	Spare Capacity vs Oct 2001 Production
Algeria	0.773	0.032	0.741	0.81	0.95	0.14
Indonesia	1.255	0.052	1.203	1.18	1.25	0.07
Iran	3.552	0.146	3.406	3.56	3.90	0.34
Kuwait ³	1.941	0.080	1.861	1.95	2.50	0.55
Libya	1.296	0.054	1.242	1.31	1.45	0.14
Nigeria	1.993	0.082	1.911	2.17	2.20	0.03
Qatar	0.627	0.026	0.601	0.64	0.75	0.11
Saudi Arabia ³	7.865	0.324	7.541	7.67	10.50	2.83
UAE	2.113	0.088	2.025	2.04	2.50	0.46
Venezuela	2.786	0.116	2.670	2.79	3.15	0.36
Subtotal	24.201	1.000	23.201	24.12	29.15	5.03
Iraq				2.85	2.80	-
Total				26.96	31.95	5.03

¹ Capacity levels can be reached within three months and maintained for more than six months

² Includes half of Neutral Zone production

Saudi Arabian crude supply (excluding the Neutral Zone, but including the Abu Safa field) fell by an estimated 250 kb/d, to 7.35 mb/d, in October, while production from **Kuwait** (excluding the Neutral Zone) is put at 1.63 mb/d, down 20 kb/d from September. **Neutral Zone** production fell by 10 kb/d to 640 kb/d, while **UAE** output rose by 20 kb/d to 2.04 mb/d. **Algerian** and **Venezuelan** production averaged 0.81 mb/d and 2.79 mb/d. **Nigeria** was more than able to make up the loss resulting from an explosion in late September. Nigerian production rose by an estimated 40 kb/d, to 2.17 mb/d.

Indonesian crude output increased by 10 kb/d, to 1.18 mb/d. The Indonesian parliament passed a law in late October to liberalise the country's oil and gas sector by ending the monopoly held by the state-owned oil and gas company, Pertamina. Pertamina is to be stripped of its 30-year monopoly on the country's refining, distribution and marketing sector and will have to compete with other domestic and foreign downstream players. The law provides for the establishment of a regulatory body to supervise the implementation of downstream business activities. On the upstream side, the supervision of foreign contractors will be transferred from Pertamina to an independent implementing body that will report directly to the oil minister. Many important details, however, are yet to be defined by subsequent regulations.



Iranian crude production averaged 3.56 mb/d for October, a drop of 60 kb/d from the previous month. Shell plans to start up the Soroosh field in November. The field is located off Kharg Island and contains estimated recoverable reserves of 1 billion barrels of crude. Shell signed a buyback agreement in November 1999 to develop the Soroosh and Nowruz fields. The contract calls for output from the Soroosh field to reach 100 kb/d and from the Nowruz field 90 kb/d by 2003.

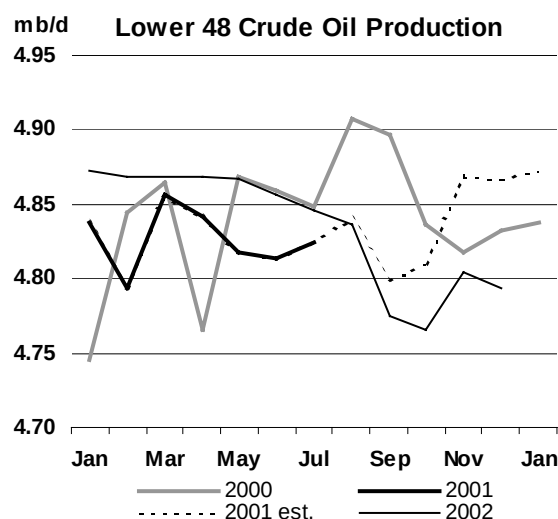
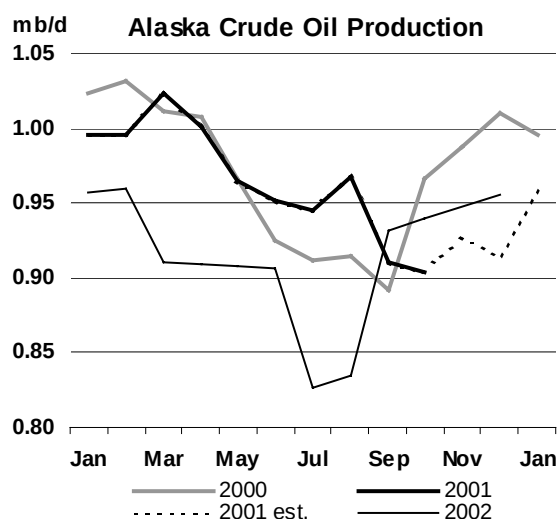
Iraqi exports under the UN oil-for-food programme rose by 300 kb/d from the previous month, to 2.25 mb/d. With an estimated 600 kb/d of domestic consumption and border trade, Iraqi production is put at 2.85 mb/d for October. September Iraq production has been revised downwards by 220 kb/d, because of a reduction in border trade. Refineries in the country reportedly were shut down as a precautionary measure against the possible US air strike.

Phase X of the UN oil-for-food programme will end on 30 November. Given that Iraq halted its exports under the UN programme at the phase renewals in June this year, December last year and December 1999, there is some concern that Iraqi exports might be disrupted again. In addition, the US and the UK reportedly are trying to win support for a UN Security Council resolution on smart sanctions against Iraq. However, other OPEC countries could easily compensate for the loss with their current spare capacity, even if Iraq suspends its exports. Furthermore, markets appear already to have factored this possibility into pricing.

OECD

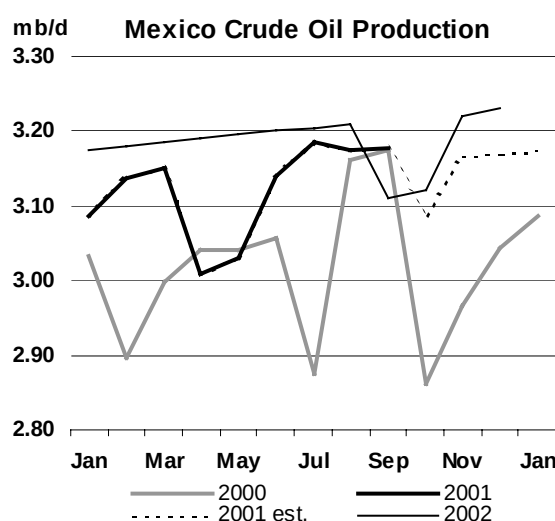
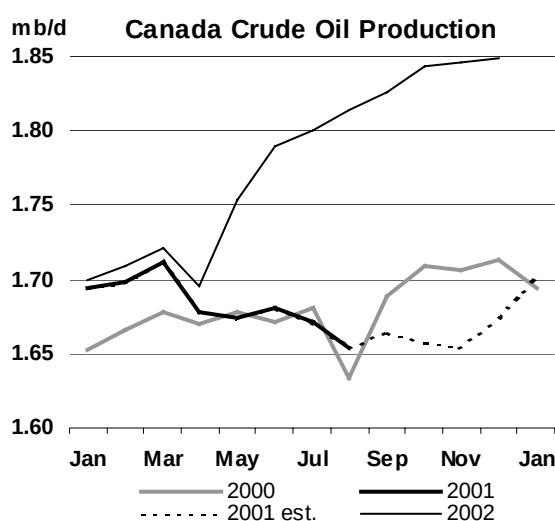
North America

US - October - Alaska actual, other estimate: October US crude production is estimated to have remained unchanged from the previous month at 5.71 mb/d. Alaskan production fell by 10 kb/d, to 900 kb/d. In early October, output fell to as low as 100 kb/d for two days, due to an oil leak resulting from vandalism on the Trans-Alaska Pipeline System (TAPS). However, production returned to



normal in four days. The Northstar field came onstream on 1 November. Supply from California remained unchanged at 790 kb/d, while output in the Gulf of Mexico increased by 20 kb/d, to 1.54 mb/d. Supply from other states decreased by 10 kb/d. The latest data suggest that August NGL production increased by 50 kb/d from the previous month, to 1.95 mb/d.

Canada - August actual, September and October estimates: Canadian crude production in August fell by 20 kb/d, to 1.65 mb/d. Heavy crude output in Alberta and Saskatchewan remained low at 240 kb/d and 330 kb/d. Output from the offshore Hibernia field fell by 10 kb/d, to 130 kb/d. Canadian crude supply is estimated to have increased slightly, by 10 kb/d, in September and October. Synthetic crude production fell by 40 kb/d, to 300 kb/d, due to scheduled maintenance work at the Syncrude plant and maintenance activities continued in September. The other synthetic crude plant, Suncor, reportedly was shut down for ten days in October. August NGL production was up 40 kb/d, to 700 kb/d.



Mexico - September actual, October estimate: Mexican crude production remained unchanged at 3.18 mb/d in September. NGL production also remained unchanged from the previous month at 440 kb/d. Mexico's state-owned Pemex had said that it would cut output by 70 kb/d from August to November due to technical problems at the Cantarell field, where a nitrogen enhanced oil recovery project is under way. However, in August and September, output from the offshore field dropped just 10 kb/d from the July level. Lower crude output is expected for October, owing to weather conditions.

North Sea

UK – August actual, September and October estimates: UK offshore crude and NGL production fell by 30 kb/d, to 2.37 mb/d, in September. The drop came from NGL output; crude production remained basically unchanged. Supply from the Brent system fell by 40 kb/d due to maintenance work. Conversely, production in the Forties system rose by the same amount. Within the Forties system, the Elgin/Franklin field was up 40 kb/d from the previous month, to 100 kb/d, while the Shearwater field averaged 40 kb/d, an increase of 20 kb/d. The Elgin/Franklin field came onstream in April this year and the Shearwater field resumed production in July after an eight-month shutdown. Condensate production from these gas condensate fields is counted as crude. Offshore production is estimated to have increased in September and October, with the end of scheduled summer maintenance work.

North Sea Oil Production Outlook

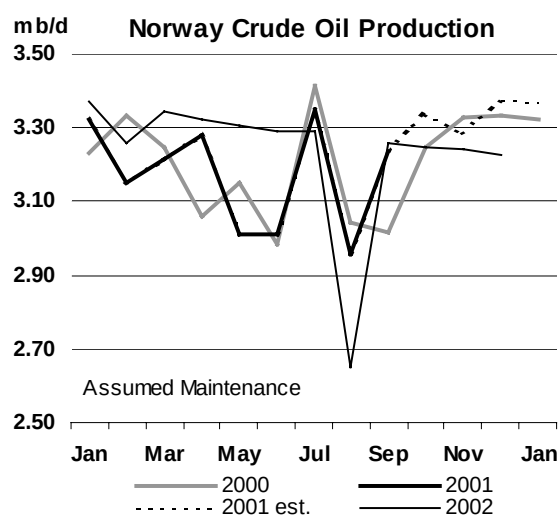
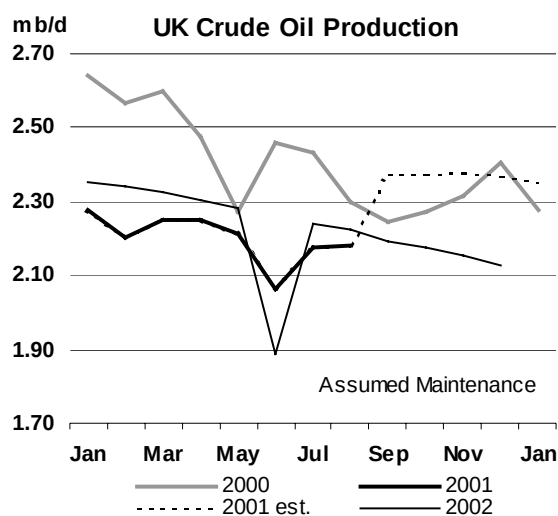
October 2001 - March 2002
(thousand barrels per day)

	Oct 01	Nov 01	Dec 01	Jan 01	Feb 02	Mar 02
UK	2627	2632	2621	2622	2613	2593
Norway	3512	3480	3590	3593	3492	3578
Denmark	364	362	366	358	356	354
Other ¹	56	55	64	64	63	63
Total	6560	6528	6640	6637	6524	6588

¹ offshore Netherlands and offshore Germany

Norway – September actual, October estimate: September production was up 240 kb/d from the previous month. Output from the Ekofisk area rose by 150 kb/d, after maintenance work was completed. Production in the Statfjord/Gullfaks, Haltenbanken and Sleipner/Frigg areas increased by

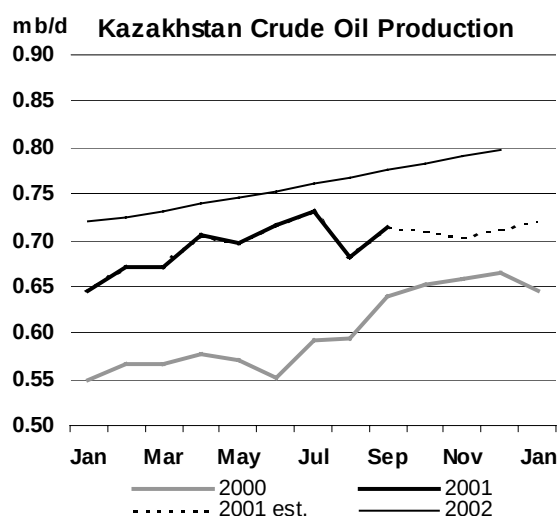
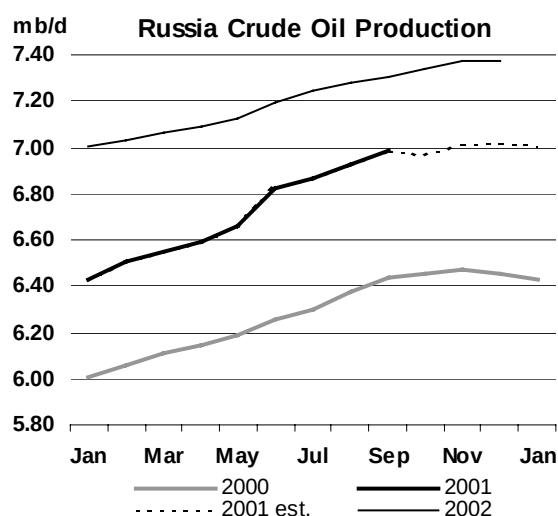
20 kb/d to 30 kb/d each. Meanwhile, technical problems at the Gullfaks and Asgard fields continue. Asgard output will not return to normal before mid-November, while production at the Gullfaks will stop for a week at the beginning of November. Norwegian crude and NGL production is estimated to have average 3.51 mb/d for October.



Former Soviet Union (FSU)

Russia - September actual, October estimate: Russian output (crude plus NGLs) averaged 7.19 mb/d for September. Production increased for the eighth consecutive month and September production volumes were up 510 kb/d from a year ago. Compared to the previous month, production from most Russian oil companies increased. In contrast, output from the Sakhalin II project fell by 10 kb/d, to 70 kb/d. Russian supply is forecast at 7.25 mb/d for the fourth quarter of this year and is set to increase to 7.44 mb/d for 2002.

Russia ruled out an immediate cut in oil production, following a meeting in Moscow between the Russian President Vladimir Putin and the Venezuelan President Hugo Chavez in late October. President Chavez was on a three-week tour of major producers and consumers aimed at securing their co-operation in supporting oil prices. Although Russian production continues to rise, exports recently have been slowing down, as stocks are being replenished and demand starts rising at the onset of winter. FSU exports averaged 4.62 mb/d for October, compared to 4.80 mb/d in the third quarter (see Trade section).

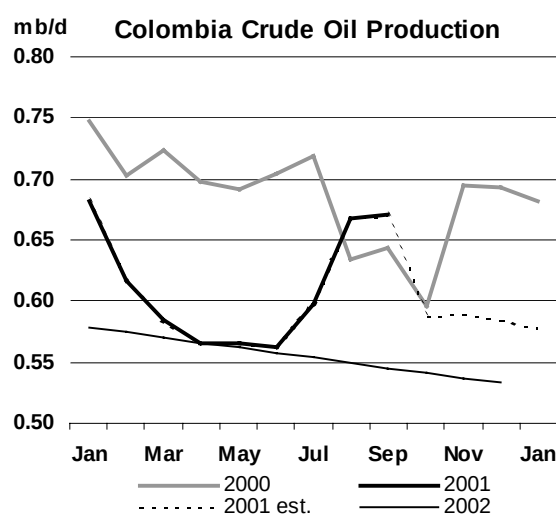
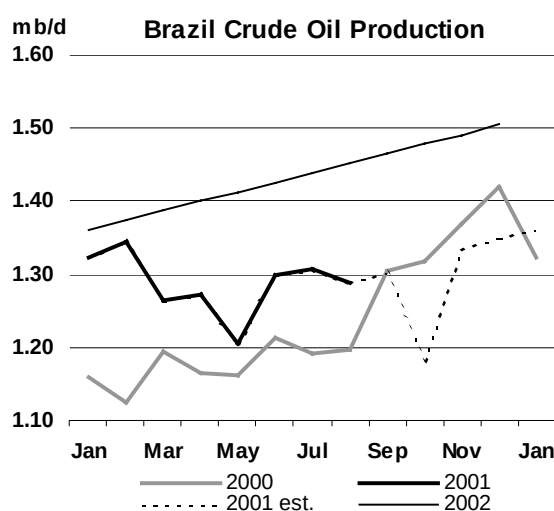


Kazakhstan - September actual, October estimate: Kazakhstan production (crude and NGLs) fell sharply by 60 kb/d, to 720 kb/d, in September, as exports from the Karachaganak gas condensate fields were suspended in a dispute over VAT between Kazakhstan and Russia. The field's production

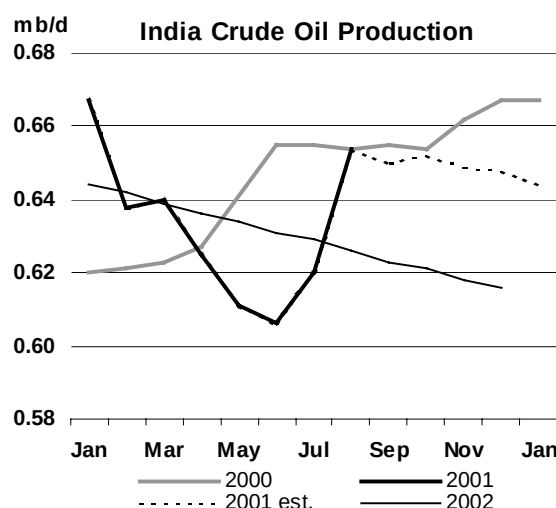
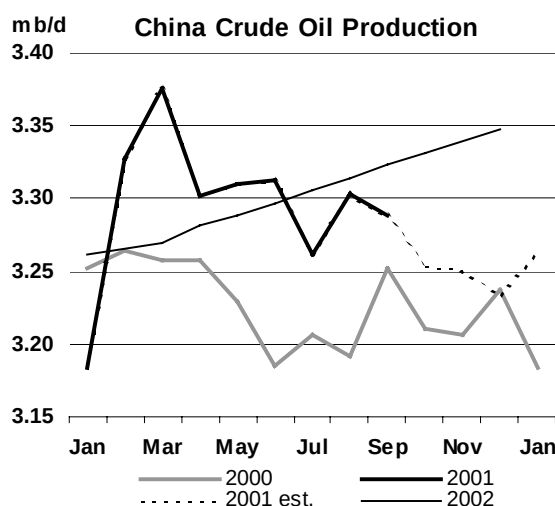
averaged a meagre 2 kb/d for September, compared to 90 kb/d in August. Since the Karachaganak field is located near the Russian border and its gas is sent to the Orenburg complex on the Russian territory for processing, output has suffered from various wrangles between the two countries. To prevent these issues from re-occurring, the operator, Karachaganak Integration Organisation, launched the construction of a liquid processing plant and a 650 km pipeline to link the field to the Caspian Pipeline Consortium (CPC) pipeline. It was reported in early November that the field had resumed production. Meanwhile, the loading of the first crude transported by the CPC pipeline was completed at the Novorossiysk terminal on the Black Sea in mid-October.

Other Non-OPEC

Brazil - August actual, September and October estimates: Brazilian crude production fell by 20 kb/d, to 1.29 mb/d, in August. While onshore production remained unchanged, output from the offshore Rio de Janeiro area decreased. Production bounced back to an estimated 1.30 mb/d in September. However, Brazil's oil workers went on strike over wages in October. Crude production of 140 kb/d was lost on a monthly basis, due to the five-day strike. October crude output is put at 1.18 mb/d. The strike ended on 29 October and production increased to 1.34 mb/d by early November.



Colombia – September actual and October estimate: Colombian supply in September remained unchanged from the previous month at 680 kb/d. The Cano Limon field in the eastern part of the country was able to produce at capacity in August and September, after its pipeline had been shut down for five months resulting from guerrilla attacks. The pipeline, however, was closed for two weeks in October as guerrillas resumed attacks on the pipeline. Meanwhile, production at the Cusiana/Cupiagua field averaged 300 kb/d for August and September, recovering from the loss in July.



China - September actual, October estimate: In September, Chinese crude supply fell marginally from the previous month, to 3.29 mb/d. Declines at China's largest Daqing field were noticeable in recent months. Daqing Oil, a subsidiary of PetroChina, said that output would fall by 30 kb/d to 40 kb/d a year until 2005. Field production averaged 1.06 mb/d last year and is expected to fall to 1.02 mb/d this year.

India - August actual, September and October estimates: Indian output rose by 30 kb/d, to 740 kb/d, in August. Production from the offshore Bombay High field returned to normal, after six month-long maintenance work was completed at the end of July. Supply from onshore fields also rose slightly. Due to the recovery in Bombay High output, Indian production is estimated to average 730 kb/d for this year and 720 kb/d for next year.

Egypt - September actual, October estimate: Egyptian crude output remained unchanged at 640 kb/d in September, while its NGL production fell slightly, by 10 kb/d, to 110 kb/d. NGL production is expected to recover in October. Egypt appears to be strengthening its tie with OPEC. The country participated in the experts meeting between OPEC and non-OPEC producers on 29 October, after sending an observer to the OPEC meeting in September.

Angola - September actual, October estimates: The latest data indicate that Angola's crude production averaged 710 kb/d for the month of September. Output fell from 740 kb/d in the first quarter of this year, to 720 kb/d in the second quarter and 710 kb/d in the third quarter. However, production will rise in the next several months, as offshore production increases. The North Nemba platform in Block 0 started production in August. North Nemba is expected to reach peak production of 50 kb/d during the second quarter of next year. In addition, the Kuito field Phase 1C development in the adjacent Block 14 came onstream in early November. The new development will add 30 kb/d, bringing the field's current production to 85 kb/d. The Kuito field is expected to produce 70 kb/d next year. Furthermore, the Girassol field in Block 17 is scheduled for start-up in December.

Revisions to Non-OPEC Oil Supply

The estimated non-OPEC supply growth for 2001 has been reduced by 70 kb/d, to 630 kb/d, due mainly to weaker-than-expected data for the US and Kazakhstan. Meanwhile, growth in 2002 has been increased by 70 kb/d to 940 kb/d. The increase results from revisions made to India and Russia (for further details, see the relevant country sections).

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2001	2002	02 vs. 01	2001	2002	02 vs. 01	2001	2002	02 vs. 01
North America	14.33	14.75	0.43	14.32	14.70	0.38	-0.01	-0.05	-0.04
Europe	6.73	6.75	0.03	6.71	6.77	0.06	-0.01	0.01	0.03
Pacific	0.78	0.73	-0.05	0.78	0.72	-0.06	0.00	-0.01	-0.01
Total OECD	21.84	22.24	0.40	21.82	22.19	0.38	-0.02	-0.05	-0.03
Former USSR	8.53	8.99	0.46	8.51	9.02	0.51	-0.02	0.03	0.05
Europe	0.18	0.17	-0.01	0.18	0.17	-0.01	0.00	0.00	0.00
China	3.28	3.29	0.01	3.28	3.30	0.02	0.01	0.01	0.01
Other Asia	2.39	2.35	-0.04	2.38	2.38	0.00	-0.02	0.03	0.05
Latin America	3.78	3.83	0.05	3.77	3.82	0.05	-0.01	0.00	0.01
Middle East	1.99	1.94	-0.05	1.99	1.93	-0.05	0.00	-0.01	0.00
Africa	2.85	2.86	0.02	2.83	2.84	0.01	-0.01	-0.02	-0.01
Total Non-OECD	23.00	23.43	0.43	22.94	23.47	0.53	-0.05	0.04	0.10
Processing Gains	1.75	1.79	0.04	1.75	1.79	0.04	0.00	0.00	0.00
Total Non-OPEC	46.59	47.46	0.87	46.51	47.45	0.94	-0.08	-0.01	0.07

OMR = Oil Market Report

TRADE

Net OECD Crude and Product Trade by Region

North American net imports of crude oil declined by approximately 3% between July and August, and were 7% below August 2000. This reflects a lowered crude oil requirement due to decreased refinery activity as well as domestic production increases in the United States. The WTI - Brent differential was about \$2 per barrel at the beginning of the month, but rapidly narrowed in the latter half, when the availability of North Sea crude was squeezed by a major North Sea producer's heavy purchase of Brent (see "West African and North Sea Trade") as well as by maintenance of oil fields offshore of Norway. These factors reduced the normal flow of North Sea and West African crude oil to North America. Crude imports to the United States from the United Kingdom and Norway declined between July and August by around 30% and 50% respectively, and from Nigeria, by 10%.

With gasoline demand steady in the United States and domestic output of gasoline declining, the transatlantic arbitrage window widened to pull in makeup supply. The wider arbitrage and low freight rates both contributed to the increase in imports. North American net gasoline imports in August recovered to 560 kb/d, just short of June's level. Gasoline imports to the United States from the United Kingdom increased by almost 50%, and by about 10% from Norway. Gasoline imports to the U.S. from China grew more than sevenfold, as China made intensive efforts to dispose of its domestic gasoline stock surpluses. Chinese exports crowded out imports from Singapore and South Korea, with the volumes shrinking by 80% and 70%, respectively. Net imports of heavy fuel oil decreased sharply to 220 kb/d. Utility demand for fuel oil weakened in the Northeast as natural gas prices softened, and strong prices in Singapore induced Gulf Coast refiners to export fuel oil to Asia.

OECD North America Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Latest month vs. Jul 01 Aug 00	
Net Imports/(Exports) of:											
Crude Oil	7.19	7.38	7.97	7.35	7.47	7.72	7.20	7.88	7.65	-0.23	-0.58
Products & Feedstocks	1.16	1.13	1.10	1.29	1.78	1.54	1.55	1.15	1.11	-0.04	0.06
Gasoil/Diesel	0.00	0.03	-0.03	0.05	0.36	0.06	0.03	0.00	-0.06	-0.07	-0.01
Gasoline	0.45	0.36	0.34	0.38	0.50	0.59	0.62	0.40	0.56	0.16	0.22
Heavy Fuel Oil	0.13	0.18	0.19	0.31	0.34	0.32	0.30	0.35	0.22	-0.13	0.07
LPG	0.03	0.04	0.06	0.05	0.03	0.03	0.05	0.03	0.04	0.01	-0.03
Naphtha	0.04	0.08	0.08	0.10	0.10	0.04	0.02	0.00	0.04	0.04	-0.02
Jet & Kerosene	0.09	0.11	0.13	0.12	0.17	0.17	0.14	0.09	0.11	0.01	-0.09
Other	0.41	0.34	0.33	0.28	0.29	0.34	0.40	0.26	0.19	-0.07	-0.09
Total	8.34	8.50	9.07	8.64	9.25	9.26	8.75	9.02	8.75	-0.27	-0.52

Source: IEA MOS imports and exports data for extra-regional trade

According to preliminary weekly statistics, the US's crude oil imports appear to have rebounded in October, matching those a year earlier. While deliveries of products other than gasoline have not recovered, a large proportion of the incremental imports helped rebuild crude stocks in the Midwest. American gasoline imports also have been firm since the second half of September, with stronger deliveries, resulting from lower prices. In contrast, jet imports for the past two months are considerably lower than in the same period of 2000, because of reduced air traffic in the aftermath of the 11 September attack. Imports of heating oil increased in October as consumers prepared for the coming winter heating season. Colder than normal weather is forecast for the Northeast.

Net crude oil imports into **OECD Europe** in August jumped by 16% to 7.83 mb/d, compared to July. Reduced supply due to maintenance of oil fields in the Norwegian North Sea as well as the limited availability of Brent crude oil attracted make-up crude oil from West Africa and Middle Eastern countries. The United Kingdom's crude oil imports increased 35% between July and August, and those of France, by 23%.

August gasoline exports from OECD Europe surged to 240 kb/d, following months during which only small net quantities were exported. The Atlantic arbitrage window opened and the region's supply surplus moved to North America. Gasoil imports remained firm, with consumers in Germany and

elsewhere stockpiling heating oil prior to the winter. Net imports of heavy fuel oil declined to a normal level as utility demand subsided. The bulk of the decline occurred in Russian fuel oil; Russia cut its heavy fuel oil exports considerably as it started to build fuel oil stocks for the coming winter. Net imports of jet and kerosene increased slightly to 310 kb/d, buoyed by the summer travel season.

OECD Europe Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Latest month vs.	
										Jul 01	Aug 00
Net Imports/(Exports) of:											
Crude Oil	6.95	7.14	7.30	7.76	7.27	7.03	7.05	6.77	7.83	1.06	0.41
Products & Feedstocks	1.02	1.19	1.39	0.99	1.21	1.30	1.80	1.94	1.77	-0.17	0.29
Gasoil/Diesel	0.28	0.32	0.38	0.28	0.39	0.40	0.49	0.45	0.55	0.10	0.23
Gasoline	-0.29	-0.23	-0.17	-0.27	-0.27	-0.21	-0.07	-0.02	-0.24	-0.22	-0.07
Heavy Fuel Oil	0.08	0.09	0.11	0.03	0.11	0.02	0.13	0.27	0.08	-0.18	-0.07
LPG	0.17	0.19	0.16	0.22	0.19	0.12	0.14	0.09	0.18	0.09	0.01
Naphtha	0.23	0.19	0.22	0.11	0.20	0.26	0.31	0.23	0.25	0.02	-0.03
Jet & Kerosene	0.07	0.13	0.17	0.16	0.14	0.22	0.27	0.27	0.31	0.04	0.09
Other	0.47	0.50	0.51	0.46	0.46	0.48	0.54	0.66	0.63	-0.02	0.14
Total	7.96	8.32	8.69	8.76	8.48	8.33	8.86	8.71	9.60	0.89	0.70

Source: IEA MOS imports and exports data for extra-regional trade

As in North America, jet fuel demand in Europe has fallen after the terrorist attack. Swissair became insolvent and most airlines curtailed their flight schedules. This will reduce the need for future net imports of jet fuel into Europe.

Net crude oil imports to **OECD Pacific** countries in August increased by more than 10% from July, to 6.52 mb/d, which is slightly higher than a year ago. Japanese imports decreased by 4%, while Korean crude imports were around 10% higher than the year earlier. This apparent surge may, however, be explained by the fact that last year's imports were exceptionally low due to originally scheduled heavy refinery maintenance. Net gasoil/diesel exports almost doubled to 290 kb/d in the month, as product demand in Korea weakened, in addition to the opening of an arbitrage window to the U.S. West Coast market.

OECD Pacific Crude & Product Trade

(million barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Latest month vs.	
										Jul 01	Aug 00
Net Imports/(Exports) of:											
Crude Oil	6.90	6.71	6.45	6.94	7.50	6.31	5.97	5.90	6.52	0.62	0.05
Products & Feedstocks	1.01	1.05	0.98	0.94	1.00	0.92	0.89	0.91	1.06	0.15	0.04
Gasoil/Diesel	-0.20	-0.20	-0.24	-0.23	-0.22	-0.14	-0.11	-0.15	-0.29	-0.14	-0.04
Gasoline	-0.01	0.00	0.02	-0.02	0.00	-0.02	-0.02	0.00	0.00	0.00	-0.03
Heavy Fuel Oil	-0.16	-0.11	-0.11	-0.18	-0.18	-0.12	-0.11	-0.08	-0.02	0.06	0.07
LPG	0.55	0.56	0.61	0.51	0.51	0.56	0.55	0.47	0.53	0.06	-0.03
Naphtha	0.65	0.66	0.66	0.70	0.66	0.58	0.53	0.71	0.76	0.05	0.06
Jet & Kerosene	-0.01	-0.03	-0.12	0.01	0.09	-0.13	-0.17	-0.17	-0.09	0.09	0.01
Other	0.19	0.16	0.15	0.13	0.15	0.18	0.22	0.13	0.17	0.04	0.00
Total	7.91	7.75	7.43	7.88	8.50	7.23	6.86	6.81	7.58	0.77	0.09

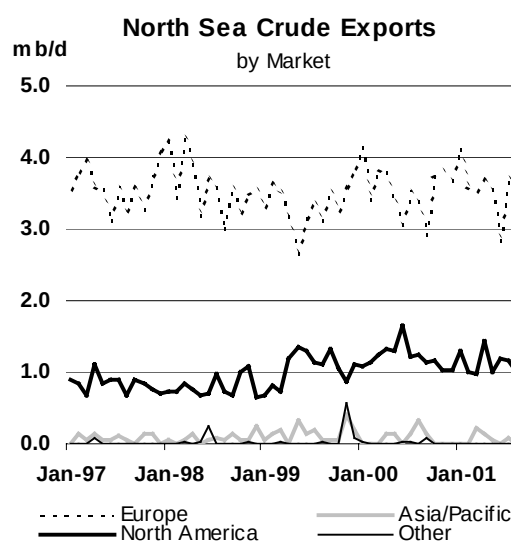
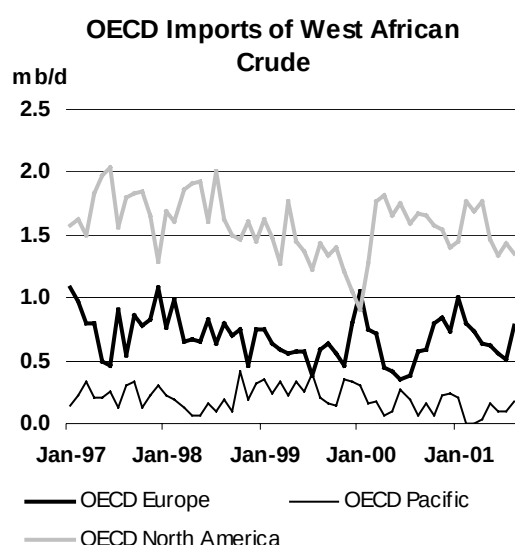
Source: IEA MOS imports and exports data for extra-regional trade

At the end of October, some Japanese petroleum companies, which already had planned to cut refinery runs by around 5% of last year's throughput, decided to reduce their refinery operations by another 4% for the next couple of months, because demand fell further after the terrorist attack on the United States. Taking this into account, net imports of crude oil to Japan could continue to fall.

West African & North Sea Trade

The OECD imported 2.31mb/d of **West African** crude oil in August, a 10 % increase from July, and almost the same amount as a year earlier. European imports jumped more than 50%, attributable to trading plays on physical Brent and to maintenance on Norway oilfields. North American imports of West African crude decreased by around 5% as Iraqi exports increased, meaning that incremental Nigerian imports were no longer required to make up Iraqi supply losses.

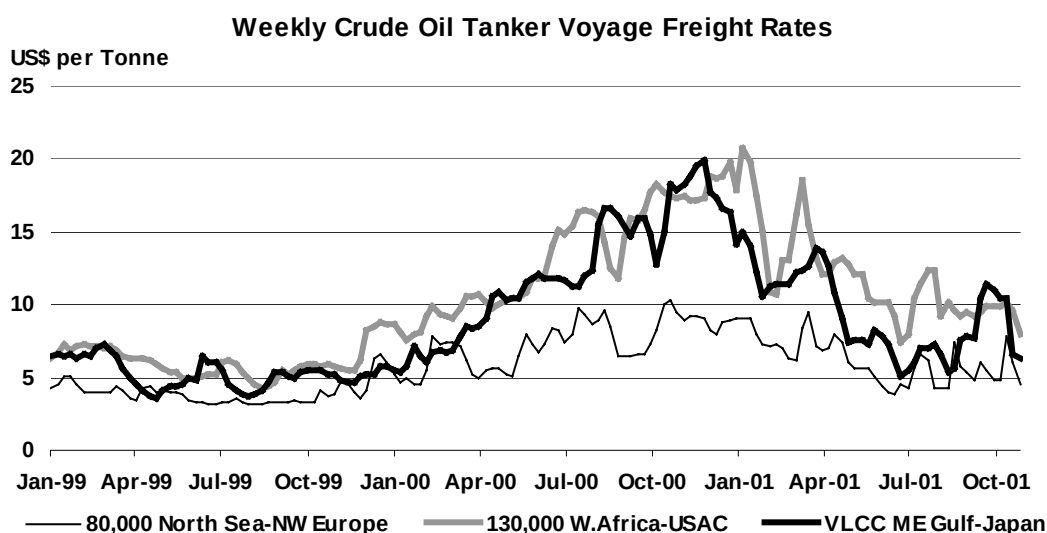
After the terrorist attack in the U.S., Asian countries bought a sizeable volume of West African crude to decrease their heavy dependence on crude oil imports from Middle East, which they feared might experience supply disruption, as well as to minimise the war risk premia. However, this strategy seems to have been relatively short-lived. As Asian oil demand is declining due to the economic recession, Pacific imports of West African crude are likely to decline. It is reported that only a small volume of West African crude has been fixed to Asian countries in November. China and India, both of which procured substantial amounts of crude oil from the region in October, now seem more reluctant to lift it. Indian Oil Corp. (IOC) has decided against loading any West African cargoes in November and will lift only a small quantity in the coming few months.



North Sea exported 4.46 mb/d of crude oil in August, around a 10% decrease from 5.05 mb/d in July. UK North Sea maintenance ended, with normal UK production and exports resuming in July. However, Norwegian North Sea maintenance in August reduced the volume of crude available for export. In addition, a major North Sea producer made a heavy purchase of 7 mmbbl of Brent, almost the entire quantity available, to be run at refineries in Canada and Europe from the end of August to the beginning of September. This tightened the European crude oil market, and closed the arbitrage window for Atlantic Basin exports west.

Freight

The sharp surge of spot freight rates for tankers caused by the terrorist attack on 11 September has now subsided, with market sentiment cooled by the anticipation of sluggish oil demand. By the end of October, the VLCC crude freight rate, from the Arabian Gulf to Japan had almost halved to \$0.86/bbl from its peak of \$1.55/bbl in late September, dropping well below the level before September 11. Similarly, Aframax rates fell by more than 40% and the Suezmax tanker rate dropped by around 22%. Unless a major supply disruption occurs in the Middle Eastern region, the VLCC freight rates are likely to stagnate in the coming months, although they could be buoyed by rising crude runs in the winter to produce heating oil. At the beginning of November, the VLCC market posted the lowest rates since August 1999. Product tanker freight rates followed crude price trends in October, falling by 10% to 20%.



Source: SSY Consultancy & Research Ltd.

After the terrorist attack, the war-risk insurance premia reportedly increased from about 0.003% to 0.05% as the global standard rate. Iraq, however, posted the highest rate of 0.75%, and other areas also pegged higher rates, ranging from 0.1% to 0.25%. The level of these rates, which could increase, should supply be disrupted in the region, remains far lower than those prevailing at the time of the Iran-Iraq War and the Gulf War, when they were 2–5 % of insured value.

Non-OECD Trade

Preliminary figures for crude oil exports from the FSU show a decline of 3% to 4.56 mb/d between September and October, but this still is 15% higher than for last year. Urals, a Russian crude oil, which is widely favoured in the Mediterranean, had a price advantage over similar-quality Iraqi Kirkuk, as the United Nations left Kirkuk's European price unchanged for the latter half of the month. Meanwhile, fuel oil exports fell drastically, because the export commission of the Russian government limited export quotas to 20% of fuel oil production beginning October 1, in order to secure domestic fuel oil supply for the coming winter. Seaborne exports of fuel oil fell by more than 20% from September. The export quota, however, may be loosened to permit exports equal to 30 to 40% of the production, as the country's supply appears to be comfortable and consumption lower than expected.

FSU Net Exports of Crude & Petroleum Products

(million barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Aug 01	Sep 01	Oct 01	Latest month vs. Sep 00 Oct 00	
Black Sea Exports	1.56	1.80	1.78	1.83	2.05	2.12	2.22	1.97	2.15	0.18	0.41
Baltic Exports	1.09	1.37	1.19	1.47	1.74	1.59	1.48	1.71	1.41	-0.30	0.30
Total Seaborne	2.66	3.18	2.96	3.30	3.80	3.71	3.70	3.68	3.56	-0.12	0.72
Druzhba Pipeline	1.02	1.03	1.07	1.07	1.07	1.07	1.09	1.02	0.98	-0.03	-0.01
Other	0.08	0.12	0.13	0.06	0.06	0.02	0.02	0.02	0.11	0.09	-0.10
Total Exports	3.75	4.32	4.17	4.44	4.92	4.81	4.81	4.71	4.65	-0.06	0.62
Imports	0.03	0.02	0.02	0.01	0.01	0.01	0.01	0.02	0.03	0.01	0.00
Total Net Exports	3.71	4.31	4.15	4.43	4.92	4.80	4.81	4.69	4.62	-0.07	0.62
Crude	2.71	3.06	3.12	3.19	3.42	3.46	3.48	3.38	3.45	0.07	0.49
Products	1.01	1.24	1.03	1.24	1.49	1.34	1.32	1.31	1.17	-0.14	0.13

Sources: Petro-Logistics, IEA estimates

On 15 October, the Caspian Pipeline Consortium (CPC) finally loaded the first 85,000 tonne cargo of Tengiz crude at Novorossiysk, despatching it to BP and ExxonMobil. The pipeline is expected to carry 240 kb/d by the end of the year and 560 kb/d, its full capacity, by 2003. The consortium is planning to expand the capacity to around 1.5m b/d by 2014. Currently all of the crude oil transported by the CPC pipeline, with 46.9° API gravity and 0.51% sulphur content, comes from Tengiz field, but

within six months the pipeline should also carry crude from other fields. The mix will be sold as "CPC blend," a light sweet blend. The increased pipeline capacity will help mitigate the transportation bottleneck from the Kazakhstan Caspian region. The crude oil is loaded at the port of South Ozereyevka, near the terminal of Novorossiysk, and is expected to move to refineries in Mediterranean area. Rising exports of CPC oil into the region will increase competition with existing light gravity and low sulphur crude oil, such as North Sea crude oil as well as North and West African crude oil.

OPEC ministers have approached President Putin and other high-ranking officials, citing their common interest in maintaining oil prices, and asking Russia to restrain its exports. Russia, however, is taking the stance that it will decrease its oil exports this winter only to the extent that domestic requirements reduce export availability.

Chinese net crude oil imports increased by 19% from 1,046 kb/d in July to 1,318 kb/d in August. Even so, this is less than last year. Imports from the Middle East were responsible for August's increase. Crude imports from Oman more than doubled to 130 kb/d and imports from Iran increased almost 70%, to about 300 kb/d. Net imports of petroleum products also recovered in August, but remain below the level of the previous year partly due to increased Chinese refinery output. Chinese total net exports of gasoline fell by 30% to 154 kb/d, while heavy fuel oil net imports rose by 17% to nearly 350 kb/d.

China Crude & Product Trade

(thousand barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Latest month vs.	
										Jul 01	Aug 00
Net Imports/(Exports) of:											
Crude Oil	581	1179	1348	1275	852	1352	1486	1046	1318	272	-168
Products & Feedstocks	436	287	356	299	282	339	369	173	296	123	-132
Gasoil/Diesel	-6	-6	-2	-5	2	1	1	2	-5	-7	-5
Gasoline	-96	-105	-84	-113	-128	-128	-101	-220	-154	66	-102
Heavy Fuel Oil	244	192	208	137	304	319	303	296	346	49	82
LPG	174	152	159	152	131	142	157	133	122	-11	-3
Naphtha	7	-14	-12	-20	-19	-12	-13	-34	-41	-7	-30
Jet & Kerosene	19	9	16	17	3	3	5	-1	7	8	-23
Other	95	59	72	131	-12	14	17	-3	22	25	-51
Total	1017	1466	1704	1573	1134	1691	1855	1219	1614	394	-300

Source: China Oil, Gas and Petrochemicals plus IEA estimates

Until recently, Chinese product prices were determined retrospectively based solely upon Singapore product prices, so petroleum purchasers could predict price movements. On 17 October, the Chinese government modified the pricing system, adding Rotterdam and New York prices as well as those of Singapore into the pricing formula, in order to minimise price anticipation. In addition, the Chinese refining industry can now set retail prices at guideline prices +/- 8%, which is wider than previous range of +/-5%. In the new scheme, the Chinese government will not set monthly wholesale and retail prices for diesel and gasoline, but will intervene when extremely wide swings of international prices for crude oil and petroleum products are seen. With the introduction of the new price formula, the Chinese petroleum industry will be freer to adjust to market conditions. These changes should reduce extreme month-to-month fluctuations in prices and better reflect Chinese domestic petroleum fundamentals.

Indian Oil Corporation's net crude oil imports in August fell to 982 kb/d, 171 kb/d lower than July, but 125 kb/d higher than last year. It is important to note that these figures exclude imports of crude by private parties such as Reliance, for which statistics are not available. The net imports of petroleum products gained 20 kb/d, rising to 113 kb/d over the month, but fell 23 kb/d short of those of last August. Total oil net imports fell to 1,095 kb/d, 153 kb/d lower than the previous month, but 102 kb/d above the August 2000. IOC crude oil imports from Nigeria, Libya, Angola, Iran and Yemen fell, whereas Kuwaiti imports increased in volume.

Indian refinery throughputs generally are stable at more than 90% utilisation rate, while Reliance Petroleum operates at 99%. But this does not reflect strong domestic demand. The slowdown in the Indian economy due to recent Asian weak economic fundamentals as well as high petroleum price has

virtually halted oil demand growth. IOC's refining margins fell sharply from more than \$2 a few months ago to only 30 cents per barrel recently. Refiners had planned to increase capacity to satisfy the country's growing demand for LPG and kerosene, but now are reconsidering their strategy. If refinery expansion is delayed, as seems likely, India will import more LPG and kerosene.

India Crude & Product Trade

(thousand barrels per day)

	1999	2000	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Latest month vs.	
										Jul 01	Aug 00
Net Imports/(Exports) of:											
Crude Oil	917	888	892	925	805	995	1003	1154	982	-171	125
Products & Feedstocks	408	212	138	139	174	114	101	94	113	19	-23
Gasoil/Diesel	137	34	-1	0	0	-2	-2	-2	-2	0	0
Gasoline	0	0	0	0	0	0	0	0	0	0	0
Heavy Fuel Oil	7	15	11	7	6	8	12	8	10	2	-3
LPG	57	22	13	19	41	11	0	11	22	11	6
Naphtha	65	66	56	67	75	69	82	68	83	16	20
Jet & Kerosene	138	73	60	45	52	28	9	9	0	-9	-46
Other	3	2	0	1	0	0	0	0	0	0	0
Total	1325	1101	1030	1064	979	1110	1104	1248	1095	-153	102

Sources: Indian Ministry of Commerce, Indian Port Authorities and IEA estimates.

Excludes private imports of crude and private exports of products, for which figures are unavailable

Singapore refining margins have improved gradually since August, but refinery utilisation rates are still only slightly above 60% (and headed for 50%, some observers say) and the country's net crude oil imports significantly decreased in September. This suggests weak petroleum demand in Asia, due to the deteriorating global economic conditions. September imports were 557 kb/d, more than a third lower than in August and also well below the level of September 2000. Crude imports from Saudi Arabia fell around 40% to 138 kb/d, and those from Kuwait by more than 30% to 112 kb/d. Judging from reports that utilisation rates will be reduced for the coming quarter, it is unlikely that Singapore crude imports will increase sharply this winter.

Petroleum product imports in September, however, increased by nearly 20% to 63 kb/d from the previous month, but this is only a partial offset to lower crude oil imports. Among the petroleum products, net gasoil exports declined 15% to 88 kb/d, while net residual fuel oil imports fell almost 20% to 347 kb/d, within the normal range. The sharp decline of residual fuel oil coincides with the narrowing of the arbitrage between the US West Coast and Singapore, which had been extremely wide earlier this year. Residual fuel oil imports from most countries dropped. Volumes from both Saudi Arabia and Iran, the two major fuel oil exporters to Singapore, decreased; Saudi imports fell by about 10% to 153 kb/d, and Iran's by 35% to 111 kb/d. Singapore is making efforts to shift electricity generation from heavy fuel oil to natural gas. A new gas-fired power plant just started up in September and this will reduce heavy fuel oil imports.

Singapore Crude & Product Trade

(thousand barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Jul 01	Aug 01	Sep 01	Latest month vs.	
										Aug 01	Sep 00
Net Imports/(Exports) of:											
Crude Oil	885	840	981	996	846	728	736	885	557	-328	-302
Products & Feedstocks	-185	-90	-188	-145	-51	116	228	53	63	9	46
Gasoil/Diesel	-202	-157	-184	-152	-132	-112	-139	-104	-88	16	53
Gasoline	-83	-82	-61	-78	-84	-67	-25	-83	-92	-9	-56
Heavy Fuel Oil	306	341	293	323	323	431	507	426	347	-79	15
LPG	-24	-22	-23	-25	-21	-17	-15	-21	-16	4	7
Naphtha	-28	-33	-47	-46	-24	-11	-31	-29	27	55	38
Jet & Kerosene	-106	-93	-121	-121	-66	-59	-24	-80	-72	7	-15
Other	-47	-45	-46	-45	-48	-49	-46	-56	-42	14	4
Total	700	750	792	851	795	844	963	938	620	-319	-256

Source: Singapore Monthly Oil Statistics, IEA estimates

OECD STOCKS

OECD Industry Stock Changes in September 2001

Faltering global demand and sustained production in the third quarter implied a global inventory build of 1.2 mb/d. Accordingly, preliminary estimates for the third quarter industry stock change in the OECD show a build in primary storage of 0.49 mb/d, or 45 million barrels. The OECD stock build was evenly distributed among crude, products and other oils. Regionally, North America and the Pacific showed builds of 0.21 mb/d and 0.25 mb/d respectively, whereas the stock trend in Europe was flat. However, the growth in total oil industry stocks in the third quarter was due to the September 1.18 mb/d build, as the July and August builds trailed behind the seasonal norm.

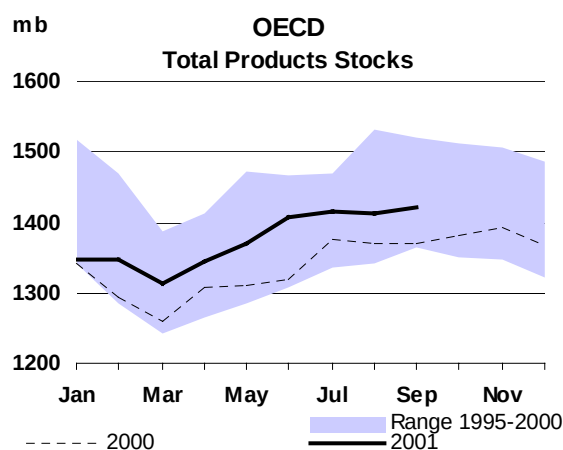
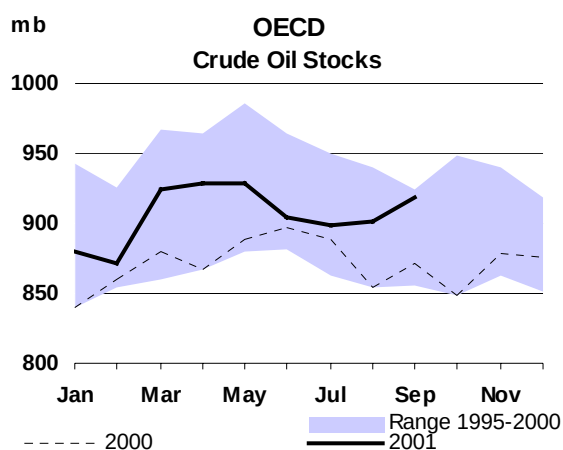
Preliminary Industry Stock Change in September and the Third Quarter 2001

(million barrels per day)

	September (preliminary)				Third Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.13	0.17	0.27	0.57	0.12	0.00	0.03	0.15
Gasoline	0.34	-0.04	-0.02	0.29	-0.16	-0.05	-0.01	-0.22
Distillates	0.16	-0.24	0.09	0.02	0.13	0.00	0.13	0.27
Residual Fuel Oil	0.06	-0.03	0.00	0.03	-0.08	-0.02	0.00	-0.10
Other Products	0.11	0.00	-0.10	0.01	0.13	0.07	0.02	0.22
Total Products	0.67	-0.30	-0.02	0.35	0.02	0.00	0.15	0.16
Other Oils ¹	0.06	0.00	0.20	0.27	0.07	0.03	0.07	0.17
Total Oil	0.86	-0.13	0.44	1.18	0.21	0.03	0.25	0.49

other oils includes NGLs, feedstocks and other hydrocarbons

Total oil inventories in the OECD increased by 35.4 million barrels to 2643.2 million barrels at the end of September. Gains in crude stocks outpaced the builds in total products and other oils stocks. While total oil stocks in the Pacific increased by 13.3 million barrels, the Atlantic Basin witnessed divergent trends. Inventories tightened modestly in Europe by 3.8 million barrels whereas stocks in



North America increased by 25.9 million barrels. Inventories in the shoulder period between the driving season and the Northern Hemisphere heating season continue to remain comfortable. Oil in storage should be sufficient to buffer potential supply imbalances in the event of lower than expected temperatures this winter.

OECD crude oil stocks are near the top of their five-year range, comfortably above year-ago levels by 47.7 million barrels. Downward shifting futures curves for Brent and WTI suggest ample prompt supply. Primary storage of crude oil increased to 918.6 million barrels by the end of September, 17 million barrels higher than upwardly revised August figures. All regions in the OECD posted increases in crude stocks with the Pacific leading the build, followed by Europe and North America.

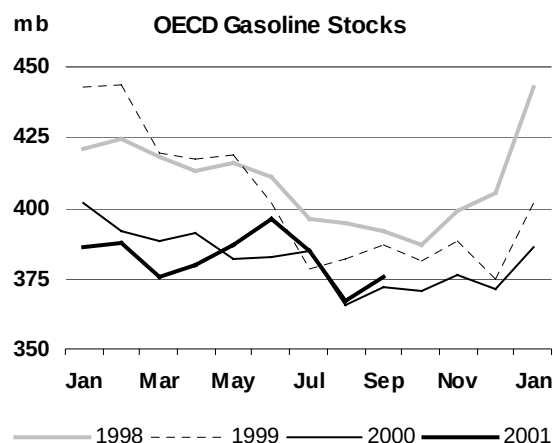
A slowdown in refinery operations and a consequent reduction in crude runs in the Atlantic Basin contributed to crude inventory gains in September. Early maintenance work in the **US**, which usually takes place at the end of September, and fall turnarounds in Europe, limited demand for crude oil. September arrivals of crude oil into Asian ports, which remained at around year-ago levels despite an over-supplied market, contributed to the build of OECD Pacific onshore stocks. Precautionary demand following September 11 should also increase crude stocks in the OECD Pacific in October. Concerns over Middle East supply security and a narrowing Brent premium over the Mideast benchmark Dubai in September prompted Japanese, South Korean and Chinese buyers to purchase West African crudes oil.

Since the latest round of producer target reductions took effect, oil at sea from the Middle East has followed divergent trends. In September, westbound oil in transit fell after peaking in August whereas oil in transit heading to eastern ports rebounded, suggesting the glut in crude supply in the region is likely to further lift OECD Pacific crude stocks in October. Additionally, traders also reported that Middle East producers Abu Dhabi and Qatar have granted **South Korea** and **Japan** full volumes for lifting in November.

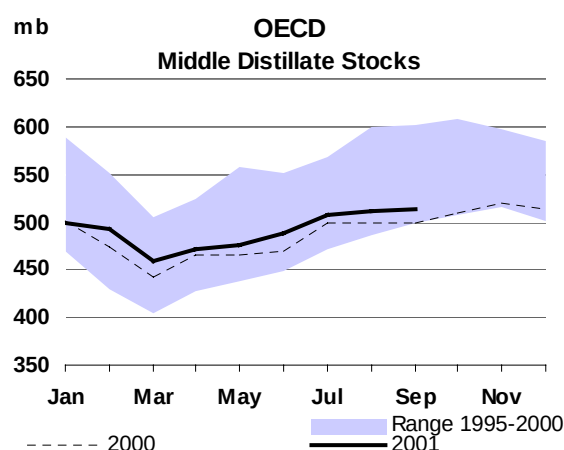
OECD total products stocks edged higher in September to reach 1422.3 million barrels and continued to remain above the year-ago level. While product stocks moved sideways in the Pacific, a strong build of 0.67 mb/d in North America more than offset a decline of 0.30 mb/d in Europe. As weak demand in the **US** outpaced lower refinery runs and incremented stocks, heavy September maintenance combined with strong deliveries contributed to the product draw in Europe.

OECD gasoline stocks rebounded in September to reach 375.4 million barrels, up by 8.6 million barrels over the previous month. Regionally, North America, posting an increase of 0.34 mb/d, drove the stock build while Europe and the Pacific remained virtually flat.

With the end of the driving season in North America, a gasoline build in the region is atypical at this time of year, as refineries normally favour distillates. Gasoline stocks increased with the fall in **US** gasoline demand that accompanied the slump in jet fuel deliveries after September 11. The drop in gasoline demand, amid increased production, was unusually strong, reflecting reluctance to use road transport.



OECD middle distillate stocks are near the bottom of their five-year range and marginally higher than the year-ago level. Stocks in primary storage ended September at 512.9 million barrels, posting a 14.3 million barrel surplus to the previous year. Although stocks increased in North America and in the Pacific, draws in primary storage of gasoil in Europe, driven by increased buying as gasoil prices fell, left distillate stocks in the OECD virtually flat over August levels.



By reconfiguring yields and blending excess jet fuel into the gasoil pool, refiners in North America boosted distillate inventories. In the Pacific, weakening demand is contributing to unwanted inventories while the fall in Singapore prices for winter fuels such as kerosene is providing little incentive to pursue stock builds. Despite a stock draw in Europe, distillate levels are comfortable, as stocks have moved to end-users, namely in **Germany**, Europe's largest heating oil market, and in **France**. October gasoil stocks in independent storage in the Amsterdam-Rotterdam-Antwerp area also are down on the year, lending support to the view that movement into tertiary storage already has taken place. Changes in diesel specifications in **Germany** effective on November 1st also contributed to a drawdown in distillate stocks before refiners switch production to meet the new ultra-low sulphur specification for diesel.

Revisions and Preliminary OECD Stocks at the End of September

Official estimates for the previous Report's preliminary August numbers revised total oil stocks downwards by 4.6 million barrels. Upward revisions in OECD crude stocks partially offset a significant downward revision in total product stocks.

August OECD crude stocks were revised upwards by 5.2 million barrels. Upward revisions to crude stocks were driven by increments in both North America and the Pacific. In the Pacific, increments of 4.3 million barrels in **Korea** outweighed a reduction of 2.8 million barrels in **Japan**. In North America, crude stocks were revised up by 3.5 million barrels in **Mexico** while a one million-barrel upward revision in the **US** was offset by an equal reduction in **Canada**.

A downward revision in August OECD total products of 15.7 million barrels was attributable to revisions in the Atlantic Basin as North America and Europe witnessed a combined reduction in total product stocks of 13.4 million barrels. August adjustments in Europe centred on the light and heavy end of the barrel. Gasoline stocks were taken down by 3.5 million barrels and residual fuel oil stocks were reduced by 4.9 million barrels. Revisions in North American figures reduced the previous Report's gains in the other products category by 6.3 million barrels. Middle distillates stocks in North America were reduced for August by 2.4 million barrels, deepening the previous report's stockdraw.

Revisions versus 12 October 2001 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Jul 01	Aug 01	Jul 01	Aug 01	Jul 01	Aug 01	Jul 01	Aug 01
Crude Oil	-1.0	3.5	-0.4	-0.2	0.0	1.9	-1.3	5.2
Gasoline	0.3	0.2	-1.1	-3.5	0.1	-0.4	-0.7	-3.7
Distillates	-0.3	-2.4	-1.5	0.5	0.0	-0.3	-1.8	-2.2
Residual Fuel Oil	-0.3	-0.1	-2.5	-4.9	0.3	-0.1	-2.5	-5.1
Other Products	-1.2	-6.3	-0.8	3.1	0.1	-1.6	-1.9	-4.8
Total Products	-1.5	-8.6	-5.9	-4.8	0.5	-2.4	-7.0	-15.7
Other Oils ¹	2.1	7.1	1.5	1.5	-1.5	-2.5	2.2	6.0
Total Oil	-0.4	2.0	-4.7	-3.5	-1.0	-3.1	-6.1	-4.6

¹ other oils includes NGLs, feedstocks and other hydrocarbons

OECD industry stocks of total oil ended September at 2643.2 million barrels, up by 101.5 million barrels on the previous year, but still below 1998 and 1999 levels. Given weak demand and rising stocks of total oil, days of forward demand in the OECD at 55.5 days were 3.2 days higher than the previous year's forward cover. In September, days of forward cover in North America, Europe and the Pacific were 51.9, 60.8, and 55.9 days respectively. Total oil stocks in all OECD regions remained over the previous year's level with OECD North America closing out at 1247.1 million barrels, while OECD Europe and Pacific stood at 915.7 and 480.3 million barrels respectively.

In September, OECD crude stocks of 918.6 million barrels posted a 47.7 million barrel surplus to the previous year. Product stocks, at 1422.3 million barrels, remained 51.5 million barrels above the year-ago level. All OECD regions continued to post positive margins over the previous year for both crude and products stocks, with North America witnessing the healthiest surpluses.

Year-on-Year Industry Stock Comparisons for September 2001

	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	27.2	3.5	17.0	47.7	Total Oil	3.7	1.8	4.5	3.2
Total Products	38.5	8.3	4.8	51.5	Versus 1999	-0.2	1.0	5.2	1.1
Other Oils ¹	1.7	-5.0	5.6	2.3	Versus 1998	-4.1	-0.5	0.6	-2.2
Total Oil	67.4	6.7	27.4	101.5	Total Products	2.1	1.3	1.1	1.7
Versus 1999	-8.8	-27.2	16.0	-20.0	Versus 1999	-0.6	-0.5	2.5	0.0
Versus 1998	-63.7	-57.4	-5.9	-127.0	Versus 1998	-3.1	-1.0	0.6	-1.8

¹ other oils includes NGLs, feedstocks and other hydrocarbons

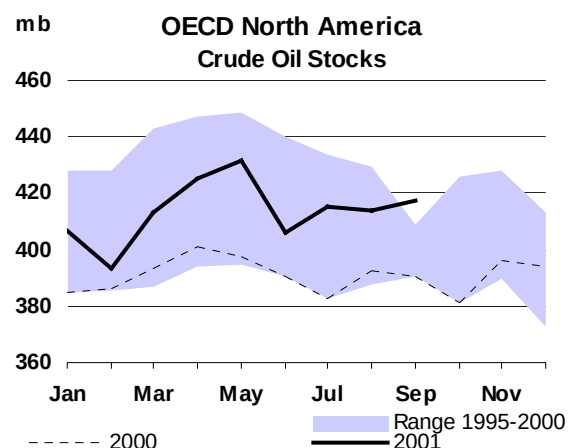
Regional Stock Developments

North America

Crude oil stocks in North America continue to remain comfortably above year-ago levels, edging upwards in September after trending sideways in August. Crude stocks grew by 3.8 million barrels, closing the month of September at 417.5 million barrels.

Crude stocks built in September as planned refinery turnarounds lowered crude demand and imports picked up in the **US**. DOE weeklies put end of September **US** crude stocks at 307.5 million barrels. **US** crude stocks continued to increase in October as lower refinery operations carried over from September. Refinery utilisation rate was at 91.1 % in mid-October compared to 95.4 % in the first week of September. The surge in crude oil imports during the month, combined with the return to service of the ruptured Alaskan pipeline, contributed to the October build in stocks.

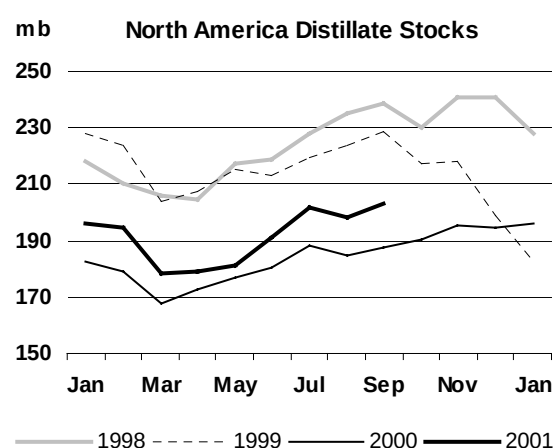
Crude stocks in **US** closed out the week of October 26 at 308.3 million barrels, some 10.9 % higher than the previous year. This comfortable level of stocks was reflected in rising inventories during September and October in the **US** mid-continent where pricing for the benchmark WTI is based. Stocks in PADD II increased 4.4 million barrels during October to end at 67 million barrels. The pick-up in crude throughputs at the end of October may dampen further builds. **US** refiners may choose to run cheaper crude oil in order to have lower cost crude in their refinery tanks by the end of the year for working capital adjustments. The higher production rates will fall should product spreads over crude narrow with expected future supply cuts.



Gasoline stocks in North America rebounded counter-seasonally in September, increasing by 10.2 million barrels to end the month at 234.8 million barrels. In the **US**, stocks increased as production outpaced demand. Demand weakness was reflected in a sharp decline of the **US** average retail price of gasoline, which ended October at around \$1.24. Yields on crude for gasoline, according to some industry estimates, moved above 55 per cent from mid-September onwards as some of the excess jet production went into the naphtha pool. Motor gasoline stocks in the **US** climbed steadily from mid-September onwards before tapering off in the last week of October to 208.3 million barrels, 18.6 million barrels above the year-ago level.

Distillate stocks in North America rebounded by 4.9 million barrels in September after dipping slightly in August. Distillate stocks ended September at 203.2 million barrels, or 15.9 million barrels above the previous year's level.

US inventories of distillate fuels, including heating oil and diesel, increased from September through October according to weekly data from the DOE, ending October at 127.9 million barrels, a level considered to be within the normal seasonal range. Stocks remain at comfortable levels despite a colder than normal outlook for winter. Weak prices and ample inventories of natural gas should limit fuel switching into heating oil. Distillate deliveries waned because of industrial weakness and the slowing of movement into secondary and tertiary storage, which took place earlier in the summer. With weaker demand, stocks benefited from steadily rising production as excess jet fuel was also blended into the gasoil pool. The 4-week average of distillate imports rising to 283 kb/d at the end of October supported the distillate build. The adequate distillate position could preclude high import levels from Europe as witnessed last year. Weakening demand also pushed residual fuel oil stocks up as deliveries declined from their August highs and production increased from September through to October.



Europe

OECD Europe crude stocks increased by 5.2 million barrels in September to reach 315.6 million barrels and remain at the upper end of their five year range. Limitations on crude runs due to turnarounds in September caused inventories to edge higher. Builds in stocks were centred in the **Netherlands** and in **Germany** where crude runs fell the most. Crude stocks were up by 5.6 million barrels in the **Netherlands** and 3 million barrels in **Germany**. Increased runs in **France** and **Italy** on the other hand were accompanied by a combined decline in stocks of 5.6 million barrels. Refinery maintenance will continue in October but at a lower pace.

OECD Europe total product inventories fell in September by 9.1 million barrels to end at 538.3 million barrels. The draw in products was caused by a decline in middle distillates stocks. The distillate draw, centred in **Germany** and the **Netherlands**, is a result of refiners unloading diesel before they switched to production of ultra-low sulphur diesel in early compliance to the EU's Auto Oil II programme.

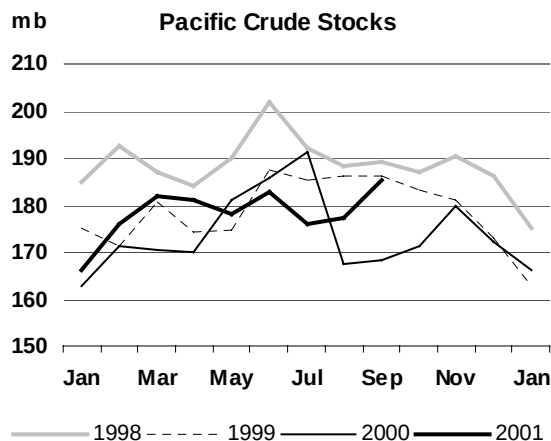
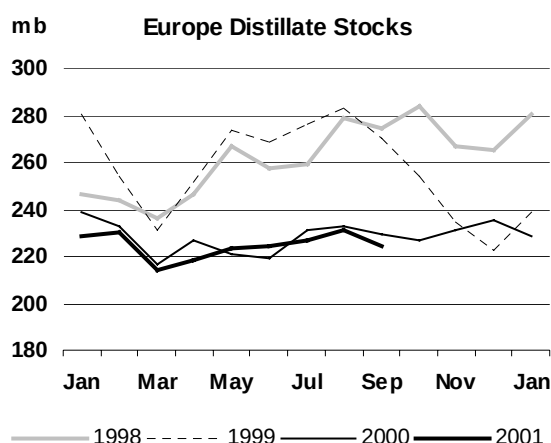
Middle distillates stocks in Europe, at 224.4 million barrels in September are at comfortable levels. Winter buying is essentially over as German consumer stocks of heating oil reportedly were 70 % full as of October 1st (compared to 61 % in the previous year) while strong deliveries in **France** suggest more movement into tertiary storage. Indications of tertiary storage builds were also supported by lower year-on-year gasoil stocks in independent storage facilities in the Amsterdam-Rotterdam-Antwerp area as gasoil was shipped to **Germany** earlier than usual this year. With stocks in the hands of consumers, effectively borrowing winter demand, European distillate stocks should not be under pressure going into the winter as end-users stay out of the market over the coming months.

Pacific

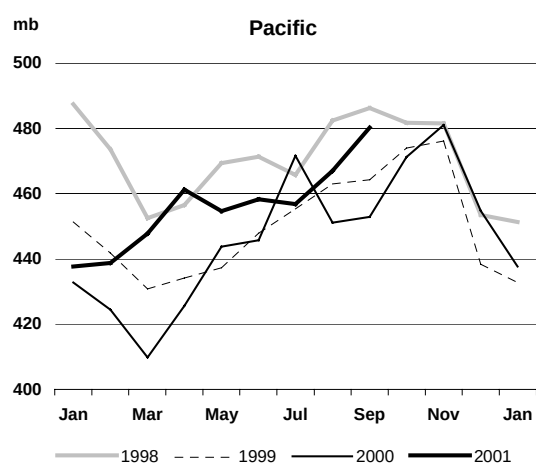
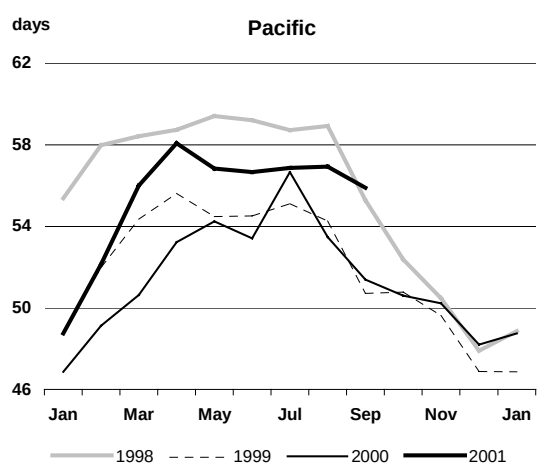
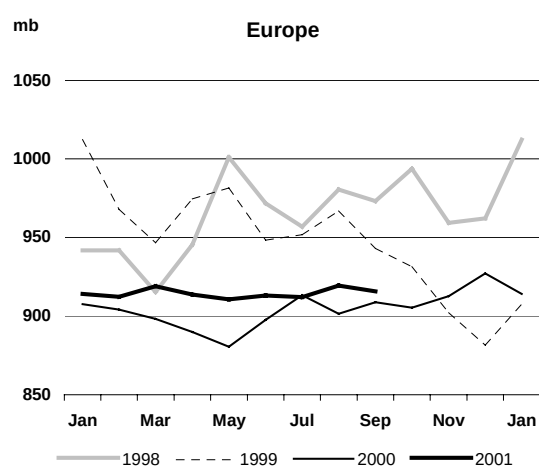
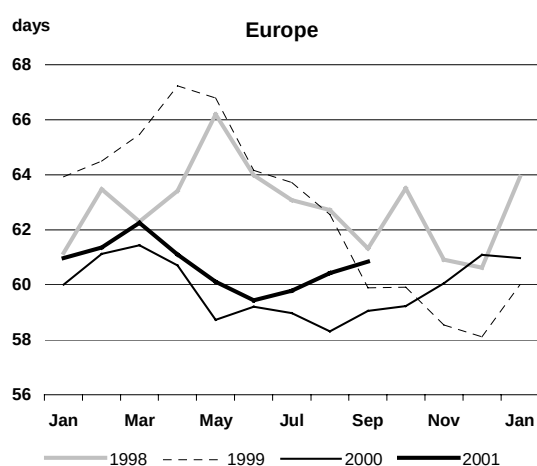
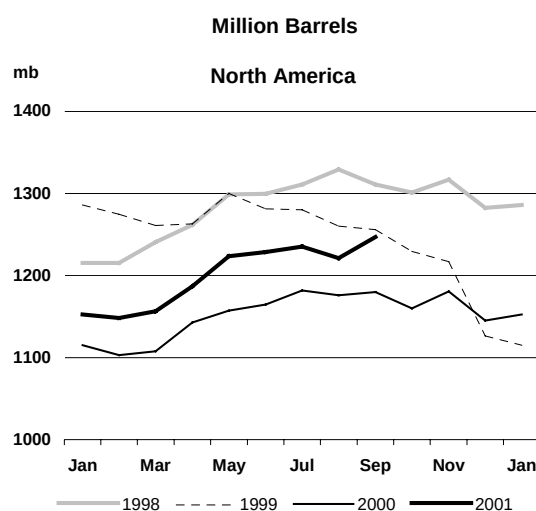
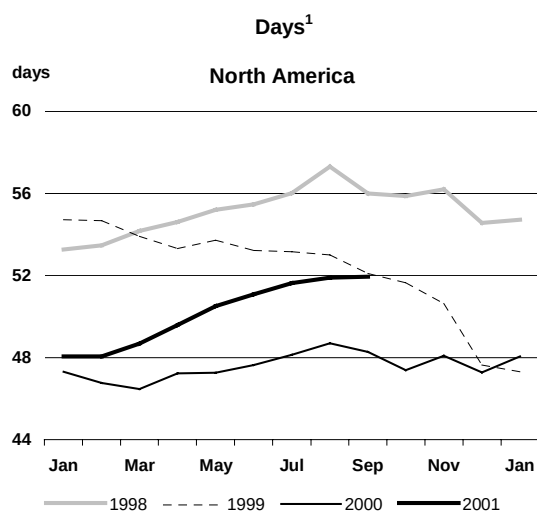
Crude stocks built in September by 8 million barrels, ending the month at 185.5 million barrels as stocks increased both in **Korea** and in **Japan**. As September arrivals of crude oil into Asian ports tracked year-ago levels despite depressed oil demand and excess capacity in the region, onshore stocks built. The September build of Middle East oil-at-sea heading east will translate in increased arrivals for October and onshore inventories should continue to edge higher.

Refiners in **Japan** plan further throughput cuts in the fourth quarter. As Japanese refiners tend to fix vessels well in advance of requirements, - more so than their US and European counterparts - chartering levels precede changes in throughput. Long-term oil purchases could outpace, from a timing perspective, the recent plans for further reduction of throughputs and lead to further crude inventory builds.

Total products stocks in the OECD Pacific closed September at 208 million barrels, virtually unchanged from the previous month. However, stocks of middle distillates increased, up 3.4 % over August, reaching 85.3 million barrels. In **Japan**, September figures from METI added to the already bearish market sentiment as total product sales were down 6.7 % on the year. Year-on-year increases in kerosene stocks of 8.2 % corresponded with a 6.5 % decline in sales, suggesting delayed winter buying. Should the north Asian winter be colder than expected, we should see a pick-up in imports in heating fuels rather than increased runs that would yield products not required during the season. Similarly, a 4.9 % year-on-year decline in sales of 'A type' fuel oil, reflecting production weakness in the manufacturing sector, was accompanied by a build in stocks of 3.4 % over the year. The reduction in jet-kerosene demand during September left stocks up 18.2 % on the year.



Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

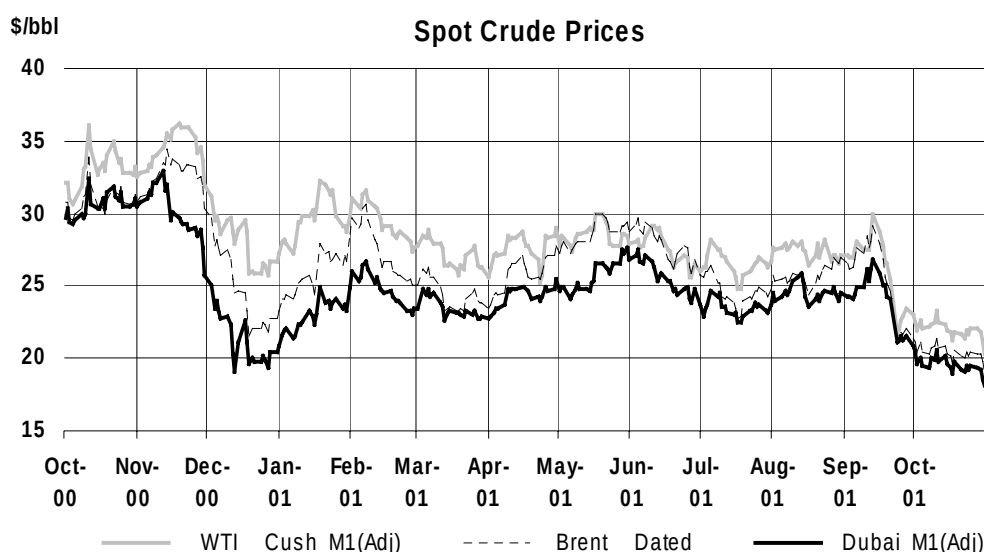


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- Spot prices for **WTI Cushing**, **dated Brent** and **Dubai** fell by \$2/bbl between early October and early November. Market sentiment was bearish, as weakening economies and oil demand were underscored by comfortable oil inventories in the OECD. After drifting sideways to gently lower for most of October, much of the price decline took place late in the month and in early November. Markets seemed to become impatient waiting for decisive OPEC action. At the same time, a series of negative economic indicators were released in the US during the week of 29 October.
- Futures prices for **NYMEX WTI** and **IPE Brent** declined in synch with the spot markets. The pessimistic mood was reflected in steady and very strong short positions for NYMEX WTI held by speculators.
- At this writing, the markets expect an **OPEC** cut of at least 1 mb/d to 1.5 mb/d, with effect from 1 January, to be announced at the upcoming OPEC meeting on 14 November. However, given recent OPEC production above its targets, market participants appear to be taking a "wait and see" attitude regarding the amount of crude that will actually be removed from the market.
- Markets do not appear to be concerned about a significant disruption in **Iraqi** exports at the end of the month, when the current phase of the UN-sponsored "oil-for-food" programme expires. Although there is uncertainty, recent reports suggest that the US will not push for a sanctions overhaul in the face of continuing Russian opposition. In addition, there is currently 5 mb/d of OPEC spare capacity, which could be used to make up for any losses.
- **Product prices** were also lower in October. The largest price decreases were for **gasoline**, with prices around the world being led downwards by steady and large builds in US inventories. **Gasoil** prices declined the least, with relative strength most notable in Europe, where demand was strong ahead of the winter heating season.
- **Refining margins** in October increased in Europe, fell in the US, and were mixed in Singapore. On balance, margins were mediocre around the world, and they weakened as the month unfolded. With weak product demand and product prices expected, the near-term outlook for margins ranges from neutral to negative, depending on whether any further supply reductions support crude prices.
- Preliminary OECD **refinery throughput** in September averaged 38.5 mb/d, a decrease of 315 kb/d compared to the year-earlier figure. The decline continues to reflect sluggish product demand and poor refinery margins.



Crude Oil Prices

Spot Crude Prices and Differentials

Spot prices for the main marker crude grades have fallen and are currently \$2 lower than a month ago, in early October. During October, economies around the world continued to weaken and the prospects for oil demand seemed dim, contributing to bearish market sentiment. The pessimistic mood was underscored by comfortable oil inventories in the OECD.

Prices drifted sideways to gently lower for most of the month. There was much talk of an OPEC production cut; however, by late October, market participants seemed to tire of the talk, and began to focus instead on the lack of action. This coincided with a series of negative economic indicators that were released in the US during the week of 29 October. As a result, prices dropped sharply in late October and early November.

Spot Crude Oil Prices and Differentials*

(monthly and weekly averages, \$/bbl)

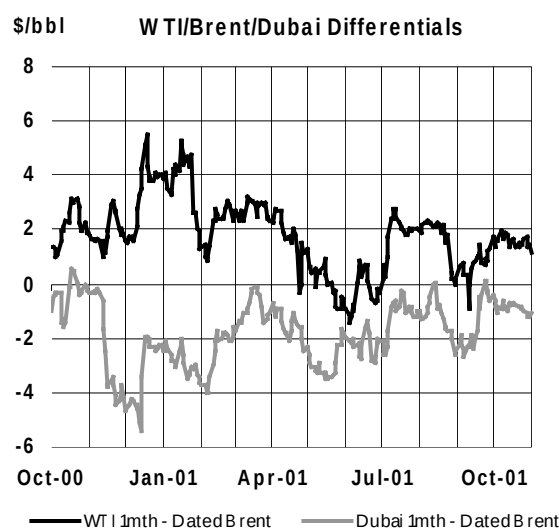
	(monthly and weekly averages, \$/bbl)									
	Aug	Sep	Oct	Oct-Sept		Week Beginning:				
				Change	%	24 Sep	01 Oct	08 Oct	15 Oct	22 Oct
Crudes										
Brent Dated	25.74	25.57	20.49	-5.09	-19.9	21.54	20.86	20.76	20.32	20.22
WTI Cushing 1 month (adjusted)	27.40	26.08	22.08	-4.00	-15.3	21.88	22.44	22.58	21.84	21.63
Urals (Mediterranean)	24.50	24.80	19.74	-5.06	-20.4	20.86	20.14	20.02	19.64	19.47
Dubai 1 month (adjusted)	24.53	24.12	19.63	-4.49	-18.6	na	20.11	19.91	20.17	na
Tapis	25.32	25.86	21.57	-4.29	-16.6	22.94	21.99	21.83	21.13	21.31
Differential to Dated Brent										
WTI Cushing 1month (adjusted)	1.66	0.51	1.59	1.09		0.34	1.58	1.82	1.52	1.41
Urals (Mediterranean)	-1.24	-0.78	-0.75	0.03		-0.68	-0.72	-0.74	-0.68	-0.76
Dubai	-1.21	-1.45	-0.86	0.60		na	-0.75	-0.85	-0.16	na
Tapis	-0.42	0.29	1.09	0.80		1.41	1.12	1.07	0.81	1.09
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	-0.07	-0.58	-0.72	-0.14		-0.91	-0.24	-0.15	-0.27	-0.27
WTI Cushing 1mth-2mth (adjusted)	0.70	-0.93	-0.40	0.53		-0.79	-0.33	-0.37	-0.30	-0.34

* Weekly data for Brent and WTI 1st month and 2nd month are unadjusted

In recent days, **WTI Cushing** has fallen to below \$20, **dated Brent** to \$18-19 and **Dubai** to \$17-18. Prices for the marker crudes generally tracked together during October, maintaining key price differentials. The **WTI-Brent** spread averaged \$1.59, in the normal range, and wide enough to encourage arbitrage trade from the North Sea to North America. The **Brent-Dubai** differential averaged 86 cents. This narrow spread indicates that demand for Dubai was high relative to Brent. There were two driving factors. First, demand for crudes with a high yield of residual fuel oil, such as Dubai and other typical light, sour Middle Eastern crudes, has increased. With light products and middle distillates in ample supply, refiners are less interested in crudes such as Brent with high yields of those products. Second, preliminary figures on the seaborne movements of oil indicate that shipments from the Middle East to Asia have increased, due to seasonal requirements.

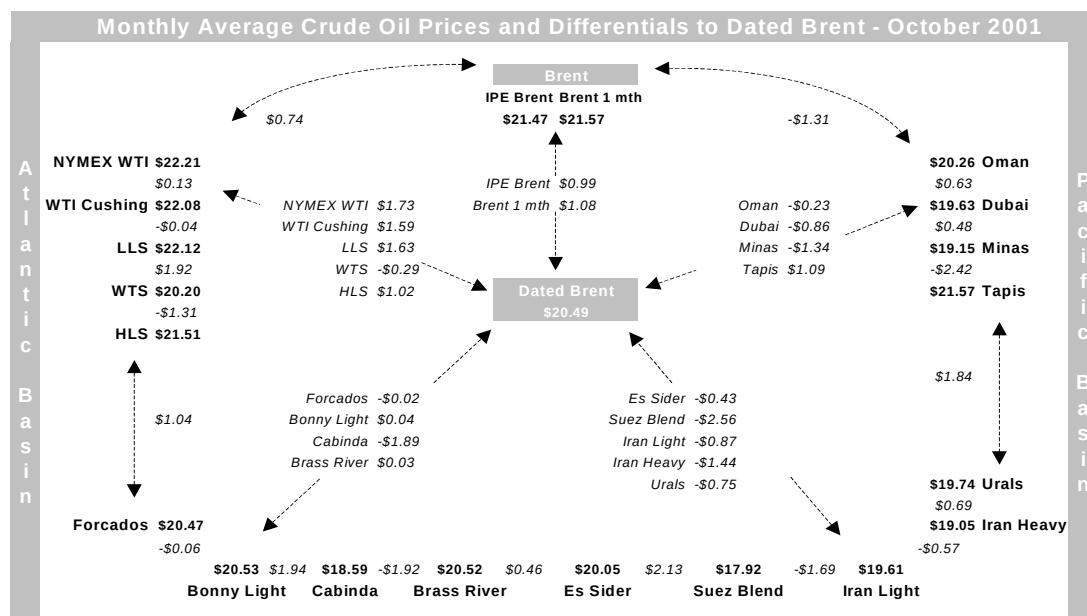
Although market psychology is currently overwhelmingly negative, based on the weakening world economy and oil demand, as well as comfortable inventories, there are various factors in the outlook that could support and stabilise prices.

At the top of the list is OPEC production. An OPEC meeting is scheduled for 14 November. Although expectations could change by the time the meeting takes place, at present, OPEC, excluding Iraq, is widely expected to cut its output targets by at least 1 mb/d to 1.5 mb/d with effect from 1 January. Taken at face value, this would be bullish for prices. However, OPEC 10 production above its current targets was 0.9 mb/d in October. Given this fact, the



markets appear to be taking a "wait and see" attitude regarding the amount of crude that will actually be cut.

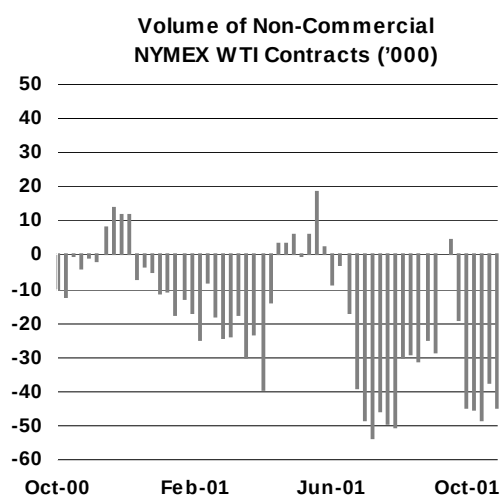
The current phase of the UN-sponsored Iraqi oil-for-food programme expires on 30 November, and this is always a market "wildcard". However, at this point, there appears to be little concern about a significant disruption in Iraqi exports. Although there is still uncertainty, especially because Presidents Bush and Putin will meet for three days next week, recent reports suggest that the US will not push for a sanctions overhaul in the face of continuing Russian opposition. In addition, there is currently 5 mb/d of OPEC spare capacity, which could be used to make up for any losses. On the other hand, it should be noted that even when rollovers are smooth, there are usually at least two or three weeks when Iraqi exports are significantly lower than usual, due to administrative, logistical and marketing factors.

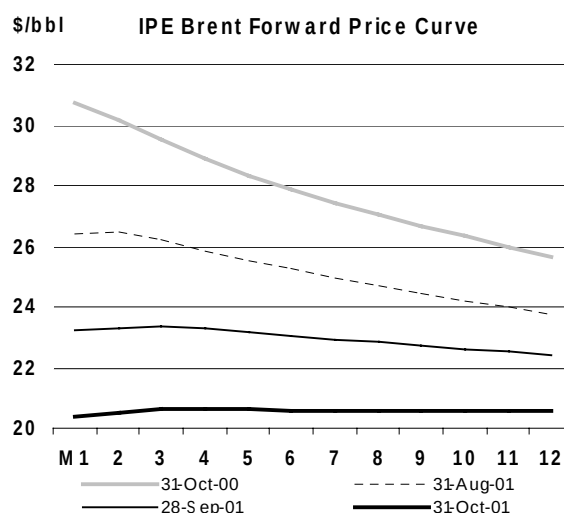
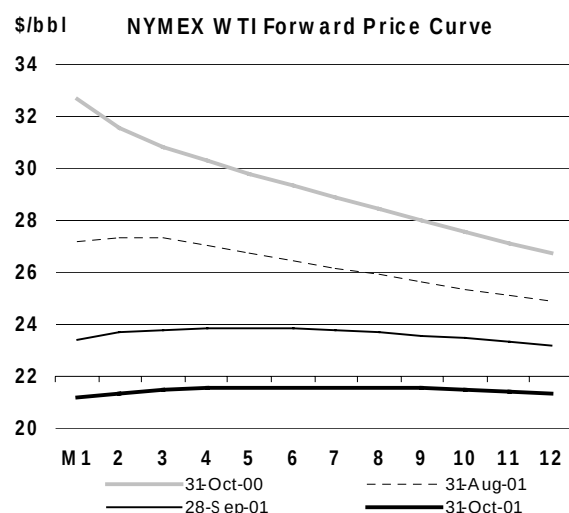


There are supportive elements other than OPEC. A recent US government winter weather forecast points to colder-than-normal temperatures in the US Northeast region, which would boost heating oil demand. Refinery maintenance in the US and Europe is winding down in November, which should increase crude demand, subject to discretionary run cuts. In addition, there is talk in the US about possibly initiating a programme to build the US Strategic Petroleum Reserve by 100 kb/d, which would, in effect, boost US crude demand by that amount. Finally, lower oil prices themselves could have a positive effect upon demand in various parts of the world.

Crude Futures

During October and early November, front-month futures prices for **IPE Brent** and **NYMEX WTI** closely tracked prices for spot physical dated Brent and WTI Cushing. Responding to the same forces - weak economies and reduced oil demand against a backdrop of comfortable inventories - paper prices also stand roughly \$2 lower than a month ago. IPE Brent closed on 6 November at \$19.07, while NYMEX WTI closed at \$19.92. The 12-month forward curves for both crudes shifted downwards, but maintained essentially the same flat shape. After having taken very strong short positions in the last two weeks of September, the "non-commercials", or speculators, maintained and solidified this stance throughout October, as seen in the graph. The net position of the speculators was short 45,000-50,000 contracts all month, representing 45-50 million barrels. If something were to change market sentiment from negative to positive, the upward price reaction in the futures markets could be exaggerated by speculators "covering" their short positions.





Delivered Crude Prices

Crude import prices into IEA countries averaged \$24.62 in August, a rise of 30 cents from the previous month's \$24.32 (see Table 8 at the back of the Report). The gains in **IEA North America** and **IEA Europe** tracked the August increases in spot crude prices for WTI Cushing and dated Brent. Due to the longer shipping times to Asia, however, the August decline in **IEA Pacific** reflects the decrease in Dubai prices that took place in July.

Product Prices

Spot Product Prices

As with crude prices, product prices fell significantly in October amidst a weak economic and oil demand environment.

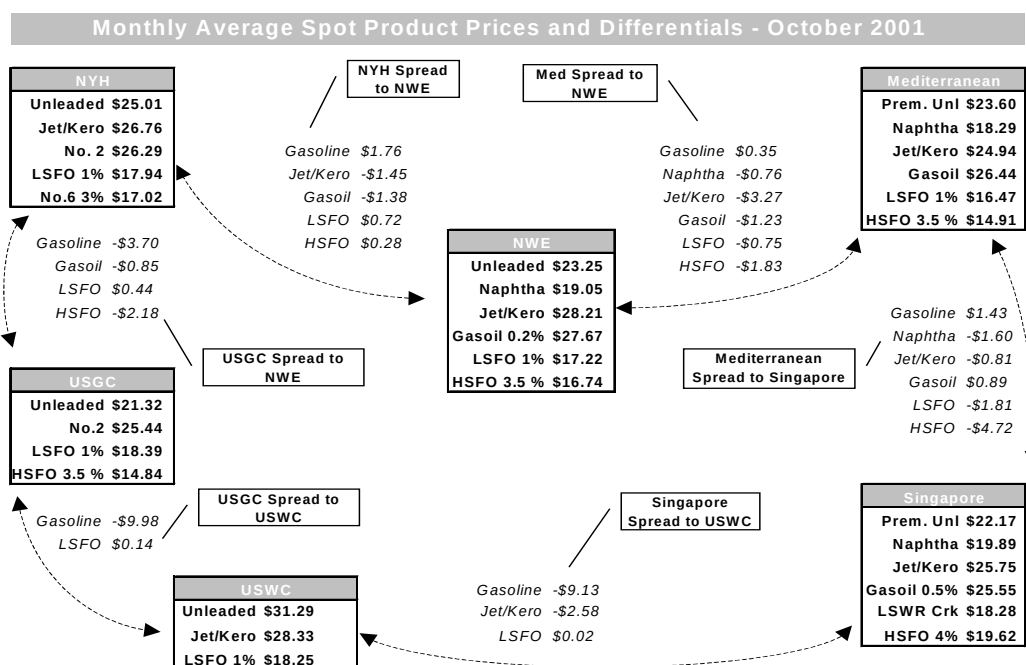
Spot Product Prices

(monthly and weekly averages, \$/bbl)

	Aug	Sep	Oct	Oct-Sep		Week Beginning:					Aug	Sep	Oct
				Change	%	24 Sep	01 Oct	08 Oct	15 Oct	22 Oct			
Rotterdam, Barges FOB													
											Differential to Brent		
Premium Unleaded (Cargo)	29.74	31.09	23.68	-7.41	-23.8	26.12	26.40	24.21	22.44	22.59	4.00	5.52	3.19
Regular Unleaded	28.60	30.10	23.25	-6.86	-22.8	25.25	25.83	23.78	22.06	22.20	2.86	4.53	2.76
Naphtha	21.83	23.10	19.05	-4.05	-17.5	19.12	18.98	20.59	19.15	18.43	-3.91	-2.47	-1.43
Jet/Kerosene	31.77	33.01	28.21	-4.80	-14.6	29.49	29.39	28.77	27.38	27.68	6.03	7.44	7.72
Gasoil	30.54	31.31	27.67	-3.64	-11.6	28.01	28.34	27.97	27.73	27.53	4.80	5.74	7.18
Fuel Oil 1.0%S	19.34	20.71	17.22	-3.48	-16.8	19.16	18.16	18.01	17.26	16.21	-6.40	-4.87	-3.27
Fuel Oil 3.5%	19.20	20.15	16.74	-3.41	-16.9	18.33	17.83	17.60	16.58	15.69	-6.54	-5.43	-3.75
Mediterranean – Basis Italy, Cargoes FOB													
											Differential to Urals		
Premium Leaded (0.15 g/l)	30.37	31.87	24.30	-7.58	-23.8	26.84	26.91	24.86	23.19	23.26	5.87	7.07	4.56
Premium Unleaded	29.56	31.07	23.60	-7.48	-24.1	26.12	26.19	24.19	22.51	22.54	5.06	6.28	3.86
Naphtha	21.22	22.65	18.29	-4.36	-19.2	18.45	18.28	19.89	18.35	17.61	-3.29	-2.15	-1.45
Jet/Kerosene	28.87	30.23	24.94	-5.29	-17.5	26.45	26.46	25.67	24.11	24.19	4.37	5.44	5.20
Gasoil	28.87	29.95	26.44	-3.51	-11.7	26.39	26.67	26.92	26.34	26.26	4.37	5.15	6.70
Fuel Oil 1.0%S	19.39	20.19	16.47	-3.72	-18.4	18.28	17.29	16.96	16.32	15.73	-5.11	-4.61	-3.27
Fuel Oil 3.5%S	17.07	17.96	14.91	-3.06	-17.0	16.27	15.91	15.65	14.96	14.00	-7.43	-6.83	-4.83
NY Harbour, Barges													
											Differential to WTI		
Premium Unleaded 93	36.43	33.70	26.64	-7.06	-21.0	28.22	29.42	27.49	25.32	25.58	9.03	7.62	4.56
Regular Unleaded 87	32.46	31.40	25.01	-6.38	-20.3	26.76	27.09	25.55	24.09	24.39	5.06	5.31	2.93
Jet/Kerosene	32.83	30.97	26.76	-4.21	-13.6	27.10	27.34	27.31	26.17	26.53	5.43	4.89	4.68
No.2 Heating Oil	30.77	30.02	26.29	-3.74	-12.4	26.50	26.70	26.81	25.81	26.22	3.37	3.94	4.21
Fuel Oil 1.0%S (Cargo)	20.15	20.08	17.94	-2.13	-10.6	17.70	18.25	18.30	17.78	17.45	-7.24	-6.00	-4.13
Fuel Oil 3.0%S (Cargo)	18.28	19.37	17.02	-2.35	-12.1	16.80	17.26	17.51	17.37	16.37	-9.12	-6.71	-5.06
Singapore, Cargoes													
											Differential to Dubai		
Premium Unleaded 95	26.96	29.50	22.17	-7.33	-24.9	24.40	23.94	22.90	21.28	21.35	2.44	5.38	2.54
Naphtha	22.92	23.94	19.89	-4.05	-16.9	21.11	20.38	20.39	19.73	19.41	-1.60	-0.18	0.26
Jet/Kerosene	29.53	31.19	25.75	-5.44	-17.4	27.69	27.03	26.47	25.28	24.79	5.00	7.07	6.12
Gasoil	28.70	29.32	25.55	-3.77	-12.9	26.88	26.32	26.04	25.42	24.92	4.18	5.20	5.92
LSWR (0.3%S)	21.49	22.54	18.28	-4.27	-18.9	22.25	21.47	18.25	17.43	16.76	-3.04	-1.58	-1.35
HSFO (3.5%S 180cst)	22.04	23.15	19.66	-3.49	-15.1	21.47	20.60	20.50	19.66	18.59	-2.49	-0.97	0.03
HSFO 4%S	21.89	22.86	19.62	-3.23	-14.1	21.26	20.48	20.39	19.52	18.68	-2.64	-1.26	-0.01

The largest decreases were in **gasoline**. Pressured by steady and large gains in US gasoline inventories, US gasoline prices dropped by 20% over the month. This pulled gasoline prices in Europe and Asia down by 23-25%. The surge in US gasoline inventories was partly a result of the shift in US refinery yields away from jet fuel and other middle distillates towards gasoline. The exception to the gasoline weakness in the US was on the West Coast, where unleaded prices averaged \$31.29, compared to \$25.01 in New York Harbour and \$21.32 on the US Gulf Coast. This encouraged imports of Asian gasoline and gasoline blending components, reportedly from China, India and Singapore. The US West Coast is structurally short of locally-produced gasoline. In addition, there have been several planned and unplanned refinery shutdowns in the region recently. **Naptha** prices were also weak. Demand was soft for use as a gasoline feedstock, and petrochemical buying was lacklustre, due to the broader industrial downturn.

Gasoil/heating oil prices declined the least in October, falling by a consistent 12-13% in the US, Europe and Asia. The relative strength was most marked in Europe, where the gasoil-crude spread was \$7, compared to \$6 in Singapore and \$4 in New York. European gasoil prices were supported by strong demand in Germany and France and lower gasoil exports from Russia. However, European gasoil strength is not expected to continue, as consumer stocks have now been built up in advance of the approaching winter. With jet traffic down after 11 September, there was still a global excess of **jet/kerosene**, and prices were down 14-18% percent.

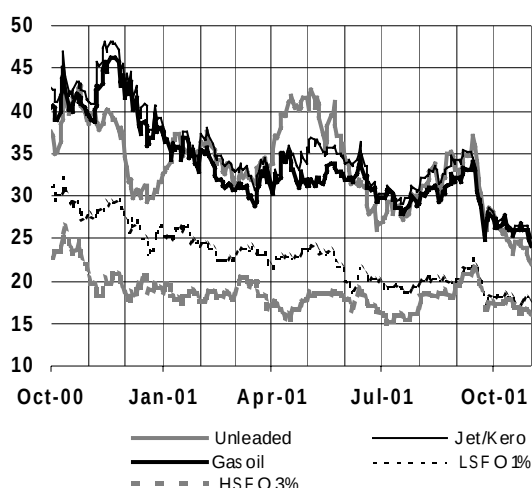
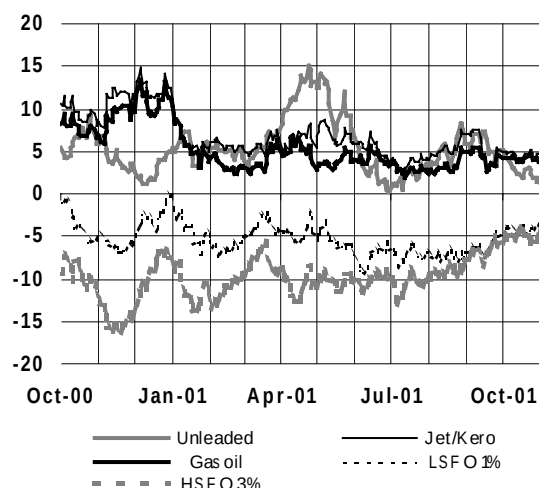
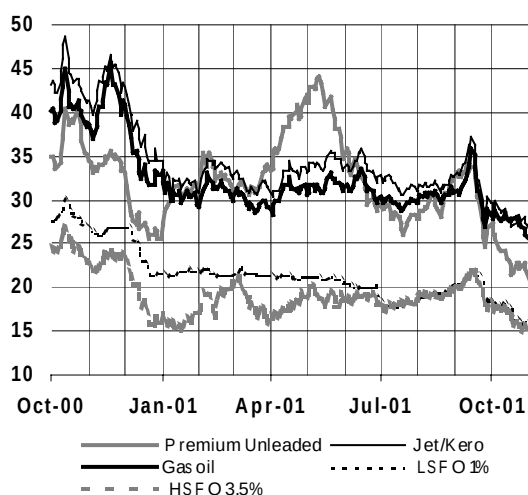
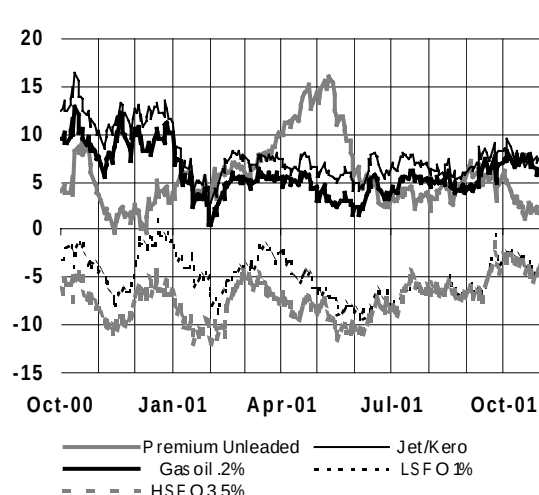
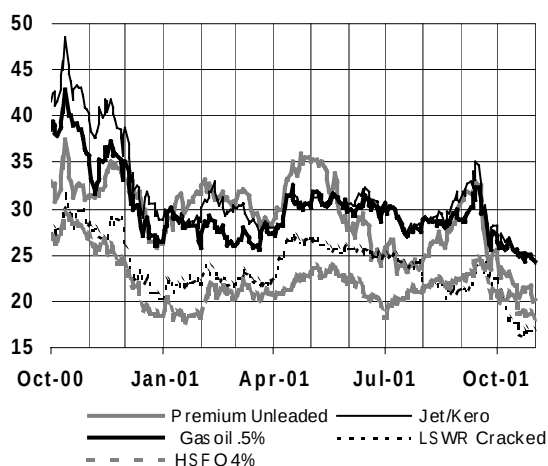
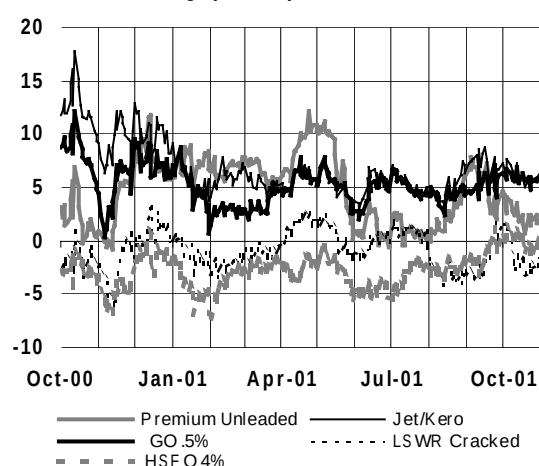


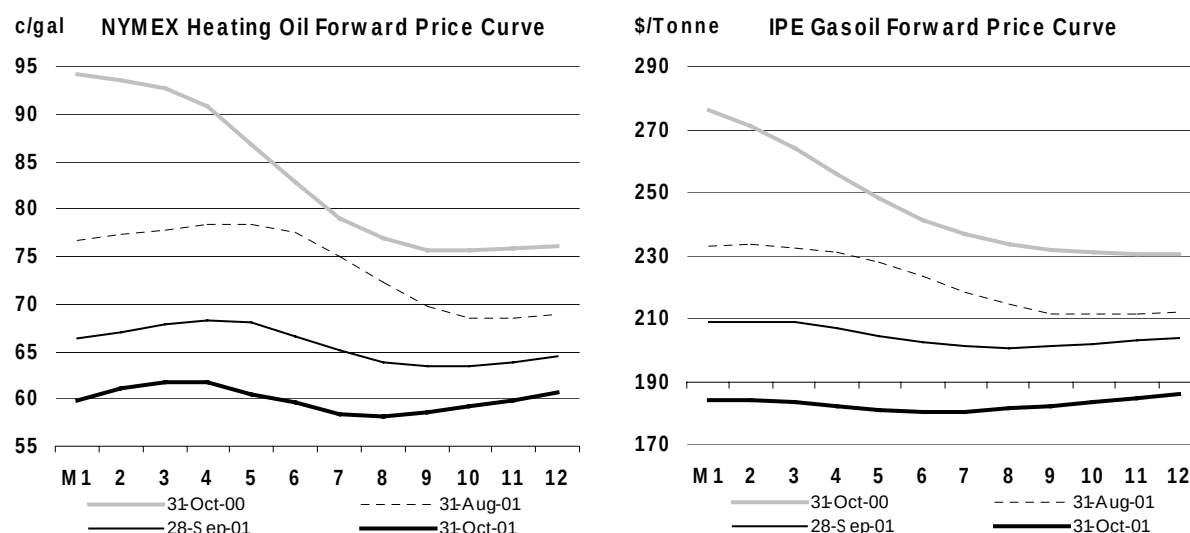
Prices for **heavy products** - low sulphur and high sulphur fuel oil - were also weaker, falling 17-18% in Europe and 14-19% in Singapore. The markets for both types of fuel oil were better balanced in the US, particularly on the East Coast. As a result, New York Harbour prices only fell by 11-12%. Late in the month, buying of low sulphur fuel oil also picked up, on expectations of a cold winter. This resulted from the US government's release of its official winter weather forecast, which called for colder-than-normal temperatures in the Northeast.

Product Futures

As was the case with crude futures, prices for **NYMEX heating oil** and **IPE gasoil** tracked the physical spot markets, falling in October. The 12-month futures curves maintained their shapes, simply adjusting downwards. Unlike the NYMEX heating oil 12-month "strip", the IPE gasoil strip displays little seasonality. This is due to the fact that the gasoil futures traded in London reflect not just heating oil, but road diesel as well.

The number of short positions held by the non-commercials for NYMEX heating oil stayed high, indicating a bearish price outlook for the product. This also holds true for unleaded gasoline.

\$/bbl New York Harbour Spot Product Prices**\$/bbl New York Harbour Spreads to WTI****\$/bbl Rotterdam Spot Product Prices****\$/bbl Rotterdam Spreads to Dated Brent****\$/bbl Singapore Spot Product Prices****\$/bbl Singapore Spreads to Dubai**



End-User Product Prices

End-user product prices were lower in October for all products in all countries (see Table 9 at the back of the Report). The declines in prices for wholesale products that occurred in the wake of the 11 September terrorist attacks on the US began to feed through to end-users during the month.

Gasoline prices for gasoline fell by 3-5% in Europe and 14-15% in North America, while prices for **automotive diesel** dropped by 1-2% in Europe and 3-10% in North America. Diesel held up better than gasoline, due to the fact that winter-specification diesel commands a quality premium in the Northern Hemisphere. The declines for both gasoline and diesel in the US and Canada were steeper than in Europe, because the relatively low level of taxes allowed a greater proportion of the wholesale price decrease to reach consumers.

Prices for **domestic heating oil** were 1-7% lower in Europe, but fell by less than half a percent in Japan. Within Europe, the smallest price declines were seen in the Mediterranean countries, Italy and Spain, while the largest falls took place in Northwest Europe, Germany, France and the UK. Demand was the strongest in the latter group of countries. **Industrial heavy fuel oil** prices decreased by 3-12% in Europe, with the steepest drops in France and Italy.

Refining Margins

Average refining margins in October increased in Europe, were lower in the US and were mixed in Singapore. On balance, margins were still mediocre around the world, and they weakened as the month unfolded.

Refining margins were higher in **Northwest Europe** and the **Mediterranean**. The gains were based on the relative strength in gasoil, as discussed above. In Northwest Europe, the gasoil-to-Brent differential was \$7.20, and in the Mediterranean, the gasoil-to-Urals crack was \$6.70. In the latter location, the gasoil-crude spread was notable, because it was larger than the jet/kerosene-crude spread, which was only \$5.20. Jet/kerosene is usually a more profitable product for refiners to produce, but the jet fuel glut after 11 September has squeezed these margins.

On the **US Gulf Coast (USGC)**, margins were hit hard by the decline in gasoline prices, which was driven by swelling gasoline inventories in the US. Although gasoline prices fell by similar amounts in Europe and Asia, sophisticated USGC refineries produce the largest proportion of the key transportation fuel, and are therefore most vulnerable to its weakness. Conversely, prices for gasoil held up almost as well as they did in Europe; however, USGC refineries did not benefit from this as much as their European counterparts. In **Singapore**, the situation was mixed, with cracking margins up 16 cents and hydroskimming margins 38 cents lower.

In late September and early October, margins were helped by the fact that crude prices fell faster than product prices. However, after product prices caught up with crude, margins deteriorated over the course of the month and into early November. With weak product demand and product prices

expected, the outlook is neutral-to-negative. In Europe, which was the best performing region in October, the strength came from gasoil. Heavy buying in Germany and France is likely to ease, so this support for European margins is likely to dissipate. At best, crude and product prices will move together, keeping margins steady. At worst, Iraqi rollover problems, an announcement of an OPEC production cut, or some other supply disruption will support crude prices, squeezing margins further.

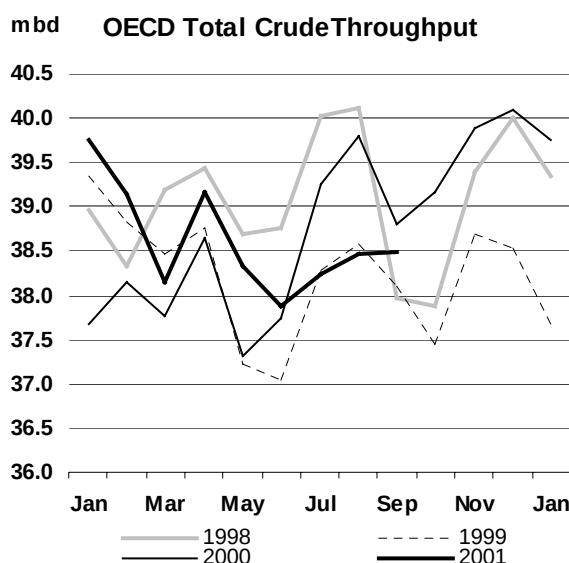
Refining Margins in Major Refining Centres

	(\$/bbl)									
	Monthly Averages			Oct-Sep		End of Week:				
	Aug 01	Sep 01	Oct 01	Change	%	28 Sep	05 Oct	12 Oct	19 Oct	26 Oct
Refining Margins										
NW Europe										
Brent (Hydroskimming)	-2.17	-0.79	-0.26	0.53		-0.17	0.98	0.01	-1.11	-0.59
Brent (Cracking)	-0.67	0.77	0.78	0.01		1.03	2.20	1.12	-0.27	0.35
Mediterranean										
Urals (Hydroskimming)	-0.92	-0.17	0.77	0.94		0.35	1.88	1.32	0.01	0.20
Urals (Cracking)	0.75	1.60	2.07	0.47		1.76	3.29	2.67	1.20	1.45
US Gulf Coast										
Brent (Cracking)	1.90	1.91	0.35	-1.56		1.15	1.19	-0.37	0.18	-0.31
WTI (Cracking)	1.64	0.73	0.16	-0.57		0.75	1.26	-0.77	-0.30	-0.15
Singapore										
Dubai (Hydroskimming)	-0.52	1.07	1.45	0.38		1.53	2.66	2.52	0.53	0.67
Dubai (Cracking)	0.89	2.60	2.44	-0.16		2.73	3.59	3.48	1.48	1.84
Gross Product Worth										
NW Europe										
Brent (Hydroskimming)	24.84	26.00	21.60	-4.40	-16.9	23.16	22.61	22.28	21.00	20.98
Brent (Cracking)	26.44	27.66	22.74	-4.92	-17.8	24.47	23.93	23.49	21.95	22.02
Mediterranean										
Urals (Hydroskimming)	23.78	24.82	20.73	-4.10	-16.5	22.08	21.74	21.52	20.04	19.98
Urals (Cracking)	25.55	26.70	22.12	-4.57	-17.1	23.59	23.25	22.96	21.34	21.33
US Gulf Coast										
Brent (Cracking)	30.40	29.09	23.52	-5.56	-19.1	25.62	24.36	23.23	23.14	22.86
WTI (Cracking)	30.04	28.85	23.37	-5.48	-19.0	25.45	24.25	23.08	22.98	22.69
Singapore										
Dubai (Hydroskimming)	24.48	25.66	21.51	-4.15	-16.2	23.49	22.64	22.67	20.70	20.52
Dubai (Cracking)	26.00	27.30	22.60	-4.69	-17.2	24.80	23.67	23.72	21.76	21.80

For the purposes of this Report, refining margins are calculated on the basis of an 'average' refinery that is running a 'typical' crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

OECD Refinery Throughput

Preliminary monthly data indicate that **total OECD** refinery throughput in **September** averaged 38.5 mb/d. This level was roughly steady with the previous month, but 315 kb/d lower than the year-earlier figure. In contrast to June, July and August crude runs, which were at or near the bottom of the 1998-2000 range, September throughputs were back in the middle of the range. This may be due to less-than-normal maintenance losses in September, caused by the early refinery maintenance that took place over the summer. As can be seen on the graph, October is usually the low point for OECD crude runs in the fourth quarter. Early and more spread-out refinery maintenance would also argue for a milder-than-usual dip in October throughputs; however, this factor may have been offset by discretionary run cuts aimed at supporting margins.



Refinery Crude Throughput and Utilisation in OECD Countries

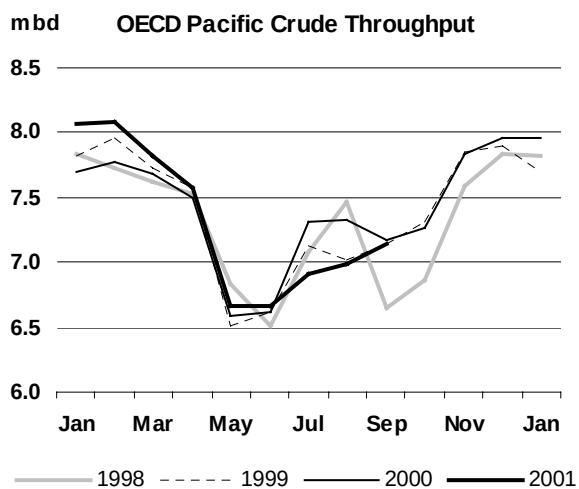
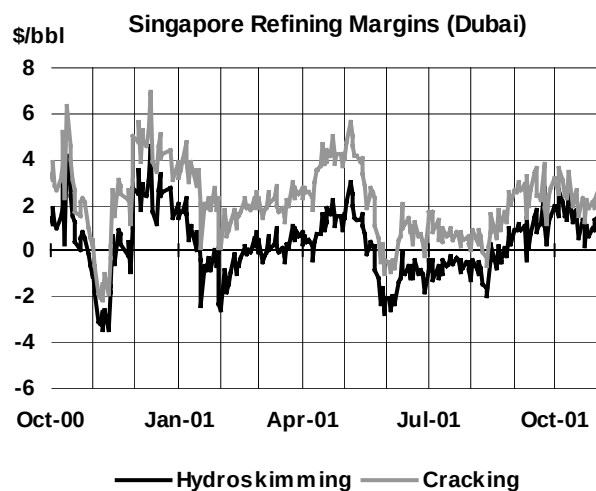
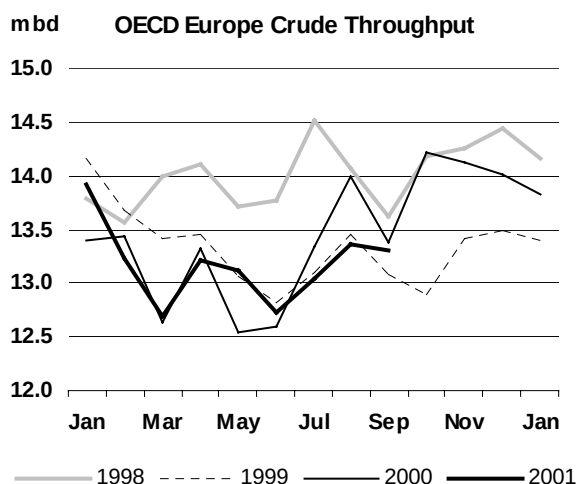
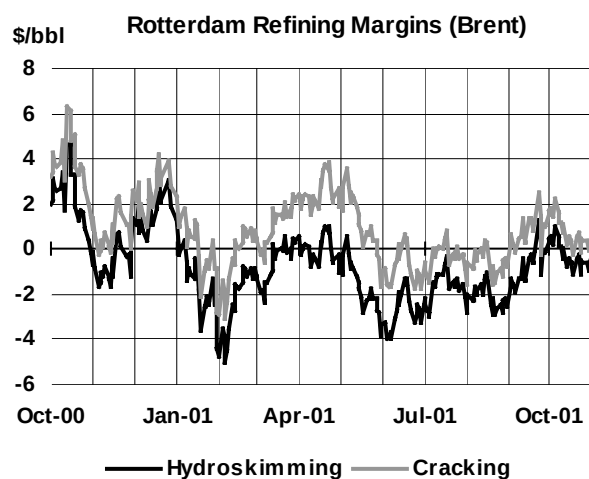
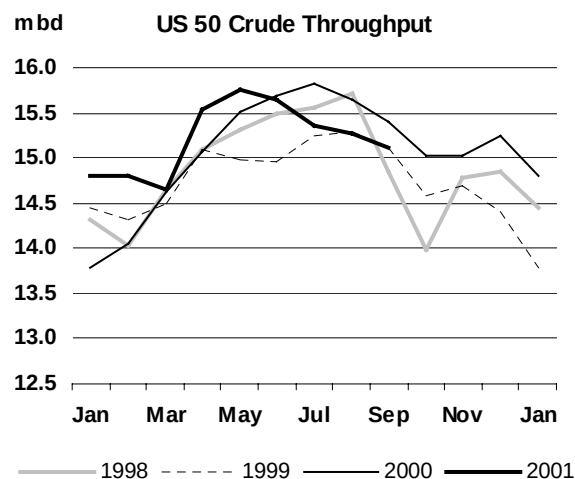
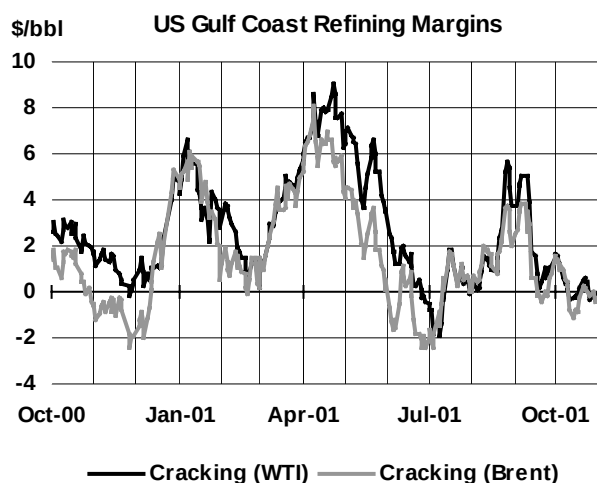
	million barrels per day						Change from Aug 00		Utilisation rate ²	
	Apr 01	May 01	Jun 01	Jul 01	Aug 01	Sep 01 ¹	mb/d	%	Sep 01	Sep 00
OECD North America										
US ³	15.54	15.77	15.65	15.36	15.27	15.12	-0.286	-1.9	91.1	93.4
Canada	1.66	1.64	1.71	1.71	1.69	1.75	0.027	1.6	94.7	93.2
Mexico	1.18	1.14	1.11	1.24	1.17	1.18	0.060	5.4	76.2	73.6
Total	18.37	18.55	18.48	18.30	18.12	18.05	-0.199	-1.1	90.3	91.7
OECD Europe										
France	1.73	1.75	1.71	1.76	1.75	1.85	0.175	10.4	106.3	96.2
Germany	2.20	2.24	2.08	2.23	2.26	1.99	-0.217	-9.8	88.1	97.7
Italy	1.89	1.68	1.58	1.71	1.75	1.79	-0.019	-1.0	88.4	89.3
Netherlands	1.18	1.14	1.02	1.02	1.12	1.03	0.006	0.6	84.8	84.3
Spain	1.14	1.09	1.08	1.07	1.19	1.17	0.075	6.8	91.8	85.9
UK	1.40	1.43	1.36	1.49	1.64	1.71	0.048	2.9	98.2	95.4
Other OECD Europe	3.67	3.80	3.90	3.77	3.64	3.76	-0.150	-3.8	86.4	89.8
Total	13.21	13.11	12.73	13.04	13.36	13.30	-0.082	-0.6	91.0	91.6
OECD Pacific										
Japan	4.23	3.64	3.49	3.93	4.13	4.09	0.065	1.6	82.5	76.8
Korea	2.55	2.21	2.36	2.16	2.01	2.21	-0.115	-4.9	89.5	94.1
Other OECD Pacific	0.80	0.82	0.82	0.81	0.84	0.85	0.016	1.9	102.9	101.0
Total	7.58	6.67	6.67	6.90	6.98	7.14	-0.034	-0.5	86.6	84.1
OECD Total	39.16	38.32	37.87	38.25	38.46	38.50	-0.315	-0.8	89.8	90.2

1 Estimate

2 Based on crude throughput and current operable refining capacity

3 US\$0

In the **US**, September throughputs fell by 150 kb/d compared to August, the fourth consecutive monthly decline since May. Preliminary figures indicate that runs increased by 80 kb/d in October. US refinery maintenance took place at about the same levels in both September and October. **European** throughputs were 60 kb/d lower in September, with heavy refinery maintenance taking place. Planned downtime was scheduled to ease significantly in October. In **Japan**, runs dropped by 40 kb/d in September. Preliminary statistics show that throughputs fell by a further 240 kb/d in October. At the same time that refinery runs elsewhere were being cut, **Korean** throughputs gained 200 kb/d from August to September.



SPECIAL FEATURE

World Energy Outlook Insights 2001

The latest publication in the *World Energy Outlook (WEO)* series - *WEO 2001 Insights - Assessing Today's Supplies to Fuel Tomorrow's Growth* - was released at the World Energy Congress meeting in Buenos Aires on 24th October. *WEO 2001 Insights* is the most detailed analysis of energy-supply issues produced by the International Energy Agency (IEA).

Overview of the WEO-2001 Insights

Assessing Today's Supplies to Fuel Tomorrow's Growth confirms that the world has abundant reserves of energy. Proven reserves are adequate to meet projected demand until 2020 and beyond. Oil will be available throughout the period, although unconventional oil is likely to play a growing role. Proven reserves of natural gas and coal are abundant. There will be no lack of uranium for nuclear power production in the foreseeable future. Renewable energy sources will become more competitive and will be more widely used.

The principal uncertainty in global energy prospects is the cost of production. Advances in technology and productivity are driving production and transportation costs lower, but the depletion of the cheapest reserves and the growing distances over which new supplies must be transported are, in many cases, pushing delivered energy costs up. The net effect on supply costs varies among fuels and regions. The cost of supplying natural gas to markets is starting to rise with the depletion of near-to-market reserves and the growing need to ship gas from further afield. On the other hand, renewable energy sources, which are usually exploited at a local or regional level, are generally becoming less costly to produce.

Massive Investment in Energy Infrastructure Will Be Needed

Massive investment in the production, transformation, transportation and distribution of energy will be needed to meet growing demand. The bulk of this investment is needed in developing countries, but the scale of investment will require major capital inflows from industrialised countries. Mobilising this investment in a timely fashion will require the removal of regulatory and market barriers. Increased foreign direct investment and partnerships between international and national energy companies would make possible more supply projects and would limit investment risk for all participants.

Growing International Trade Must Overcome Security Concerns

Growing international trade in energy, especially fossil fuels, will have major geopolitical implications. Trade is poised to grow rapidly as a result of the regional mismatch between demand and production potential. Dependence on the Middle East will continue to grow in the net oil-consuming regions, essentially the three OECD regions and some parts of Asia. This situation raises concerns about the world's vulnerability to a price shock induced by a supply disruption. Oil-supply chains will lengthen, and maintaining the security of international sea-lanes will become more difficult.

Increasing dependence on imports of natural gas in Europe, North America and other regions will heighten those concerns. Given the prospect of rising gas demand in Europe, trade between European countries, and imports from outside the region, are expected to continue growing for the next two decades at least. Incremental gas import needs are likely to be met by increased piped supplies from Russia and Algeria and a mixture of piped gas and LNG from Libya, Nigeria, Trinidad and Tobago, Egypt and possible Qatar. LNG could play a much more important role in supplying the European gas market if supply costs continue to fall and the availability of Russian gas is less than expected. The lowest cost potential sources of incremental gas from outside Europe are to be found in North Africa, notably Algeria. Political risk is a major consideration for many of the more distant supplies, particularly those whose gas must transit through several countries deemed to be politically unstable.

Governments Will Influence the Energy-Supply Landscape

The governments of oil- and gas-importing countries are likely to place greater emphasis on improving relations with suppliers; they will also step up measures to deal with short-term supply emergencies or price shocks. The Seventh International Energy Forum, held in Riyadh in November 2000, provided an opportunity for oil producers and consumers to discuss oil market developments. Both sides called for stability, transparency and better data to reduce oil price volatility. Governments

and end users are, nonetheless, likely to continue to accept a degree of risk in return for competitively priced oil and gas supplies.

Research and development will be vital to reducing energy-supply costs. Governments can influence the pace of supply cost reduction by encouraging research and development expenditures. Both public- and private-sector R&D expenditures have declined in the past decade. Increasing spending on R&D could have a major positive effect on energy-supply technology.

Outlook for Oil Supply

Oil reserves are sufficient to satisfy projected demand for the next two decades. By 2020, oil production is projected to reach 115 million barrels per day, or 40% of the world's total energy supply. Oil will retain its position as the single largest source of primary energy. Over the next two decades, most of the expected demand growth will come from the transport sector, where the potential for replacing oil with another fuel is limited. International trade is expected to double due to the increasing concentration of production capacity in a small number of countries with large, low-cost reserves.

While global reserves are abundant, supply is not guaranteed. Declining production in ageing oil reservoirs means that much new capacity will be needed to offset expected production declines and to meet demand growth. Future oil prices and trends in production costs will be critical factors in attracting timely investment in new oil-production capacity.

Global oil production need not peak in the next two decades if necessary investments are made. Advances in technology allow production from new reservoirs to peak higher and earlier, thereby improving investment returns. But this leads to faster rates of decline. The overall rate of decline will also be strongly influenced by declining production from ageing giant oil reservoirs. The impact of declining production on investment requirements in developing new reserves is one of the key findings highlighted in *WEO 2001 - Insights*.

Major Middle East oil producers have an opportunity and challenge to exploit their low-cost resources, but their ability to mobilise capital is uncertain. Their production and investment plans will be closely linked to their pricing policies. They will need to establish a framework that is attractive to foreign investors, where domestic sources of capital are inadequate.

The development and deployment of new technology will be crucial to reducing supply costs and improving productivity. In recent years, technology has improved the efficiency of finding, developing and producing oil. New technology, including underground sensors and controls, will reduce production cost and improve ultimate oil and gas recovery. Further reductions are also expected in the cost of producing unconventional oil, such as synthetic crude from oil sands and gas-to-liquids conversion. Unconventional oil may well exceed current projections and account for a much greater share of total oil resources and supply by 2020. Enormous volumes of unconventional oil lie in oil sands in Canada and in heavy and extra-heavy oil deposits in Venezuela.

Government policy and industry restructuring will influence upstream investment. Increased productivity and improvements in market conditions could lead to major increases in production from several countries *outside* OPEC. Russia has the largest growth potential, particularly given the strong performance in recent years.

Outlook for Other Sources of Energy

Global natural-gas resources are abundant and can easily meet the expected surge in demand in the next two decades. Proven gas reserves have doubled over the past twenty years. Exploiting the world's gas resources will require massive investment in production facilities and infrastructure to transport gas to market. The share of transportation in total supply costs will rise, as supply chains lengthen after the depletion of reserves located closest to markets. Pipelines will remain the principal means of transport for gas in North America, Europe and Latin America, but liquefied natural gas is likely to play a growing role.

The impact of competition on investment in gas-supply projects is highly uncertain. The spread of competition will stimulate the development of spot markets and hasten the de-coupling of gas from oil prices in long-term contracts. Although many contracts will become shorter, some long-term gas contracts will remain. To the extent that competition lowers prices at the wellhead and at borders, it can discourage some potential upstream developments. At the same time, however, competitive

markets can provide greater opportunities for producers to market their gas. By reducing transportation costs, competition may also allow for higher netbacks at the wellhead, offsetting some of the effect of lower end-user prices.

World reserves of coal are enormous and well dispersed geographically compared with oil and natural gas. Economically recoverable proven coal reserves are close to one trillion tonnes, representing about 200 years of production at current rates. Almost half the world's reserves are located in OECD countries. The size and distribution of these reserves virtually obviates supply-security concerns about coal. The most uncertain factor affecting future coal supply is the impact of environmental policies on demand, especially in power generation. Demand will depend largely on whether clean-coal technologies in the power sector can meet environmental concerns while simultaneously producing coal that is competitive with other fuels. Concerns about future environmental regulations, including carbon-emission constraints, could deter investment in new mining projects.

Production of primary energy from renewable sources is expected to grow rapidly over the next two decades. Nonetheless, their share in the global energy mix will remain small. In the OECD, most of the growth is expected to come from wind and bioenergy, supported by policies and measures to curb climate-destabilising greenhouse-gas emissions and to diversify the energy mix. Developing renewable energy resources will require sustained investment in infrastructure. In the OECD, bioenergy, wind, geothermal and solar projects will represent 7% of all additions to power-generation capacity over the next twenty years. About \$90 billion will be required for these new projects, or 10% of total investment in new power-generation capacity. If very strong efforts are made by governments to promote and subsidise renewables, investment could rise to about \$230 billion in the period to 2020.

Beyond 2020, the role of renewable energy in global energy supply is likely to become much more important. The increasing need for new power-generation capacity will create real opportunities for renewable energy to penetrate the power sector. How rapidly it does so will depend on its cost relative to that of competing technologies, taking account of any carbon taxes or penalties that may be imposed. Technological innovation will be needed to get costs down.

The needs of nuclear-power generation are currently met by primary production of uranium and by stockpiles and inventories. While supply from stockpiles has increased, uranium production has declined over the past few years. Known reserves and uranium from secondary sources guarantee a secure supply for the next twenty years, although there is considerable uncertainty about secondary supplies. Much of this uncertainty is due to the amount of defence-related uranium that may eventually reach the commercial market. Low-enriched uranium blended from highly-enriched uranium from Russian warheads will help supply the market over the next several years.

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Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	23.1	23.8	23.7	23.8	24.5	24.4	24.1	24.2	23.8	24.1	24.0	24.0	23.9	23.7	24.4	24.9	24.2
Europe	15.3	15.2	15.2	14.6	15.2	15.4	15.1	15.2	14.8	15.4	15.0	15.1	15.0	14.6	15.4	15.4	15.1
Pacific	8.4	8.7	9.4	8.1	8.3	8.8	8.7	9.4	8.0	8.1	8.6	8.5	9.2	7.9	8.0	8.6	8.4
Total OECD	46.8	47.7	48.2	46.6	48.0	48.6	47.8	48.8	46.5	47.5	47.7	47.6	48.1	46.2	47.8	48.9	47.7
NON-OECD DEMAND																	
FSU	3.7	3.7	3.6	3.5	3.6	3.8	3.6	3.8	3.6	3.6	3.8	3.7	3.8	3.7	3.6	3.8	3.7
Europe	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7
China	4.2	4.5	4.7	4.6	5.1	4.8	4.8	4.7	5.2	4.7	5.0	4.9	4.9	5.1	4.9	5.3	5.0
Other Asia	6.8	7.2	7.2	7.4	7.4	7.3	7.3	7.3	7.4	7.2	7.3	7.3	7.3	7.4	7.3	7.3	7.4
Latin America	4.8	4.8	4.7	4.9	5.0	4.9	4.9	4.7	4.9	4.9	4.9	4.8	4.7	4.9	5.0	4.9	4.9
Middle East	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5	4.5	4.7	4.8	4.6	4.6
Africa	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.4
Total Non-OECD	26.8	27.6	27.8	27.8	28.5	28.2	28.1	28.1	28.7	28.2	28.5	28.4	28.5	28.9	28.7	29.2	28.8
Total Demand¹	73.6	75.2	75.9	74.4	76.4	76.8	75.9	76.9	75.2	75.7	76.2	76.0	76.6	75.1	76.5	78.1	76.6
OECD SUPPLY																	
North America	14.5	14.0	14.3	14.4	14.3	14.1	14.3	14.2	14.2	14.4	14.4	14.3	14.8	14.6	14.6	14.8	14.7
Europe	6.7	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.6	7.0	6.7	7.0	6.8	6.6	6.7	6.8
Pacific	0.7	0.7	0.9	0.9	0.9	0.8	0.9	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7
Total OECD	21.9	21.4	22.3	21.8	21.7	21.8	21.9	21.8	21.5	21.8	22.2	21.8	22.5	22.1	21.9	22.2	22.2
NON-OECD SUPPLY																	
FSU	7.3	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.5	8.6	8.7	8.5	8.8	8.9	9.1	9.2	9.0
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.2	3.3	3.3	3.3	3.3	3.3	3.3
Other Asia	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Latin America	3.6	3.8	3.7	3.7	3.8	3.9	3.8	3.8	3.7	3.8	3.7	3.8	3.8	3.8	3.8	3.8	3.8
Middle East	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.9	1.9	1.9
Africa	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.8	2.9	2.9	2.8	2.8	2.8
Total Non-OECD	21.3	21.6	21.9	22.0	22.3	22.7	22.2	22.8	22.8	23.1	23.1	22.9	23.3	23.4	23.5	23.7	23.5
Processing Gains ²	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Non-OPEC	44.8	44.7	45.9	45.5	45.8	46.3	45.9	46.3	46.0	46.6	47.1	46.5	47.7	47.2	47.2	47.7	47.4
OPEC																	
Crude	28.0	26.6	26.5	27.8	28.4	29.0	27.9	28.4	27.1	27.4							
NGLs	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.2	3.2	3.2	3.2	3.2
Total OPEC	30.8	29.4	29.3	30.7	31.3	31.9	30.8	31.3	30.0	30.3							
Total Supply³	75.6	74.2	75.2	76.2	77.1	78.2	76.7	77.7	76.0	76.9							
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.2	-0.7	-0.4	1.0	0.4	-0.2	0.2	0.0	0.8	0.5							
Government	0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0	0.0	-0.1							
Total	0.3	-0.7	-0.4	1.0	0.4	-0.4	0.1	0.0	0.8	0.4							
Floating Storage/Oil in Transit	0.1	-0.1	0.0	0.1	0.0	0.4	0.1	0.1	-0.4	0.0							
Miscellaneous to balance ⁴	1.6	-0.3	-0.3	0.7	0.2	1.5	0.5	0.6	0.3	0.8							
Total Stock Ch. & Misc	2.0	-1.1	-0.7	1.8	0.7	1.4	0.8	0.7	0.7	1.2							
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	26.1	27.7	27.2	25.9	27.8	27.6	27.1	27.7	26.3	26.1	26.1	26.5	25.8	24.6	26.1	27.2	25.9
Total Demand ex. FSU	69.9	71.6	72.3	70.9	72.9	73.1	72.3	73.2	71.6	72.1	72.4	72.3	72.8	71.4	72.8	74.3	72.8
Total demand exc. FSU (% ch) ⁶	0.6	2.4	-0.2	1.4	2.7	-0.1	1.0	1.2	1.1	-1.1	-0.9	0.1	-0.5	-0.3	1.0	2.6	0.7

¹ Measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers, refinery fuel, crude for direct burning,

oil from non-conventional sources and other sources of supply

² Net volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ Comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ Includes changes in non-reported stocks in OECD and non-OECD areas

⁵ Equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ Year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	-	-	-	-	-	-	-	-	-	-	0.1	-	0.2	0.1	-0.1	-	-
Europe	-	-	-	-	-	-	-	-	0.1	0.2	-0.1	0.1	-	-	0.2	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-0.1	-0.1	-0.1
Total OECD	-	-	-	-	-	-	-	-	-	0.1	-	-	0.1	-	-	-0.1	-
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-0.1	-	-	-0.1	-	-0.1	-	-
Latin America	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-0.1	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-0.1	-	-	-0.1	-	-0.1	-	-0.1
Total Demand	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-0.1	-	-
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-0.1	0.1	-0.1	-	-	-0.1	-	-0.1	-0.1
Europe	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	0.1	-	-	-
Pacific	-	-	-	-	0.1	-	0.1	-	-	-	-	-	-0.1	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	0.1	-0.2	-	-0.1	-	-	-0.1	-
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-0.1	-	-	-	-0.1	-	-	-	-	-	0.1	0.1	0.1
Latin America	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-	-0.1	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1
Total Non-OECD	-	-	-	-	-0.1	-0.1	-0.1	-	-0.1	-	-0.1	-0.1	-	0.1	-	0.1	0.1
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	-	-	-0.1	-	-	-	-0.1	-0.1	-	-0.2	-0.1	-	-	-	-	-0.1
OPEC																	
Crude	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OPEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	-	-	0.1	-0.1	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	0.1	-0.1	-	-	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous to balance	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-	-	-
Total Stock Ch. & Misc	-	-	-	-0.1	0.1	-	-	-0.1	-0.1	-	-	-	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-	-	-	-	-	0.1	-	-0.1	0.3	-	0.1	-0.1	-0.1	-	-0.1
Total Demand ex. FSU	-	-	-	-	-	-	-	0.1	-	-	-0.1	-	0.1	-	-0.2	-	-0.1

When submitting their monthly oil statistics, OECD Member countries periodically update data for prior periods. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	April			May			June			Second Quarter			July		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
North America															
LPG	2.90	2.69	-7.4	2.75	2.33	-15.0	2.88	2.46	-14.5	2.84	2.49	-12.3	2.70	2.58	-4.7
Naphtha	0.30	0.34	11.2	0.38	0.29	-24.0	0.37	0.25	-32.7	0.35	0.29	-17.0	0.45	0.28	-38.0
Motor Gasoline	9.56	9.79	2.3	9.96	10.08	1.2	10.11	10.05	-0.6	9.88	9.97	1.0	9.95	10.30	3.5
Jet/Kerosene	1.91	1.92	0.3	1.91	1.98	3.9	1.95	2.01	2.8	1.92	1.97	2.4	2.03	2.03	0.2
Gasoil	4.22	4.60	9.1	4.59	4.62	0.8	4.40	4.44	0.9	4.40	4.56	3.4	4.16	4.36	4.7
Residual Fuel Oil	1.56	1.81	16.0	1.53	1.76	15.0	1.73	1.80	4.1	1.60	1.79	11.5	1.81	1.85	2.1
Other Products	2.46	2.52	2.5	3.03	2.73	-10.0	3.02	2.82	-6.8	2.84	2.69	-5.3	2.90	2.80	-3.5
Total	22.92	23.66	3.2	24.13	23.79	-1.4	24.46	23.82	-2.6	23.84	23.76	-0.3	24.00	24.18	0.8
Europe															
LPG	0.92	0.93	0.6	0.87	0.89	1.3	0.84	0.82	-2.6	0.88	0.88	-0.2	0.81	0.83	2.3
Naphtha	1.20	1.17	-2.2	1.18	1.18	0.0	1.15	1.09	-5.3	1.18	1.15	-2.4	1.08	1.10	1.9
Motor Gasoline	3.05	3.01	-1.3	3.16	3.06	-3.2	3.17	3.09	-2.6	3.13	3.05	-2.4	3.13	3.14	0.2
Jet/Kerosene	1.06	1.12	5.7	1.09	1.11	2.3	1.17	1.16	-0.7	1.11	1.13	2.3	1.17	1.19	1.5
Gasoil	5.12	5.32	3.7	5.07	5.19	2.4	5.21	5.37	3.2	5.13	5.29	3.1	5.07	5.58	10.0
Residual Fuel Oil	1.89	1.82	-3.8	1.84	1.91	3.7	1.94	1.89	-2.9	1.89	1.87	-1.0	1.88	1.90	1.0
Other Products	1.18	1.30	9.6	1.33	1.45	8.9	1.39	1.41	1.0	1.30	1.38	6.3	1.39	1.49	7.2
Total	14.42	14.65	1.6	14.56	14.80	1.7	14.88	14.83	-0.3	14.62	14.76	1.0	14.54	15.23	4.8
Pacific															
LPG	0.91	0.90	-1.5	0.87	0.89	2.2	0.82	0.91	10.2	0.87	0.90	3.4	0.83	0.79	-5.2
Naphtha	1.46	1.44	-1.9	1.32	1.38	4.2	1.36	1.34	-1.3	1.38	1.38	0.3	1.45	1.33	-7.6
Motor Gasoline	1.48	1.49	0.4	1.56	1.54	-1.5	1.51	1.49	-0.9	1.52	1.51	-0.7	1.57	1.62	3.1
Jet/Kerosene	0.94	0.84	-10.5	0.77	0.75	-2.0	0.66	0.72	10.0	0.79	0.77	-2.1	0.65	0.64	-1.4
Gasoil	1.86	1.81	-2.7	1.84	1.81	-1.2	1.82	1.87	2.3	1.84	1.83	-0.6	1.75	1.75	0.2
Residual Fuel Oil	1.18	1.09	-7.5	1.09	1.04	-4.4	1.14	1.05	-7.7	1.13	1.06	-6.6	1.15	1.18	3.3
Other Products	0.52	0.55	6.5	0.56	0.56	-0.5	0.63	0.53	-15.8	0.57	0.55	-3.9	0.66	0.62	-5.2
Total	8.35	8.11	-2.9	8.00	7.96	-0.4	7.94	7.91	-0.3	8.09	7.99	-1.2	8.05	7.94	-1.3
OECD															
LPG	4.74	4.51	-4.7	4.49	4.11	-8.5	4.55	4.19	-7.8	4.59	4.27	-7.0	4.35	4.20	-3.5
Naphtha	2.96	2.94	-0.7	2.88	2.85	-1.2	2.88	2.68	-6.9	2.91	2.82	-2.9	2.97	2.71	-8.7
Motor Gasoline	14.09	14.28	1.4	14.68	14.68	0.0	14.79	14.63	-1.1	14.52	14.53	0.1	14.66	15.07	2.7
Jet/Kerosene	3.91	3.88	-0.8	3.76	3.84	2.2	3.78	3.89	3.0	3.82	3.87	1.4	3.85	3.86	0.4
Gasoil	11.21	11.73	4.7	11.49	11.63	1.2	11.43	11.68	2.2	11.38	11.68	2.6	10.98	11.69	6.5
Residual Fuel Oil	4.62	4.71	1.9	4.46	4.71	5.6	4.81	4.74	-1.5	4.63	4.72	2.0	4.83	4.93	2.0
Other Products	4.16	4.37	5.0	4.92	4.74	-3.8	5.04	4.75	-5.8	4.71	4.62	-1.9	4.95	4.91	-0.7
Total	45.69	46.43	1.6	46.69	46.56	-0.3	47.28	46.57	-1.5	46.56	46.52	-0.1	46.59	47.36	1.7

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	May			June			Second Quarter			July			August		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
LPG	1.92	1.68	-12.6	2.08	1.80	-13.4	2.04	1.84	-9.8	1.98	1.90	-3.9	2.09	1.94	-7.0
Naphtha	0.30	0.21	-28.7	0.30	0.17	-42.2	0.28	0.21	-22.4	0.35	0.20	-43.9	0.30	0.24	-17.9
Motor Gasoline	8.66	8.75	1.1	8.80	8.71	-1.0	8.61	8.67	0.7	8.66	8.97	3.6	8.92	8.94	0.2
Jet/Kerosene	1.70	1.77	4.4	1.75	1.81	3.0	1.73	1.77	2.7	1.81	1.81	0.2	1.87	1.81	-3.6
Gasoil	3.68	3.74	1.7	3.55	3.62	2.0	3.56	3.73	4.6	3.37	3.58	6.3	3.73	3.75	0.8
Residual Fuel Oil	0.72	0.97	34.4	0.95	0.96	1.4	0.81	0.99	21.3	1.09	1.06	-3.1	0.94	0.97	3.6
Other Products	2.62	2.40	-8.4	2.61	2.45	-6.1	2.45	2.36	-3.9	2.46	2.37	-3.7	2.65	2.43	-8.4
Total	19.60	19.53	-0.4	20.03	19.52	-2.6	19.48	19.57	0.5	19.72	19.89	0.9	20.49	20.09	-2.0
Japan³															
LPG	0.56	0.57	1.1	0.50	0.57	14.2	0.56	0.57	3.1	0.52	0.49	-5.0	0.53	0.51	-4.1
Naphtha	0.74	0.76	3.5	0.73	0.71	-2.4	0.77	0.76	-1.0	0.85	0.71	-16.4	0.85	0.79	-6.3
Motor Gasoline	1.00	0.99	-1.2	0.98	0.98	0.4	0.97	0.98	0.7	1.06	1.10	4.2	1.16	1.14	-2.0
Jet/Kerosene	0.48	0.49	2.9	0.42	0.46	9.3	0.50	0.51	1.1	0.43	0.44	2.1	0.47	0.46	-3.5
Diesel	0.65	0.62	-3.2	0.68	0.67	-1.4	0.67	0.65	-2.4	0.69	0.70	1.3	0.70	0.68	-3.8
Other Gasoil	0.48	0.49	1.5	0.48	0.48	0.0	0.50	0.49	-0.1	0.47	0.48	3.9	0.49	0.47	-4.9
Residual Fuel Oil	0.55	0.55	-0.5	0.65	0.55	-14.9	0.61	0.56	-7.7	0.67	0.69	3.3	0.73	0.64	-11.5
Direct use of Crude Oil	0.11	0.11	2.9	0.16	0.10	-39.1	0.11	0.09	-16.0	0.19	0.17	-13.1	0.23	0.19	-18.3
Other Products	0.33	0.33	-0.4	0.31	0.33	4.6	0.33	0.34	4.1	0.38	0.35	-8.6	0.35	0.34	-2.1
Total	4.90	4.92	0.4	4.91	4.85	-1.2	5.01	4.97	-0.9	5.26	5.14	-2.3	5.51	5.22	-5.4
Germany															
LPG	0.09	0.10	12.8	0.09	0.10	12.9	0.09	0.10	10.7	0.10	0.09	-9.7	0.10	0.09	-4.7
Naphtha	0.40	0.40	-0.1	0.37	0.36	-2.8	0.39	0.38	-1.0	0.38	0.36	-3.9	0.38	0.35	-6.7
Motor Gasoline	0.72	0.68	-5.4	0.68	0.68	0.2	0.70	0.67	-3.3	0.68	0.67	-0.6	0.68	0.67	-1.3
Jet/Kerosene	0.16	0.15	-7.2	0.16	0.16	0.3	0.16	0.15	-3.2	0.17	0.16	-3.4	0.17	0.16	-3.5
Diesel	0.58	0.54	-6.8	0.53	0.51	-3.1	0.54	0.52	-3.8	0.53	0.56	5.0	0.55	0.56	1.4
Other Gasoil	0.47	0.54	15.0	0.59	0.71	21.5	0.53	0.62	15.7	0.58	0.83	41.6	0.86	0.85	-0.7
Residual Fuel Oil	0.16	0.18	14.0	0.15	0.18	19.4	0.16	0.19	15.1	0.18	0.17	-3.0	0.17	0.18	5.1
Other Products	0.12	0.14	15.3	0.14	0.14	-0.2	0.13	0.14	7.2	0.14	0.14	-0.1	0.17	0.15	-9.2
Total	2.69	2.73	1.2	2.72	2.86	5.2	2.69	2.76	2.8	2.76	2.99	8.4	3.07	3.02	-1.6
Italy															
LPG	0.11	0.12	6.1	0.11	0.11	-2.7	0.12	0.12	0.4	0.11	0.11	1.7	0.12	0.12	-2.2
Naphtha	0.11	0.11	-1.9	0.10	0.11	4.7	0.11	0.10	-3.6	0.09	0.10	8.8	0.09	0.10	4.3
Motor Gasoline	0.40	0.40	-0.8	0.42	0.41	-4.1	0.41	0.40	-2.5	0.40	0.41	1.8	0.42	0.41	-1.4
Jet/Kerosene	0.08	0.06	-19.2	0.09	0.08	-4.8	0.08	0.07	-5.6	0.09	0.09	-4.3	0.09	0.09	4.5
Diesel	0.38	0.46	21.4	0.40	0.43	8.6	0.38	0.42	12.7	0.39	0.43	12.2	0.33	0.36	8.2
Other Gasoil	0.13	0.05	-65.2	0.14	0.14	0.5	0.14	0.11	-26.3	0.15	0.14	-8.6	0.13	0.13	6.5
Residual Fuel Oil	0.38	0.42	10.5	0.49	0.36	-26.7	0.42	0.38	-11.0	0.44	0.46	5.9	0.48	0.44	-7.3
Other Products	0.16	0.20	28.1	0.16	0.15	-5.5	0.15	0.17	12.3	0.15	0.19	26.6	0.17	0.19	13.3
Total	1.75	1.81	3.7	1.91	1.78	-6.5	1.81	1.77	-2.0	1.81	1.93	6.2	1.82	1.84	1.2
France															
LPG	0.09	0.10	12.9	0.08	0.08	-3.8	0.09	0.10	3.4	0.08	0.08	-3.0	0.08	0.08	-5.6
Naphtha	0.19	0.19	0.4	0.20	0.20	0.4	0.20	0.20	0.4	0.20	0.21	0.4	0.21	0.21	0.4
Motor Gasoline	0.33	0.31	-5.5	0.37	0.33	-9.9	0.34	0.32	-5.4	0.35	0.34	-0.5	0.35	0.35	-0.2
Jet/Kerosene	0.13	0.13	0.6	0.14	0.14	-6.5	0.14	0.13	-3.2	0.15	0.15	-3.0	0.17	0.14	-15.4
Diesel	0.58	0.57	-1.0	0.58	0.61	4.2	0.57	0.59	3.5	0.57	0.61	8.4	0.54	0.57	5.4
Other Gasoil	0.24	0.28	16.4	0.27	0.29	9.4	0.28	0.30	9.7	0.30	0.35	16.1	0.35	0.36	4.2
Residual Fuel Oil	0.11	0.10	-12.4	0.11	0.10	-4.2	0.12	0.10	-9.6	0.11	0.09	-11.5	0.10	0.09	-11.1
Other Products	0.18	0.21	15.1	0.20	0.21	4.8	0.19	0.21	12.2	0.21	0.22	6.5	0.18	0.19	7.8
Total	1.86	1.90	2.2	1.96	1.97	0.3	1.92	1.96	2.1	1.96	2.05	4.6	1.97	1.99	0.9
United Kingdom															
LPG	0.14	0.15	3.4	0.12	0.12	3.8	0.13	0.14	8.0	0.09	0.13	38.4	0.14	0.12	-16.3
Naphtha	0.04	0.05	9.5	0.07	0.02	-74.1	0.06	0.04	-31.5	0.05	0.06	20.6	0.06	0.06	-2.8
Motor Gasoline	0.48	0.47	-2.0	0.48	0.46	-3.7	0.47	0.47	-0.5	0.50	0.47	-4.7	0.50	0.49	-2.6
Jet/Kerosene	0.28	0.32	14.6	0.31	0.32	4.1	0.30	0.33	10.3	0.30	0.33	12.1	0.33	0.33	0.2
Diesel	0.32	0.33	3.7	0.33	0.33	-0.8	0.31	0.33	5.1	0.30	0.32	7.3	0.31	0.32	3.6
Other Gasoil	0.18	0.15	-12.2	0.18	0.14	-17.6	0.18	0.15	-13.3	0.17	0.14	-20.8	0.18	0.16	-11.1
Residual Fuel Oil	0.08	0.09	23.9	0.08	0.15	88.1	0.08	0.11	36.9	0.08	0.07	-5.4	0.08	0.08	4.2
Other Products	0.14	0.13	-8.3	0.13	0.15	12.5	0.14	0.14	-0.7	0.14	0.15	5.4	0.16	0.17	6.0
Total	1.65	1.69	2.2	1.69	1.69	0.2	1.66	1.70	2.5	1.63	1.68	2.9	1.75	1.72	-1.8
Canada															
LPG	0.41	0.25	-38.3	0.37	0.26	-30.7	0.39	0.25	-35.3	0.31	0.28	-9.1	0.33	0.34	2.1
Naphtha	0.07	0.08	4.9	0.06	0.08	32.2	0.07	0.08	14.3	0.09	0.08	-8.9	0.07	0.08	11.6
Motor Gasoline	0.68	0.68	0.8	0.69	0.70	1.4	0.66	0.67	1.8	0.70	0.71	1.6	0.72	0.73	1.5
Jet/Kerosene	0.11	0.11	-3.7	0.11	0.11	0.8	0.10	0.10	-3.4	0.12	0.12	0.8	0.13	0.12	-1.6
Diesel	0.17	0.19	11.6	0.18	0.20	9.5	0.17	0.18	5.9	0.17	0.16	-2.0	0.18	0.17	-1.6
Other Gasoil	0.33	0.29	-14.0	0.28	0.24	-13.2	0.29	0.27	-7.1	0.26	0.26	-0.9	0.31	0.31	-1.9
Residual Fuel Oil	0.10	0.14	46.2	0.14	0.16	13.2	0.11	0.15	36.7	0.11	0.11	3.1	0.10	0.13	28.6
Other Products	0.28	0.27	-1.9	0.29	0.30	3.2	0.26	0.27	2.5	0.32	0.28	-10.4	0.31	0.32	6.2
Total	2.15	2.01	-6.4	2.12	2.05	-3.5	2.07	1.98	-3.9	2.07	2.01	-2.8	2.15	2.22	3.0

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	2000	2001	2002	2Q01	3Q01	4Q01	1Q02	2Q02	Aug 01	Sep 01	Oct 01
OPEC											
Crude Oil											
Saudi Arabia	8.00			7.68	7.74				7.70	7.60	7.35
Iran	3.69			3.72	3.74				3.75	3.62	3.56
Iraq	2.57			2.23	2.49				2.79	2.55	2.85
UAE	2.24			2.15	2.08				2.10	2.02	2.04
Kuwait	1.77			1.71	1.70				1.72	1.65	1.63
Neutral Zone	0.63			0.62	0.66				0.63	0.66	0.64
Qatar	0.69			0.69	0.68				0.69	0.65	0.64
Nigeria	2.04			2.01	2.05				2.07	2.13	2.17
Libya	1.41			1.38	1.38				1.40	1.34	1.31
Algeria	0.81			0.83	0.85				0.86	0.83	0.81
Venezuela	2.89			2.82	2.81				2.81	2.80	2.79
Indonesia	1.20			1.21	1.19				1.19	1.17	1.18
Total Crude Oil	27.92			27.05	27.35				27.71	27.01	26.96
Total NGLs ¹	2.88	2.95	3.18	2.91	2.95	3.03	3.16	3.18	2.94	2.97	3.01
Total OPEC	30.80			29.96	30.30				30.65	29.98	29.97
NON-OPEC²											
OECD											
North America	14.30	14.32	14.70	14.25	14.37	14.45	14.77	14.61	14.39	14.36	14.27
United States	8.11	8.02	8.08	8.06	8.07	8.08	8.20	8.04	8.12	8.02	8.02
Mexico	3.45	3.56	3.64	3.49	3.62	3.58	3.63	3.65	3.62	3.62	3.53
Canada	2.74	2.74	2.99	2.69	2.68	2.79	2.94	2.93	2.65	2.72	2.72
Europe	6.78	6.71	6.77	6.46	6.61	7.01	7.03	6.78	6.29	6.84	6.99
UK	2.70	2.57	2.53	2.49	2.52	2.68	2.66	2.46	2.43	2.66	2.68
Norway	3.32	3.41	3.46	3.30	3.38	3.53	3.56	3.53	3.15	3.39	3.51
Others	0.75	0.73	0.78	0.67	0.72	0.80	0.81	0.79	0.71	0.78	0.79
Pacific	0.85	0.78	0.71	0.77	0.78	0.77	0.75	0.70	0.77	0.78	0.78
Australia	0.79	0.72	0.66	0.71	0.72	0.71	0.69	0.64	0.71	0.72	0.72
Others	0.06	0.06	0.05	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.93	21.82	22.18	21.47	21.76	22.23	22.55	22.09	21.46	21.98	22.03
NON-OECD											
Former USSR	7.92	8.51	9.02	8.46	8.65	8.69	8.83	8.93	8.66	8.63	8.67
Russia	6.50	7.02	7.44	6.92	7.15	7.25	7.28	7.36	7.16	7.19	7.22
Others	1.42	1.50	1.58	1.54	1.50	1.44	1.55	1.57	1.50	1.44	1.45
Asia	5.55	5.66	5.68	5.65	5.67	5.65	5.67	5.68	5.70	5.69	5.66
China	3.23	3.28	3.30	3.31	3.28	3.25	3.27	3.29	3.30	3.29	3.25
Malaysia	0.75	0.75	0.77	0.75	0.75	0.75	0.77	0.77	0.75	0.75	0.75
India	0.73	0.73	0.72	0.70	0.73	0.74	0.73	0.72	0.74	0.74	0.74
Others	0.84	0.90	0.89	0.89	0.91	0.91	0.90	0.89	0.90	0.91	0.91
Europe	0.18	0.18	0.17	0.18	0.18	0.18	0.17	0.17	0.18	0.18	0.18
Latin America	3.77	3.77	3.82	3.71	3.82	3.74	3.80	3.81	3.83	3.84	3.64
Brazil	1.50	1.55	1.70	1.52	1.57	1.55	1.64	1.68	1.55	1.57	1.45
Argentina	0.81	0.82	0.80	0.83	0.82	0.81	0.80	0.80	0.82	0.82	0.81
Colombia	0.70	0.62	0.57	0.58	0.66	0.60	0.59	0.57	0.68	0.68	0.60
Ecuador	0.39	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.41	0.42
Others	0.36	0.36	0.34	0.36	0.36	0.36	0.35	0.35	0.36	0.36	0.36
Middle East³	1.99	1.99	1.93	2.00	1.98	1.96	1.95	1.94	1.98	1.95	1.97
Oman	0.96	0.97	0.94	0.97	0.96	0.95	0.95	0.95	0.96	0.94	0.96
Syria	0.54	0.52	0.49	0.52	0.51	0.51	0.50	0.50	0.51	0.51	0.51
Yemen	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.83	2.83	2.84	2.82	2.82	2.86	2.88	2.85	2.82	2.83	2.85
Egypt	0.81	0.76	0.72	0.74	0.75	0.75	0.74	0.73	0.76	0.75	0.76
Angola	0.75	0.72	0.75	0.72	0.71	0.73	0.75	0.75	0.70	0.71	0.72
Gabon	0.31	0.30	0.29	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Others	0.97	1.05	1.07	1.05	1.06	1.08	1.08	1.08	1.06	1.07	1.07
Total Non-OECD	22.24	22.94	23.47	22.81	23.11	23.07	23.30	23.38	23.17	23.12	22.96
Processing Gains ⁴	1.72	1.76	1.80	1.74	1.74	1.78	1.82	1.78	1.74	1.74	1.78
TOTAL NON-OPEC	45.89	46.51	47.45	46.02	46.61	47.08	47.66	47.24	46.37	46.83	46.77
TOTAL SUPPLY	76.68			75.98	76.90				77.02	76.81	76.75

¹ Includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² Comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ Includes small amounts of production from Israel, Jordan and Bahrain

⁴ Net volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	2000	2001	2002	2Q01	3Q01	4Q01	1Q02	2Q02	Aug-01	Sep-01	Oct-01
United States											
Alaska	970	958	915	972	941	915	942	907	967	911	904
California	836	798	773	799	794	788	782	776	793	792	790
Texas	1234	1197	1160	1204	1190	1176	1169	1163	1192	1185	1180
Federal Gulf of Mexico ²	1396	1514	1635	1490	1528	1593	1637	1653	1548	1521	1542
Other US Lower 48	1375	1322	1267	1331	1309	1292	1281	1272	1307	1301	1298
NGLs ³	1908	1846	1939	1889	1920	1926	1999	1879	1946	1922	1919
Other Hydrocarbons	389	381	389	376	389	387	387	388	368	389	390
Total	8108	8015	8077	8062	8071	8075	8198	8039	8121	8021	8023
Canada											
Alberta Light/Medium/Heavy	764	722	731	724	712	707	706	729	712	711	709
Alberta Bitumen	271	313	322	319	310	312	319	313	305	315	311
Saskatchewan	416	420	426	412	421	422	423	415	421	420	421
Other Crude	227	221	301	222	219	222	262	288	216	217	217
NGLs	738	717	745	694	692	740	760	730	700	720	740
Synthetic Crudes	322	348	466	321	326	391	470	454	300	340	325
Total	2739	2740	2990	2693	2681	2793	2940	2930	2654	2724	2723
Mexico											
Crude	3012	3126	3185	3059	3179	3140	3180	3195	3175	3177	3085
NGLs	438	438	450	432	441	440	450	450	444	439	440
Total	3450	3563	3635	3492	3620	3580	3630	3645	3619	3616	3525
UK Offshore⁴											
Brent Fields	339	293	241	311	270	286	269	233	243	287	289
Forties Fields	775	768	870	726	763	841	871	866	749	834	825
Ninian Fields	140	127	106	122	126	122	115	102	121	132	122
Flotta Fields	177	139	112	128	136	128	122	108	136	135	131
Other Fields	984	933	889	888	946	996	962	851	931	984	1006
NGLs	224	251	258	257	219	254	269	246	194	234	254
Total	2639	2510	2475	2432	2460	2627	2609	2405	2374	2606	2627
Norway⁴											
Ekofisk-Ula Area	461	457	446	483	398	457	456	459	248	460	456
Oseberg-Troll Area	731	738	754	701	724	780	773	770	713	707	769
Stafford-Gullfaks Area	926	957	981	892	1007	991	1004	998	970	993	1022
Haltenbanken Area	766	765	738	749	785	768	765	756	772	790	756
Sleipner-Frigg Area	316	295	314	275	267	338	328	324	257	285	339
NGLs	121	200	228	200	195	194	230	225	190	158	171
Total	3320	3412	3461	3300	3375	3528	3556	3532	3149	3393	3512
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	403	384	405	335	374	422	419	410	374	433	420
UK Onshore	66	58	50	58	59	56	53	51	59	57	57
Italy	74	73	116	60	68	100	120	117	69	80	90
Turkey	53	51	49	50	53	52	50	49	54	52	52
Other	164	167	156	166	168	164	161	157	159	165	166
NGLs (excl. North Sea)	29	29	27	28	22	29	28	27	21	22	29
Non-Conventional Oils	32	29	30	30	34	32	31	31	33	31	34
Total	820	791	832	726	777	855	863	842	769	839	848
Australia											
Gippsland Basin	178	156	144	156	156	155	149	144	157	157	155
Cooper-Eromanga Basin	28	25	22	25	24	24	23	22	25	24	24
Carnarvon Basin	328	335	319	321	335	339	329	320	332	335	340
Other Crude	188	137	105	136	129	123	116	82	122	132	125
NGLs	70	71	75	67	76	72	75	75	79	72	72
Total	791	724	665	705	720	712	692	643	714	719	716
Other OECD Pacific											
New Zealand	36	34	32	36	35	34	33	32	35	35	34
Japan	7	6	5	6	6	6	6	6	6	6	6
NGLs	16	17	15	17	17	16	16	15	17	16	16
Synthetic Fuels	3	2	2	3	2	2	2	2	2	2	2
Total	62	60	55	61	60	58	57	55	60	59	59
OECD											
Crude Oil	17631	17481	17561	17150	17424	17737	17821	17561	17160	17625	17633
NGLs	3551	3575	3743	3590	3589	3678	3834	3655	3597	3590	3649
Non-Conventional Oils	746	760	887	730	752	813	891	874	703	762	750
Total	21929	21816	22191	21470	21764	22228	22545	22091	21460	21977	22033

¹ Subcategories refer to crude oil only unless otherwise noted

² Only production from Federal waters is included

³ When possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ Other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	May2001	Jun2001	Jul2001	Aug2001	Sep2001*	Sep1998	Sep1999	Sep2000	4Q2000	1Q2001	2Q2001	3Q2001
North America												
Crude	432	406	415	414	418	409	406	390	0.04	0.22	-0.08	0.12
Motor Gasoline	243	250	238	225	235	238	236	224	0.02	0.02	0.25	-0.16
Middle Distillate	181	191	202	198	203	239	228	187	0.08	-0.18	0.14	0.13
Residual Fuel Oil	50	53	48	44	46	50	51	46	-0.01	0.04	0.04	-0.08
Total Products ³	647	675	673	656	676	731	693	638	-0.25	-0.12	0.78	0.02
Total ⁴	1224	1229	1236	1221	1247	1311	1256	1180	-0.37	0.12	0.79	0.21
Europe												
Crude	319	315	308	310	316	326	316	312	-0.03	0.22	-0.15	0.00
Motor Gasoline	117	120	121	116	115	128	126	122	0.00	0.00	-0.02	-0.05
Middle Distillate	223	224	226	231	224	275	270	229	0.07	-0.24	0.11	0.00
Residual Fuel Oil	85	82	81	81	80	90	83	77	0.09	0.00	-0.04	-0.02
Total Products ³	532	539	543	547	538	584	570	530	0.22	-0.26	0.13	0.00
Total ⁴	911	913	912	920	916	973	943	909	0.20	-0.09	-0.07	0.03
Pacific												
Crude	178	183	176	177	185	189	186	168	0.04	0.11	0.01	0.03
Motor Gasoline	26	26	26	26	25	25	25	26	-0.02	0.03	0.00	-0.01
Middle Distillate	71	73	78	83	85	88	82	82	0.01	-0.20	0.08	0.13
Residual Fuel Oil	23	24	24	25	25	24	23	24	-0.01	0.02	-0.01	0.00
Total Products ³	192	194	201	209	208	207	198	203	-0.01	-0.21	0.12	0.15
Total ⁴	455	458	457	467	480	486	464	453	0.02	-0.08	0.12	0.25
Total OECD												
Crude	929	904	899	902	919	924	908	871	0.05	0.54	-0.22	0.15
Motor Gasoline	387	396	384	367	375	392	387	372	-0.01	0.04	0.23	-0.22
Middle Distillate	475	489	507	512	513	602	581	499	0.17	-0.62	0.33	0.27
Residual Fuel Oil	158	159	152	149	150	164	157	147	0.08	0.06	-0.01	-0.10
Total Products ³	1370	1408	1416	1412	1422	1522	1461	1371	-0.04	-0.59	1.03	0.16
Total ⁴	2589	2600	2605	2608	2643	2770	2663	2542	-0.16	-0.04	0.84	0.49

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	May2001	Jun2001	Jul2001	Aug2001	Sep2001*	Sep1998	Sep1999	Sep2000	4Q2000	1Q2001	2Q2001	3Q2001
North America												
Crude	543	543	544	544	545	563	575	570	-0.32	0.02	0.01	0.02
Products ⁷	2	2	2	2	2	0	0	2	0.01	0.00	0.00	0.00
Europe												
Crude	141	140	139	137	137	145	149	139	-0.01	-0.01	0.03	-0.03
Products	208	207	204	204	204	214	200	213	0.03	-0.03	-0.07	-0.03
Pacific												
Crude	314	314	314	314	313	315	315	312	0.01	0.01	0.00	-0.02
Total OECD												
Crude	999	998	997	995	995	1023	1039	1021	-0.32	0.02	0.04	-0.03
Products	210	209	206	206	206	214	200	214	0.03	-0.03	-0.07	-0.03
Total ⁴	1210	1207	1204	1202	1202	1238	1240	1237	-0.29	0.00	-0.03	-0.06

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 US government-controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	2000	April 2001	%	2000	May 2001	%	2000	June 2001	%	2000	July 2001	%	2000	August 2001	%
United States²															
Crude	302.1	329.1	8.9	297.9	326.2	9.5	293.8	305.4	3.9	285.7	311.0	8.9	290.7	305.9	5.2
Motor Gasoline	206.3	201.2	-2.5	207.6	212.5	2.4	209.5	220.5	5.3	209.4	208.4	-0.5	194.4	193.2	-0.6
Middle Distillate	143.8	148.7	3.4	149.5	152.3	1.9	152.7	160.3	5.0	158.9	171.3	7.8	157.0	167.3	6.6
Residual Fuel Oil	35.3	39.6	12.2	37.3	41.1	10.2	37.0	42.7	15.4	35.4	39.1	10.5	37.1	35.6	-4.0
Other Products	119.1	128.3	7.7	131.5	143.1	8.8	137.6	151.8	10.3	148.8	156.0	4.8	151.3	160.0	5.8
Total Products	504.5	517.8	2.6	525.9	549.0	4.4	536.8	575.3	7.2	552.5	574.8	4.0	539.8	556.1	3.0
Other ³	128.6	130.8	1.7	128.8	133.4	3.6	130.6	135.0	3.4	135.6	135.2	-0.3	134.2	139.5	3.9
Total	935.2	977.7	4.5	952.6	1008.6	5.9	961.2	1015.7	5.7	973.8	1021.0	4.8	964.7	1001.5	3.8
Japan															
Crude	121.1	135.7	12.1	130.5	136.1	4.3	134.2	139.0	3.6	132.4	132.6	0.2	122.2	128.5	5.2
Motor Gasoline	16.1	15.0	-6.8	15.7	14.6	-7.0	13.9	14.3	2.9	13.5	13.2	-2.2	13.6	13.8	1.5
Middle Distillate	39.9	43.7	9.5	44.0	43.2	-1.8	43.8	42.4	-3.2	47.9	44.8	-6.5	53.9	51.7	-4.1
Residual Fuel Oil	10.0	10.8	8.0	9.9	11.0	11.1	8.7	10.3	18.4	9.4	9.0	-4.3	9.7	9.7	0.0
Other Products	45.3	50.8	12.1	46.9	53.2	13.4	46.2	50.8	10.0	48.6	52.2	7.4	52.6	57.1	8.6
Total Products	111.3	120.3	8.1	116.5	122.0	4.7	112.6	117.8	4.6	119.4	119.2	-0.2	129.8	132.3	1.9
Other ³	70.7	75.9	7.4	72.1	74.9	3.9	70.3	70.4	0.1	73.3	70.0	-4.5	73.3	72.6	-1.0
Total	303.1	331.9	9.5	319.1	333.0	4.4	317.1	327.2	3.2	325.1	321.8	-1.0	325.3	333.4	2.5
Germany															
Crude	19.9	21.2	6.5	21.7	19.5	-10.1	20.4	19.9	-2.5	19.7	22.8	15.7	19.0	21.5	13.2
Motor Gasoline	11.9	12.1	1.7	11.0	11.7	6.4	11.3	12.0	6.2	12.9	13.1	1.6	11.2	11.9	6.3
Middle Distillate	19.5	17.8	-8.7	18.2	20.0	9.9	14.6	15.4	5.5	17.6	15.9	-9.7	14.8	16.7	12.8
Residual Fuel Oil	8.6	9.8	14.0	8.6	9.6	11.6	9.2	9.4	2.2	10.2	9.1	-10.8	9.7	9.6	-1.0
Other Products	12.2	12.5	2.5	12.2	12.6	3.3	12.7	12.2	-3.9	12.3	12.3	0.0	12.5	13.0	4.0
Total Products	52.2	52.2	0.0	50.0	53.9	7.8	47.8	49.0	2.5	53.0	50.4	-4.9	48.2	51.2	6.2
Other ³	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	72.1	73.4	1.8	71.7	73.4	2.4	68.2	68.9	1.0	72.7	73.2	0.7	67.2	72.7	8.2
Italy															
Crude	34.2	40.1	17.3	36.4	41.0	12.6	41.6	38.1	-8.4	37.8	40.2	6.3	39.7	42.5	7.1
Motor Gasoline	27.9	21.6	-22.6	24.6	21.0	-14.6	23.4	21.4	-8.5	23.6	20.3	-14.0	22.8	19.7	-13.6
Middle Distillate	31.2	31.0	-0.6	29.5	29.7	0.7	28.7	28.0	-2.4	31.3	29.2	-6.7	32.0	30.6	-4.4
Residual Fuel Oil	19.3	21.0	8.8	19.3	20.0	3.6	16.6	17.9	7.8	15.5	15.4	-0.6	16.5	16.3	-1.2
Other Products	11.2	18.9	68.8	11.7	18.5	58.1	12.4	19.2	54.8	12.8	18.1	41.4	12.7	19.5	53.5
Total Products	89.6	92.5	3.2	85.1	89.2	4.8	81.1	86.5	6.7	83.2	83.0	-0.2	84.0	86.1	2.5
Other ³	10.5	9.3	-11.4	8.5	7.8	-8.2	11.9	6.9	-42.0	11.6	8.0	-31.0	11.5	9.8	-14.8
Total	134.3	141.9	5.7	130.0	138.0	6.2	134.6	131.5	-2.3	132.6	131.2	-1.1	135.2	138.4	2.4
France															
Crude	39.2	39.7	1.3	43.4	40.8	-6.0	44.0	42.1	-4.3	39.6	35.6	-10.1	36.3	38.1	5.0
Motor Gasoline	13.0	11.4	-12.3	13.2	12.3	-6.8	13.1	11.7	-10.7	12.8	11.6	-9.4	13.3	10.8	-18.8
Middle Distillate	36.1	29.5	-18.3	34.4	29.0	-15.7	33.6	28.5	-15.2	34.3	26.9	-21.6	33.7	27.7	-17.8
Residual Fuel Oil	6.8	7.9	16.2	6.9	7.8	13.0	7.7	7.2	-6.5	7.8	6.6	-15.4	9.0	7.8	-13.3
Other Products	8.6	9.6	11.6	8.3	9.1	9.6	8.5	10.1	18.8	8.8	9.9	12.5	9.3	10.6	14.0
Total Products	64.5	58.4	-9.5	62.8	58.2	-7.3	62.9	57.5	-8.6	63.7	55.0	-13.7	65.3	56.9	-12.9
Other ³	12.5	12.5	0.0	11.4	11.4	0.0	11.9	10.6	-10.9	12.4	11.9	-4.0	13.0	12.3	-5.4
Total	116.2	110.6	-4.8	117.6	110.4	-6.1	118.8	110.2	-7.2	115.7	102.5	-11.4	114.6	107.3	-6.4
United Kingdom															
Crude	34.4	37.6	9.3	30.8	35.8	16.2	31.8	33.9	6.6	37.7	34.3	-9.0	34.9	32.0	-8.3
Motor Gasoline	9.9	8.3	-16.2	8.9	8.8	-1.1	8.2	8.9	8.5	8.5	8.9	4.7	8.5	10.0	17.6
Middle Distillate	22.4	19.9	-11.2	21.9	21.2	-3.2	21.5	23.0	7.0	21.2	23.5	10.8	20.6	22.5	9.2
Residual Fuel Oil	5.5	4.8	-12.7	5.6	4.9	-12.5	5.8	5.1	-12.1	5.6	6.2	10.7	5.6	4.2	-25.0
Other Products	14.5	16.5	13.8	14.8	16.8	13.5	15.7	18.6	18.5	15.5	20.2	30.3	15.6	19.8	26.9
Total Products	52.3	49.5	-5.4	51.2	51.7	1.0	51.2	55.6	8.6	50.8	58.8	15.7	50.3	56.5	12.3
Other ³	14.4	11.9	-17.4	12.9	11.1	-14.0	13.5	12.2	-9.6	14.1	11.3	-19.9	12.9	10.3	-20.2
Total	101.1	99.0	-2.1	94.9	98.6	3.9	96.5	101.7	5.4	102.6	104.4	1.8	98.1	98.8	0.7
Canada⁴															
Crude	69.8	74.7	7.0	70.2	78.9	12.4	69.1	74.2	7.4	70.7	74.2	5.0	73.0	74.2	1.6
Motor Gasoline	18.5	18.3	-1.1	16.5	15.4	-6.7	16.0	16.6	3.8	15.6	16.6	6.4	14.6	16.6	13.7
Middle Distillate	20.2	20.3	0.5	18.4	19.0	3.3	19.0	20.9	10.0	20.1	20.9	4.0	18.7	20.9	11.8
Residual Fuel Oil	3.9	4.1	5.1	4.0	4.4	10.0	3.7	4.6	24.3	4.1	4.6	12.2	4.1	4.6	12.2
Other Products	21.3	21.4	0.5	21.2	21.9	3.3	20.8	21.5	3.4	21.1	21.5	1.9	20.8	21.5	3.4
Total Products	63.9	64.1	0.3	60.1	60.7	1.0	59.5	63.6	6.9	60.9	63.6	4.4	58.2	63.6	9.3
Other ³	10.1	9.6	-5.0	11.5	12.0	4.3	14.5	12.0	-17.2	16.1	12.0	-25.5	17.6	12.0	-31.8
Total	143.8	148.4	3.2	141.8	151.6	6.9	143.1	149.8	4.7	147.7	149.8	1.4	148.8	149.8	0.7

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² US figures exclude US territories.

³ other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

⁴ Due to lack of receipt of data, the following counties are estimated: Canada for July and August 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
(millions of barrels¹ and 'days')

	End September 2000		End December 2000		End March 2001		End June 2001		End September 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	148.4	68	143.4	70	148.6	75	149.9	-	-	-
Mexico	47.2	24	47.6	24	46.0	24	40.8	-	-	-
United States	1533.8	77	1474.9	74	1484.1	76	1561.1	-	-	-
Total ⁴	1751.6	72	1688.1	70	1700.8	72	1773.9	74	1794.0	75
Pacific										
Australia	43.9	51	40.9	47	41.0	46	42.4	-	-	-
Japan	626.8	111	634.0	104	635.6	128	641.5	-	-	-
Korea ⁵	83.0	38	82.5	36	74.8	37	77.0	-	-	-
New Zealand	11.6	84	10.6	77	10.8	81	11.8	-	-	-
Total	765.4	87	768.0	81	762.2	95	772.8	96	793.2	92
Europe⁶										
Austria	17.6	75	19.0	74	16.7	65	16.9	-	-	-
Belgium	27.7	42	26.4	41	26.7	48	27.7	-	-	-
Czech Republic	14.9	87	15.2	102	16.9	90	16.7	-	-	-
Denmark	17.2	83	17.6	83	17.6	85	19.1	-	-	-
Finland	23.4	115	27.0	124	26.4	138	25.2	-	-	-
France	168.4	81	169.7	81	166.9	85	167.0	-	-	-
Germany	277.7	98	273.6	101	272.8	99	266.6	-	-	-
Greece	26.7	65	26.7	64	27.5	76	25.6	-	-	-
Hungary	21.5	150	21.6	158	20.8	149	20.6	-	-	-
Ireland	8.2	48	9.2	49	9.5	55	8.9	-	-	-
Italy	138.6	73	139.9	75	140.3	79	131.4	-	-	-
Luxembourg	0.7	15	1.1	20	0.8	16	0.9	-	-	-
Netherlands	110.0	127	112.3	126	120.3	135	113.4	-	-	-
Norway	25.3	135	31.7	160	24.9	133	31.2	-	-	-
Poland	24.5	53	27.8	68	24.6	59	25.7	-	-	-
Portugal	23.3	70	23.4	74	21.6	66	25.4	-	-	-
Spain	112.7	78	114.1	77	113.9	80	112.8	-	-	-
Sweden	37.8	135	34.4	119	32.8	101	34.9	-	-	-
Switzerland	39.2	135	37.3	128	37.3	139	38.8	-	-	-
Turkey	50.5	71	53.7	87	52.2	90	50.5	-	-	-
United Kingdom	95.7	55	100.0	57	100.2	59	101.7	-	-	-
Total	1261.6	82	1281.5	84	1270.5	86	1260.9	82	1258.1	84
Total OECD	3778.5	78	3737.6	77	3733.6	80	3807.6	80	3845.3	81
DAYS OF IEA Net Imports⁷	-	112	-	112	-	112	-	114	-	-

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net imports used for the calculation of IEA Emergency Reserves

3 end June 2001 and end September 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled Millions of Barrels	Industry	Total	Government ^{1,2} controlled Days of Fwd. Demand ³	Industry
3Q1998	4008	1238	2770	83	26	58
4Q1998	3947	1249	2698	81	26	55
1Q1999	3887	1248	2639	85	27	58
2Q1999	3927	1250	2678	83	27	57
3Q1999	3903	1240	2663	80	25	54
4Q1999	3675	1228	2446	76	26	51
1Q2000	3650	1234	2416	78	27	52
2Q2000	3740	1232	2508	78	26	52
3Q2000	3778	1237	2542	78	25	52
4Q2000	3738	1210	2527	77	25	52
1Q2001	3734	1210	2523	80	26	54
2Q2001	3808	1207	2600	80	25	55
3Q2001	3845	1202	2643	81	25	55

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 2Q2001 and 3Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	4Q00	1Q01	2Q01	3Q01	May 01	Jun 01	Jul 01	Aug 01	Sep 01	Oct 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>													
IEA North America	12.12	17.12	27.67	28.46	24.30	23.91		24.49	24.25	23.17	23.39		
IEA Europe	12.30	17.32	27.89	29.23	25.32	26.19		27.10	26.93	24.17	25.07		
IEA Pacific	13.77	17.48	28.89	31.89	25.61	27.01		27.06	28.20	27.21	25.83		
IEA Total	12.52	17.26	28.00	29.46	25.01	25.43		26.06	26.05	24.32	24.62		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	29.67	25.79	27.38	25.30	28.51	27.83	24.58	25.74	25.57	20.49
WTI (1st month)	14.39	19.31	30.37	31.96	28.72	27.88	26.70	28.61	27.57	26.43	27.40	26.08	22.08
Urals (del. Med.)	11.79	17.30	26.63	27.89	23.68	25.39	24.12	26.63	25.50	23.09	24.50	24.80	19.74
Dubai (1st month)	12.16	17.30	26.24	27.68	23.67	25.17	24.03	25.60	25.65	23.43	24.53	24.12	19.63
Tapis (1st month)	13.77	18.99	29.85	31.22	26.92	28.36	25.65	28.98	28.13	25.80	25.32	25.86	21.57
OPEC Basket	12.28	17.47	27.60	28.84	24.42	25.67	24.13	26.25	26.04	23.73	24.49	24.17	19.54
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	33.31	31.77	36.98	29.63	40.84	32.17	28.18	29.74	31.09	23.68
Unleaded	16.53	20.86	34.41	32.22	30.66	35.44	28.58	39.25	30.60	27.17	28.60	30.10	23.25
Naphtha	14.33	18.34	29.09	30.35	27.54	27.99	22.23	29.80	26.96	21.84	21.83	23.10	19.05
Jet/Kerosene	17.09	22.04	36.98	41.83	32.46	33.55	32.14	34.22	33.85	31.72	31.77	33.01	28.21
Gasoil .2 %	16.17	20.12	34.38	39.06	30.54	31.31	30.50	31.56	31.56	29.72	30.54	31.31	27.67
LSFO 1%	11.96	15.05	23.74	26.40	21.63	20.72	19.30	21.08	19.95	17.99	19.34	20.71	17.22
HSFO 3.5%	10.12	14.37	21.42	22.45	17.73	18.46	19.07	18.88	18.77	17.97	19.20	20.15	16.74
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	34.55	32.34	37.50	30.28	41.10	32.63	28.74	30.37	31.87	24.30
Premium Unleaded	17.34	22.23	36.43	33.83	31.63	36.78	29.50	40.38	31.91	28.02	29.56	31.07	23.60
Naphtha	13.56	17.76	28.16	28.96	25.40	26.53	21.62	28.14	25.89	21.08	21.22	22.65	18.29
Jet/Kerosene	14.93	20.55	34.82	38.70	28.32	29.89	29.20	30.56	30.19	28.58	28.87	30.23	24.94
Gasoil .2 %	14.82	19.12	33.87	38.89	28.29	28.94	28.97	28.54	30.24	28.17	28.87	29.95	26.44
LSFO 1%	11.16	14.41	23.77	26.16	20.21	19.54	19.53	19.92	18.50	19.06	19.39	20.19	16.47
HSFO 3.5%	8.85	12.78	18.92	20.12	14.66	15.55	16.99	15.77	16.22	16.03	17.07	17.96	14.91
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	37.37	36.52	41.26	34.15	44.71	34.06	31.99	36.43	33.70	26.64
Unleaded	17.80	22.76	36.10	36.52	34.04	36.16	30.82	38.81	30.33	28.58	32.46	31.40	25.01
Jet/Kerosene	18.00	21.78	38.05	42.91	34.66	34.16	31.39	35.58	33.01	30.14	32.83	30.97	26.76
No. 2 (Heating Oil)	16.41	20.50	36.37	41.15	33.11	32.21	30.05	32.38	31.73	29.29	30.77	30.02	26.29
LSFO 1%	12.33	15.51	25.05	27.90	24.01	22.07	19.81	23.12	20.21	19.22	20.15	20.08	17.94
HSFO 6.3%	10.24	13.99	20.68	20.89	18.55	17.56	17.70	18.36	17.48	15.70	18.28	19.37	17.02
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	31.97	30.43	30.72	26.89	32.59	26.87	24.43	26.96	29.50	22.17
Naphtha	14.77	19.54	28.38	28.54	26.19	27.24	23.26	28.08	26.63	22.99	22.92	23.94	19.89
Jet/Kerosene	16.31	21.59	34.39	38.44	29.46	30.54	29.80	30.66	30.86	28.82	29.53	31.19	25.75
Gasoil .5%	15.40	19.25	32.58	34.59	27.56	30.23	28.85	30.91	30.00	28.56	28.70	29.32	25.55
LSWR Cracked	10.95	15.61	25.83	26.48	22.24	25.67	22.78	25.96	25.35	24.28	21.49	22.54	18.28
HSFO 180 CST	10.60	15.71	24.43	25.02	20.73	22.23	21.79	23.33	21.46	20.30	22.04	23.15	19.66
HSFO 4%	10.34	15.60	24.21	24.78	20.16	21.92	21.63	23.06	21.07	20.25	21.89	22.86	19.62

* IEA CIF Average Import price for August is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS
October 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE¹ (Price per Litre)												
France	6.568	4.840	-3.8	-11.1	-8.4	-24.7	0.908	0.239	-3.5	-10.8	-2.6	-20.0
Germany	1.916	1.424	-5.4	-16.0	-6.9	-27.1	0.889	0.228	-5.1	-15.8	-1.1	-22.5
Italy	1982	1337	-2.6	-6.4	-8.2	-18.5	0.928	0.302	-2.3	-6.1	-2.4	-13.3
Spain	129.0	79.6	-4.4	-9.4	-8.0	-16.4	0.703	0.269	-4.1	-9.1	-2.3	-11.2
UK	0.741	0.568	-3.3	-10.8	-7.5	-10.8	1.076	0.251	-3.9	-11.4	-7.5	-10.8
Japan	107.1	58.9	0.0	0.0	-2.9	-5.9	0.884	0.398	-1.0	-1.0	-13.1	-15.8
Canada	0.645	0.294	-14.5	-21.5	-14.6	-21.8	0.411	0.224	-14.9	-21.9	-17.7	-24.7
USA	0.347	0.101	-13.7	-18.3	-14.3	-19.1	0.347	0.246	-13.7	-18.3	-14.3	-19.1
AUTOMOTIVE DIESEL² (Price per Litre)												
France	4.335	2.469	-1.5	-3.4	-12.4	-26.6	0.599	0.258	-1.2	-3.1	-6.9	-22.0
Germany	1.368	0.800	-2.0	-4.7	-8.1	-24.1	0.634	0.263	-1.7	-4.4	-2.3	-19.3
Italy	1372	739	-1.0	-2.2	-11.3	-21.7	0.643	0.297	-0.7	-1.9	-5.7	-16.7
Spain	98.22	44.90	-2.3	-4.2	-7.0	-12.3	0.535	0.291	-2.0	-3.9	-1.2	-6.8
UK	0.654	0.458	-0.6	-2.0	-6.7	-8.0	0.950	0.285	-1.3	-2.7	-6.7	-7.9
Japan	86.1	36.2	-1.3	-2.0	-2.4	-3.9	0.711	0.412	-2.2	-2.9	-12.6	-14.0
Canada	0.657	0.221	-2.5	0.2	-11.0	-12.4	0.419	0.278	-3.0	-0.3	-14.2	-15.6
USA	0.356	0.118	-9.9	-14.1	-17.6	-24.2	0.356	0.238	-9.9	-14.1	-17.6	-24.2
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2468.2	683.4	-6.1	-7.0	-24.8	-29.7	341.3	246.8	-5.8	-6.7	-20.0	-25.3
Germany	741.1	222.2	-7.3	-8.8	-22.4	-26.2	343.7	240.7	-7.0	-8.6	-17.5	-21.6
Italy	1569200	958931	-1.3	-2.7	-12.6	-23.5	735.1	285.9	-1.0	-2.4	-7.0	-18.7
Spain	65356	22112	-0.8	-1.0	-21.5	-26.3	356.3	235.7	-0.4	-0.7	-16.6	-21.7
UK	190.18	40.36	-6.8	-8.1	-24.9	-28.6	276.1	217.5	-7.4	-8.7	-24.9	-28.6
Japan ³	49770	2370	-0.4	-0.4	0.4	0.4	410.9	391.3	-1.4	-1.4	-10.1	-10.1
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-
HFO FOR INDUSTRY^{2,4} (Price per Metric Ton)												
France	1078.2	121.8	-12.3	-13.7	-33.6	-36.4	149.1	132.3	-12.1	-13.4	-29.5	-32.4
Germany	307.6	35.0	-7.0	-7.8	-29.9	-32.4	142.7	126.4	-6.7	-7.6	-25.4	-28.2
Italy	359091	60777	-11.4	-13.5	-33.1	-37.4	168.2	139.7	-11.2	-13.2	-28.9	-33.4
Spain	30715	2235	-3.0	-3.2	-20.2	-21.4	167.4	155.3	-2.7	-2.9	-15.2	-16.5
UK	123.85	27.62	-6.6	-8.3	-10.8	-13.3	179.8	139.7	-7.2	-8.9	-10.8	-13.3
Japan	26526	1263	0.0	0.0	4.3	4.3	219.0	208.6	-1.0	-1.0	-6.6	-6.6
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

¹ Unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

² VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

³ Kerosene

⁴ High sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Year Earlier Aug 00	change
OECD North America												
Venezuela	1.57	1.63		1.64	1.74	1.74	1.69	1.67	1.89	1.73	1.88	-0.15
Other Central & South America	0.78	0.60		0.60	0.53	0.51	0.51	0.46	0.43	0.60	0.61	-0.01
North Sea	0.99	1.11		1.30	0.94	1.15	1.08	1.00	1.26	0.92	1.20	-0.27
Other OECD Europe	-	0.01		0.01	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.00	0.00	-	-	-	-	-	0.01	-
Saudi Arabia	1.51	1.62		1.66	1.74	1.77	1.77	1.77	1.78	1.92	1.68	0.23
Kuwait	0.25	0.27		0.33	0.30	0.26	0.24	0.26	0.29	0.26	0.39	-0.13
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.89	0.66	0.52	1.00	0.86	0.83	0.67	0.89	-0.22
Oman	-	0.00		-	-	-	0.01	0.02	0.10	0.07	-	-
United Arab Emirates	-	0.00		0.00	-	0.03	0.03	-	-	0.02	-	-
Other Middle East	0.00	0.03		0.03	0.02	0.05	0.01	0.04	0.04	0.07	0.03	0.04
West Africa ²	1.38	1.55		1.64	1.50	1.63	1.52	1.35	1.43	1.35	1.67	-0.32
Other Africa	0.11	0.07		0.05	0.11	0.08	0.13	0.12	0.11	0.09	0.06	0.03
Asia	0.20	0.17		0.17	0.17	0.14	0.16	0.12	0.16	0.21	0.19	0.01
Other	0.03	0.05		0.04	0.06	0.05	0.02	0.02	0.01	0.09	0.09	0.00
Total	7.62	7.77		8.36	7.79	7.92	8.18	7.69	8.35	7.99	8.69	-0.70
of which Non-OECD	6.63	6.66		7.01	6.82	6.74	7.07	6.66	7.03	7.05	7.45	-0.40
OECD Europe												
Canada	-	0.00		-	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.21	0.20	0.18	0.21	0.27	0.13	0.21	0.24	-0.03
Venezuela	0.17	0.14		0.16	0.12	0.12	0.15	0.14	0.14	0.20	0.23	-0.03
Other Central & South America	0.00	0.01		0.00	0.02	0.06	0.05	0.07	0.00	0.00	-	-
Non-OECD Europe	0.01	0.01		0.01	0.00	0.01	0.01	0.01	-	0.01	0.01	0.00
Former Soviet Union	2.18	2.40		2.47	2.42	2.47	2.65	2.66	2.99	2.79	2.61	0.18
Saudi Arabia	1.31	1.39		1.45	1.61	1.39	1.21	1.34	1.17	1.33	1.31	0.03
Kuwait	0.17	0.20		0.26	0.21	0.23	0.12	0.14	0.14	0.23	0.24	-0.01
Iran	0.94	0.79		0.93	0.81	0.88	0.69	0.66	0.71	0.83	0.98	-0.15
Iraq	0.80	0.74		0.74	0.69	0.26	0.52	0.27	0.23	0.66	0.83	-0.17
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		0.00	0.01	0.01	-	-	-	0.00	0.00	0.00
Other Middle East	0.35	0.31		0.30	0.32	0.41	0.45	0.46	0.42	0.38	0.29	0.09
West Africa ²	0.59	0.64		0.51	0.79	0.84	0.61	0.56	0.51	0.78	0.57	0.21
Other Africa	1.54	1.58		1.61	1.62	1.54	1.54	1.52	1.54	1.36	1.52	-0.16
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.10	0.04	0.06	0.11	0.13	0.17	0.27	0.14	0.13
Total	8.25	8.45		8.75	8.86	8.48	8.31	8.23	8.16	9.06	8.96	0.10
of which Non-OECD	8.06	8.26		8.54	8.66	8.29	8.11	7.97	8.04	8.84	8.72	0.12
OECD Pacific												
Canada	-	-		-	-	0.01	0.01	-	-	-	-	-
Mexico + USA	0.10	0.07		0.03	0.03	0.04	0.03	0.02	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.05	0.05	0.07	0.04	0.06	0.07	0.07	0.03	0.04
North Sea	0.04	0.02		0.01	-	-	0.02	0.03	-	0.06	-	-
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		0.06	0.05	-	0.03	0.08	0.12	0.11	0.05	0.07
Saudi Arabia	1.65	1.83		1.76	1.92	2.08	1.76	1.66	1.67	1.56	1.90	-0.33
Kuwait	0.56	0.60		0.55	0.71	0.76	0.56	0.54	0.62	0.52	0.64	-0.12
Iran	0.73	0.72		0.70	0.72	0.83	0.76	0.68	0.65	0.78	0.67	0.11
Iraq	0.13	0.13		0.13	0.23	0.01	0.02	-	-	-	0.22	-
Oman	0.45	0.36		0.38	0.31	0.42	0.43	0.34	0.33	0.43	0.36	0.06
United Arab Emirates	1.39	1.46		1.42	1.54	1.67	1.33	1.29	1.22	1.43	1.42	0.01
Other Middle East	0.57	0.59		0.58	0.64	0.72	0.60	0.49	0.52	0.59	0.50	0.09
West Africa ²	0.28	0.17		0.13	0.17	0.07	0.09	0.09	0.09	0.18	0.06	0.12
Other Africa	0.07	0.06		0.06	0.04	0.04	0.04	0.04	0.05	0.06	0.03	0.03
Non-OECD Asia	1.03	0.87		0.85	0.81	1.02	0.82	0.91	0.80	0.90	0.91	-0.01
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		6.71	7.22	7.71	6.56	6.23	6.14	6.71	6.79	-0.08
of which Non-OECD	6.93	6.87		6.67	7.19	7.67	6.51	6.18	6.14	6.64	6.79	-0.14
Total OECD Trade	22.93	23.19		23.82	23.87	24.12	23.05	22.15	22.64	23.76	24.44	-0.68
of which Non-OECD	21.62	21.78		22.22	22.67	22.71	21.68	20.81	21.20	22.54	22.96	-0.42

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

2. West Africa includes Angola, Nigeria, Gabon, Congo and Democratic Republic of Congo.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Year Earlier Aug 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.33	0.57	0.59	0.73	0.80	0.89	0.75	0.34	0.41
Europe	1.01	1.01		1.04	1.12	1.01	0.85	0.95	0.85	0.82	0.99	-0.17
Pacific	0.53	0.64		0.60	0.70	0.88	0.71	0.70	0.65	0.71	0.78	-0.07
Saudi Medium												
North America	0.65	0.68		0.65	0.83	0.73	0.80	0.88	0.66	0.80	0.54	0.26
Europe	0.21	0.23		0.25	0.25	0.18	0.12	0.11	0.16	0.19	0.25	-0.06
Pacific	0.15	0.13		0.11	0.11	0.08	0.07	0.06	0.09	0.03	0.16	-0.13
Saudi Heavy												
North America	0.31	0.31		0.34	0.25	0.27	0.19	0.13	0.17	0.21	0.41	-0.21
Europe	0.09	0.14		0.14	0.23	0.17	0.16	0.18	0.17	0.18	0.11	0.07
Pacific	0.09	0.12		0.13	0.13	0.12	0.08	0.11	0.12	0.06	0.18	-0.12
Iraqi Basrah Light²												
North America	0.71	0.61		0.75	0.57	0.34	0.76	0.66	0.63	0.30	0.72	-0.42
Europe	0.15	0.16		0.21	0.10	0.14	0.15	0.07	0.13	0.11	0.36	-0.25
Pacific	0.11	0.08		0.06	0.17	-	-	-	-	-	0.13	-
Iraqi Kirkuk												
North America	0.01	-		-	-	-	0.11	0.13	-	0.26	-	-
Europe	0.65	0.55		0.53	0.58	0.22	0.38	0.22	0.05	0.38	0.48	-0.10
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.29	0.17	0.20	0.14	0.12	0.10	0.05	0.39	-0.34
Pacific	0.12	0.13		0.12	0.11	0.15	0.13	0.14	0.07	0.12	0.12	-0.01
Iranian Heavy³												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.58	0.55	0.62	0.46	0.36	0.53	0.52	0.52	0.00
Pacific	0.38	0.37		0.36	0.38	0.44	0.38	0.27	0.41	0.44	0.39	0.05
Venezuelan Light & Medium												
North America	0.76	0.72		0.68	0.73	0.69	0.61	0.62	0.53	0.44	0.77	-0.33
Europe	0.08	0.04		0.03	0.05	0.03	0.04	0.04	0.00	0.07	0.03	0.04
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.49	0.62	0.70	0.66	0.61	0.77	0.64	0.64	0.00
Europe	0.05	0.06		0.09	0.05	0.05	0.08	0.08	0.10	0.06	0.13	-0.07
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.76	0.69	0.76	0.72	0.79	0.68	0.76	0.78	-0.02
Europe	0.14	0.17		0.19	0.16	0.09	0.15	0.16	0.15	0.18	0.21	-0.02
Pacific	0.02	0.02		0.02	0.02	0.02	0.01	0.02	-	-	-	-
Mexican Isthmus												
North America	0.11	0.07		0.05	0.04	0.08	0.03	-	0.02	-	0.08	-
Europe	0.04	0.01		0.02	0.01	0.08	0.02	0.04	0.01	0.03	0.02	0.01
Pacific	0.01	0.02		0.01	0.01	0.02	0.01	-	-	-	-	-
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.77	0.61	0.83	1.10	0.90	1.24	1.12	0.94	0.19
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light⁴												
North America	0.40	0.65		0.81	0.53	0.55	0.63	0.55	0.43	0.27	0.95	-0.68
Europe	0.32	0.38		0.33	0.49	0.40	0.29	0.30	0.36	0.40	0.34	0.06
Pacific	0.03	0.01		0.00	0.03	-	-	-	-	0.06	-	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.03	-	-	-	-	-	-
Europe	0.08	0.06		0.01	0.15	0.07	0.06	0.03	-	0.05	0.02	0.02
Pacific	-	0.00		-	0.01	-	-	-	-	-	-	-

¹ Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 21 of the Report.

IEA North America includes United States and Canada.

IEA Europe includes all countries in OECD Europe except Hungary and Poland.

IEA Pacific data through 2000 includes Australia, New Zealand and Japan.

² Iraqi Total minus Kirkuk.

³ Iranian Total minus Iranian Light.

⁴ 33 API and lighter (e.g., Bonny Light, Escravos, Qua Iboe and Oso Condensate).

Table 12a
Regional OECD Gasoline Imports by Source¹

(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Year Earlier Aug 00	change
OECD North America												
Venezuela	0.13	0.10		0.10	0.13	0.09	0.12	0.15	0.11	0.09	0.08	0.02
Other Central & South America	0.05	0.06		0.08	0.06	0.08	0.11	0.15	0.09	0.11	0.09	0.02
ARA (Belgium Germany Netherlands)	0.06	0.04		0.03	0.06	0.07	0.10	0.11	0.02	0.08	0.02	0.06
Other Europe	0.15	0.12		0.10	0.12	0.20	0.16	0.13	0.14	0.19	0.12	0.08
FSU	0.02	0.03		0.04	0.01	0.05	0.05	0.04	0.02	0.04	0.02	0.02
Saudi Arabia	0.11	0.06		0.07	0.06	0.05	0.06	0.06	0.05	0.04	0.12	-0.08
Algeria	0.00	-		-	-	-	0.00	-	-	0.01	-	-
Other Middle East & Africa	0.00	0.03		0.03	0.04	0.02	0.05	0.06	0.01	0.04	0.02	0.02
Singapore	0.01	0.01		0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.01	-0.01
OECD Pacific	0.02	0.00		0.00	0.00	0.01	0.01	0.01	0.03	0.01	0.00	0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.00	0.02	0.02	0.03	0.01	0.04	0.02	0.03
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.47		0.45	0.49	0.61	0.71	0.75	0.51	0.66	0.49	0.17
of which Non-OECD	0.35	0.31		0.33	0.32	0.33	0.46	0.53	0.33	0.41	0.36	0.05
OECD Europe												
OECD North America	0.00	0.00		0.01	0.00	0.00	0.00	-	-	0.00	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.01	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00
Non-OECD Europe	0.02	0.02		0.02	0.02	0.02	0.01	0.02	0.00	0.02	0.02	-0.01
FSU	0.01	0.02		0.03	0.02	0.01	0.02	0.02	0.03	0.02	0.02	0.00
Saudi Arabia	0.00	0.00		0.01	0.00	0.00	0.00	0.00	0.02	-	-	-
Algeria	0.01	0.01		0.00	0.01	0.00	0.00	0.01	0.00	0.00	-	-
Other Middle East & Africa	0.00	0.01		0.01	0.00	0.01	0.00	0.01	0.01	0.02	0.01	0.01
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	0.00	-	-	-	-	-
Other	0.07	0.08		0.07	0.05	0.12	0.11	0.08	0.15	0.16	0.16	0.01
Total²	0.11	0.14		0.16	0.10	0.16	0.15	0.14	0.21	0.22	0.21	0.01
of which Non-OECD	0.11	0.14		0.15	0.11	0.16	0.17	0.17	0.23	0.24	0.21	0.03
OECD Pacific												
OECD North America	0.00	0.00		-	-	0.01	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		0.00	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	0.00	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.01	0.00	0.01	-	-	-	0.01	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		0.01	-	-	-	-	-	-	-	-
Singapore	0.02	0.02		0.02	0.01	0.02	0.03	0.03	0.02	0.03	0.02	0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.00	0.01	0.00	-	0.00	0.00	0.02	-0.02
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.04	0.02	0.04	0.04	0.03	0.02	0.04	0.06	-0.02
of which Non-OECD	0.03	0.04		0.04	0.02	0.03	0.04	0.03	0.02	0.04	0.06	-0.02
Total OECD Trade²	0.70	0.65		0.65	0.62	0.81	0.90	0.93	0.74	0.92	0.76	0.16
of which Non-OECD	0.49	0.49		0.53	0.45	0.52	0.67	0.73	0.59	0.69	0.63	0.06

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Year Earlier Aug 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.07	0.08	0.04	0.04	0.03	0.04	0.05	0.00
Other Central & South America	0.01	0.01		0.00	0.02	0.07	0.02	0.03	0.01	0.01	0.00	0.00
ARA (Belgium Germany Netherlands)	0.00	0.01		0.00	0.00	0.01	0.01	0.02	-	-	-	-
Other Europe	0.00	0.01		-	0.00	0.05	0.02	0.01	0.01	-	-	-
FSU	0.02	0.02		0.01	0.03	0.11	0.02	0.00	0.01	-	0.01	-
Saudi Arabia	0.01	0.00		-	-	0.01	-	-	-	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	0.01	-	-	0.00	-	-
Other Middle East & Africa	-	0.00		-	0.00	0.02	0.01	0.01	0.02	0.01	-	-
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.01	0.00		0.00	0.01	0.01	0.01	0.01	0.01	0.02	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.01	0.02	0.01	-	-	-	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.12		0.08	0.16	0.39	0.16	0.13	0.09	0.08	0.07	0.01
of which Non-OECD	0.10	0.11		0.07	0.15	0.32	0.13	0.08	0.08	0.06	0.07	0.00
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.00	0.01	0.01	0.02	0.02	0.01	0.01
Venezuela	0.00	0.00		-	-	0.00	0.00	-	0.00	-	-	-
Other Central & South America	0.00	0.00		-	0.00	0.00	0.01	0.01	0.00	-	-	-
Non-OECD Europe	0.04	0.05		0.05	0.05	0.04	0.03	0.04	0.02	0.03	0.05	-0.03
FSU	0.32	0.29		0.29	0.24	0.36	0.32	0.28	0.34	0.29	0.23	0.06
Saudi Arabia	0.01	0.00		0.00	0.00	0.00	0.00	0.00	0.01	-	-	-
Algeria	0.04	0.03		0.03	0.02	0.03	0.03	0.03	0.04	0.05	0.02	0.03
Other Middle East & Africa	0.03	0.02		0.03	0.02	0.01	0.02	0.03	0.02	0.01	0.02	-0.01
Singapore	-	0.00		-	0.00	-	-	-	0.00	-	-	-
OECD Pacific	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	0.00	-	-	-	0.00	-	-
Other	0.07	0.08		0.09	0.08	0.13	0.08	0.16	0.10	0.29	0.17	0.12
Total²	0.52	0.50		0.51	0.44	0.58	0.50	0.56	0.55	0.69	0.51	0.18
of which Non-OECD	0.51	0.48		0.49	0.43	0.58	0.52	0.59	0.57	0.69	0.51	0.19
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		0.00	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	0.00		0.00	-	0.00	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.01	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	-	0.00	0.00	-	-	0.00	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.02	0.01	0.01	0.02	0.02	0.03	0.01	0.02	-0.01
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	0.00	0.01	0.01	0.00	0.00	0.01	0.00	0.01
Other	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Total²	0.03	0.02		0.02	0.02	0.02	0.03	0.03	0.04	0.02	0.03	-0.01
of which Non-OECD	0.03	0.02		0.02	0.02	0.02	0.03	0.04	0.04	0.02	0.03	-0.01
Total OECD Trade²	0.67	0.65		0.60	0.62	0.99	0.69	0.71	0.68	0.80	0.61	0.18
of which Non-OECD	0.64	0.61		0.59	0.59	0.93	0.68	0.72	0.69	0.78	0.60	0.18

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹

(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Year Earlier Aug 00	change
OECD North America												
Venezuela	0.03	0.03		0.01	0.04	0.03	0.03	0.02	0.01	0.01	0.02	0.00
Other Central & South America	0.02	0.01		0.02	0.02	0.03	0.02	0.01	0.02	0.01	0.07	-0.05
ARA (Belgium Germany Netherlands)	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Other Europe	-	0.00		-	0.00	0.00	-	-	-	-	-	-
FSU	0.00	-		-	-	0.00	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.00	0.02	-	-	-	-	0.02	-
Algeria	0.00	0.00		0.00	0.00	0.00	0.00	-	-	-	-	-
Other Middle East & Africa	0.00	0.01		-	0.01	0.03	0.01	-	0.01	-	-	-
Singapore	0.02	0.01		0.00	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00
OECD Pacific	0.03	0.05		0.08	0.05	0.02	0.09	0.11	0.08	0.08	0.08	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.01	0.02	0.01	0.01	-	-	0.01	-
Other	-	-		-	-	0.00	-	-	-	-	-	-
Total²	0.11	0.12		0.14	0.14	0.18	0.18	0.15	0.11	0.11	0.20	-0.08
of which Non-OECD	0.08	0.07		0.06	0.09	0.16	0.09	0.05	0.03	0.03	0.11	-0.08
OECD Europe												
OECD North America	0.00	0.00		0.00	0.00	-	-	-	-	0.00	0.01	-0.01
Venezuela	0.01	0.01		0.02	0.01	-	-	-	0.01	0.03	0.03	0.00
Other Central & South America	-	0.00		0.00	0.00	0.00	0.01	0.00	0.01	-	-	-
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	-	-	-	-	0.00	-
FSU	0.03	0.02		0.03	0.02	0.02	0.02	0.02	0.03	0.02	0.04	-0.01
Saudi Arabia	0.01	0.02		0.01	0.01	0.02	0.03	0.03	0.05	0.03	0.02	0.01
Algeria	0.01	0.01		0.02	0.01	0.01	0.01	0.00	0.02	0.00	0.01	-0.01
Other Middle East & Africa	0.03	0.07		0.08	0.07	0.09	0.15	0.18	0.14	0.13	0.08	0.05
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.05	0.05	0.03	0.03	0.05	0.03	0.14	0.07	0.07
Total²	0.12	0.17		0.22	0.18	0.17	0.25	0.30	0.28	0.36	0.27	0.09
of which Non-OECD	0.11	0.17		0.22	0.18	0.17	0.25	0.30	0.30	0.37	0.26	0.11
OECD Pacific												
OECD North America	-	0.00		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		-	0.00	0.00	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		0.00	0.01	0.02	-	-	-	-	-	-
Singapore	0.03	0.01		0.01	0.00	0.01	0.01	0.01	0.00	0.00	0.01	-0.01
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.00	0.03	0.05	0.00	-	0.01	-	0.01	-
Other	-	0.03		0.03	0.05	0.06	0.03	0.02	0.02	0.03	0.04	-0.01
Total²	0.07	0.07		0.04	0.10	0.15	0.04	0.03	0.03	0.03	0.05	-0.02
of which Non-OECD	0.07	0.07		0.04	0.10	0.15	0.04	0.03	0.03	0.03	0.05	-0.02
Total OECD Trade²	0.30	0.37		0.41	0.42	0.50	0.46	0.48	0.43	0.50	0.52	-0.02
of which Non-OECD	0.26	0.31		0.32	0.37	0.48	0.37	0.37	0.36	0.43	0.42	0.00

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jun 01	Jul 01	Aug 01	Year Earlier Aug 00	change
OECD North America												
Venezuela	0.06	0.06		0.04	0.09	0.07	0.09	0.10	0.09	0.06	0.04	0.02
Other Central & South America	0.05	0.07		0.08	0.11	0.10	0.12	0.10	0.10	0.14	0.05	0.09
ARA (Belgium Germany Netherlands)	0.01	0.01		-	0.03	0.04	0.06	0.03	0.02	0.04	-	-
Other Europe	0.01	0.03		0.05	0.05	0.06	0.06	0.08	0.05	0.01	0.02	-0.01
FSU	0.02	0.01		0.02	0.02	0.01	0.01	0.02	0.03	0.04	0.02	0.02
Saudi Arabia	0.00	0.00		0.00	-	0.01	-	-	-	-	-	-
Algeria	0.04	0.05		0.05	0.05	0.05	0.06	0.04	0.07	0.06	0.06	0.00
Other Middle East & Africa	0.01	0.02		0.01	0.03	0.03	0.01	0.00	0.01	0.01	0.02	-0.01
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-
OECD Pacific	-	-		-	-	-	-	-	0.01	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.02	0.02	0.01	0.01	0.00	0.00	0.00	0.00
Other	0.00	-		-	-	-	0.01	-	-	-	-	-
Total²	0.21	0.26		0.27	0.39	0.40	0.43	0.38	0.39	0.37	0.22	0.15
of which Non-OECD	0.19	0.22		0.22	0.32	0.32	0.35	0.30	0.34	0.34	0.20	0.14
OECD Europe												
OECD North America	0.02	0.01		0.01	0.01	0.01	0.02	0.04	0.02	0.02	-	-
Venezuela	0.01	0.01		0.00	0.02	0.02	0.01	0.01	0.00	0.01	0.01	0.00
Other Central & South America	0.01	0.02		0.01	0.01	0.02	0.00	0.00	0.00	0.02	0.01	0.01
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.00	-	0.01	0.01	0.01	0.00
FSU	0.17	0.19		0.24	0.17	0.18	0.22	0.22	0.33	0.20	0.27	-0.08
Saudi Arabia	0.00	0.00		-	0.00	0.01	-	-	-	-	-	-
Algeria	0.00	0.00		0.00	0.00	-	-	-	-	-	-	-
Other Middle East & Africa	0.08	0.07		0.07	0.08	0.07	0.05	0.04	0.05	0.06	0.08	-0.03
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Other	0.02	0.08		0.09	0.07	0.11	0.03	0.06	0.06	0.11	0.11	0.00
Total²	0.32	0.39		0.44	0.37	0.43	0.33	0.38	0.47	0.41	0.50	-0.08
of which Non-OECD	0.31	0.38		0.43	0.35	0.41	0.32	0.34	0.46	0.40	0.50	-0.09
OECD Pacific												
OECD North America	0.00	0.00		0.00	0.00	0.00	0.00	0.00	-	0.01	0.00	0.00
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.01	0.01		0.01	0.00	0.01	0.01	0.01	0.02	0.03	0.02	0.01
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.06	0.04	0.04	0.06	0.06	0.07	0.06	0.08	-0.01
Other	0.01	0.01		0.01	0.02	0.01	0.01	0.00	0.02	0.00	0.02	-0.01
Total²	0.08	0.09		0.09	0.07	0.07	0.08	0.07	0.11	0.10	0.11	-0.01
of which Non-OECD	0.08	0.09		0.09	0.06	0.07	0.08	0.07	0.11	0.09	0.11	-0.02
Total OECD Trade²	0.61	0.74		0.80	0.82	0.90	0.84	0.83	0.98	0.88	0.83	0.05
of which Non-OECD	0.57	0.69		0.74	0.74	0.81	0.75	0.71	0.92	0.83	0.80	0.03

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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Users' Guide to the IEA Oil Market Report

Readers are referred to the Users' Guide, published in conjunction with the Annual Statistical Supplement (current issue dated 10 August 2001), for information on the data sources, definitions, technical terms and general approach used in preparing the Report. It should be noted that the spot crude and product price assessments are based on daily Platt's prices, converted when appropriate to US\$ per barrel according to the Platt's specification of products (©2001 Platt's - a division of McGraw-Hill Inc.).

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12 December 2001

HIGHLIGHTS

- OPEC surprised the oil markets on 14 November, when it announced that it would be cutting crude production by 1.5 mb/d on 1 January, but only if key non-OPEC producers - particularly Russia - cut by a combined 500 kb/d. Russia, Norway, Mexico and others have since announced reductions, but the deal has not yet been finalised and the market continues to take a "wait and see" attitude regarding the volume of physical crude that will actually be cut.
- The oil markets were volatile in November. Driven by OPEC/non-OPEC manoeuvring, and weighed down by continuing economic and oil demand weakness, monthly average crude and product prices fell, and refining margins deteriorated further.
- World oil production increased by 290 kb/d in November. OPEC 10 output fell by 290 kb/d to 23.7 mb/d, 500 kb/d over the target, while Iraqi supply was 50 kb/d lower. The OPEC decrease was more than offset by a sharp 630 kb/d rise in non-OPEC supply. Phase XI of the UN-Iraq oil-for-food programme began on 1 December.
- Estimated global demand growth in 2001 remains at 140 kb/d. Early reports of relatively strong October deliveries were offset by downward adjustments for September. The 2002 forecast was also unchanged.
- Total oil industry stocks in the OECD grew by 0.22 mb/d in October, leaving end-month primary storage ample, at 2.7 billion barrels. Winter fuels in primary storage continue to remain comfortable.

Next Issue: 18 January 2002



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

INTERNATIONAL ENERGY AGENCY



The IEA is Seeking an Experienced Global Oil Supply Analyst

The International Energy Agency (IEA) is seeking a *Senior Oil Supply Analyst* to join its Oil Industry and Markets Division. The primary responsibilities of the position are to forecast global upstream developments on a field by field basis, monitor developments in the oil services sector, prepare the Supply section of the IEA's monthly *Oil Market Report* (published in English), present papers at inter-governmental meetings and represent the IEA at industry, academic and other international fora.

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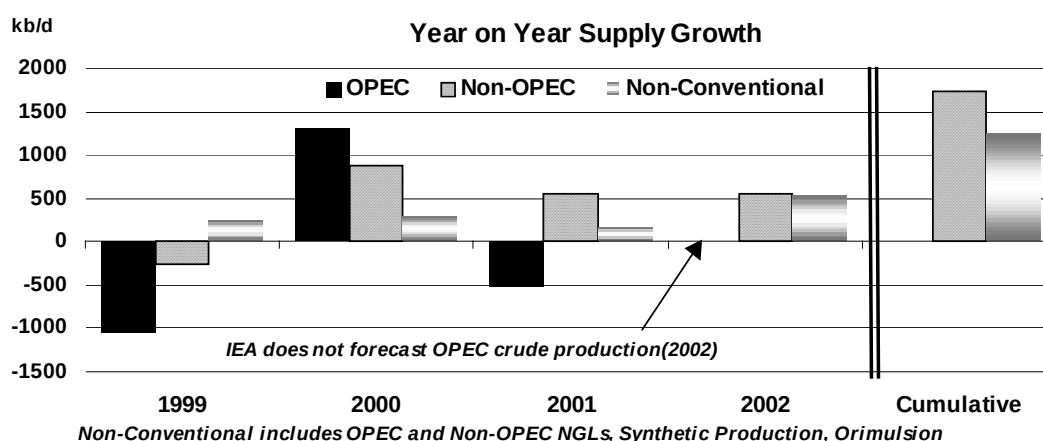
A TURBULENT YEAR

Who could have guessed? Despite some early warning signs, the global economy appeared buoyant at the start of the year. Europe argued it could avoid any slow-down in economic activity that might grip North America. And then, in rapid succession, the North American economy stalled, driven by surplus industrial capacity, followed by a precipitous drop in company earnings, and valuations, especially in the manufacturing and high-tech sectors. This contributed to restructuring and reduced economic activity.

Storm signals emerged in Latin America and Southeast Asia, followed by increasingly gloomy economic reports out of Japan and Germany. Throughout, consumer confidence remained surprisingly resilient. The latter changed in the aftermath of 11 September. Everything looked different, and just thinking about getting back to "normal" itself became a challenge.

A lot of time, money and effort, particularly in the US, are being invested in reinvigorating the global economy. Indeed, some would suggest that the North American economy has bottomed, and is on course for a steep V-shaped recovery in the first half of 2002. Upward movements in equity valuations suggest a new-found optimism in the market.

The oil market has experienced no less turbulence. Oil prices were markedly lower in the first part of the year over levels experienced in the second half of 2000. Prices moderated on reduced oil demand associated with the slowdown in industrial activity, warmer weather and a reversal of fuel switching from gas into oil. Despite low stocks, which lent support to prices, both the 2001 winter heating season and the corresponding 2001 summer driving season were effectively over before they really got started.



This was followed by the devastation of 11 September. The airline industry, already reeling from overcapacity and high prices, was faced with the added challenge of a sudden decline in passenger traffic. Warmer than normal weather reduced fuel-switching into oil and the spill-over effects of the global recession, combined with increasing non-OPEC supply, pressured prices and contributed to a surge in crude and product stocks. Producers are scrambling to adjust supply in an attempt to stabilise prices.

Signs of optimism are beginning to emerge in the broader economy, and in the oil and equity markets. US oil demand, especially for jet fuel, may not be as weak as initially feared. Talk of an economic recovery and increased industrial activity has begun to soften sceptics.

The consensus view is that 2002 oil demand will be higher than 2001. How much higher is a matter of speculation. All things being equal, we know that overall crude supply is set to increase in 2002, and that this increase exceeds current expectations for growth in demand.

DEMAND

Summary

- The assessment of global oil demand growth for this year and next remains steady from last month, as oil statistics do not yet show a clear impact of the September terrorist attacks on consumption patterns. Recent economic data that raise the possibility of a faster-than-expected rebound in the US economy also fail to clearly rule out a protracted global downturn. Pending further data, the estimate of oil product demand growth remains at roughly 100 kb/d for this year, and about 600 kb/d for 2002.

Global Oil Demand from 2000 to 2002

	Demand (mb/d)	Annual Change*		Changes from last month's Report (mb/d)
		(%)	(mb/d)	
1Q00	75.9	-0.4	-0.3	-
2Q00	74.4	1.4	1.1	-
3Q00	76.4	2.5	1.9	-
4Q00	76.8	-0.2	-0.1	-
1Q01	76.9	1.3	1.0	-
2Q01	75.2	1.1	0.8	-
3Q01	75.6	-1.1	-0.8	-0.1
4Q01	76.4	-0.6	-0.4	0.2
1Q02	76.7	-0.3	-0.2	0.1
2Q02	75.1	-0.1	-0.1	-
3Q02	76.4	1.0	0.8	-0.1
4Q02	78.2	2.4	1.8	0.1
2000	75.9	0.9	0.6	-
2001	76.0	0.2	0.1	-
2002	76.6	0.7	0.6	-

* year-on-year change

- OECD statistics on September deliveries and adjustments to earlier months reveal a deeper-than-expected downturn in OECD demand for the second and third quarters. However, preliminary reports for some of the largest economies suggest that the decline in October might not have been as steep as originally thought. While the offsetting effects of a weaker third and an apparently stronger fourth quarter - combined with slightly slower non-OECD demand growth - leave yearly demand unchanged, the twin adjustment lifts the quarter-on-quarter uptick in OECD fourth-quarter demand closer to the seasonal norm than the near record-low expected in last month's Report.

Global Oil Demand by Region

(million barrels per day)

	Demand	Annual Change			Annual Change (%)		
	2001	2000	2001	2002	2000	2001	2002
North America	24.05	0.33	-0.05	0.19	1.4	-0.2	0.8
Europe	15.83	-0.12	0.02	0.01	-0.7	0.2	0.1
OECD Pacific	8.52	-0.04	-0.13	-0.08	-0.4	-1.5	-0.9
China	4.88	0.30	0.09	0.16	6.7	1.9	3.3
Other Asia	7.31	0.10	0.00	0.05	1.4	0.0	0.7
<i>Subtotal Asia</i>	20.71	0.37	-0.04	0.14	1.8	-0.2	0.7
FSU	3.69	-0.05	0.08	0.06	-1.2	2.1	1.6
Middle East	4.53	0.09	0.15	0.11	2.1	3.4	2.4
Africa	2.40	0.01	0.03	0.03	0.3	1.3	1.2
Latin America	4.80	0.01	-0.06	0.04	0.3	-1.2	0.8
<i>World</i>	76.02	0.64	0.14	0.57	0.9	0.2	0.7

- Much uncertainty continues to surround the effect of the terrorist attacks of 11 September on jet fuel demand. Preliminary data showing a dramatic recovery in US jet fuel deliveries in October and surprisingly strong sales elsewhere seem to belie reports of deep cuts in air traffic and airline fleet capacity across all major markets. The reports, which are subject to revisions, are as likely to

signal a rush by stockholders to run down excess inventories as to reflect resilient demand from the ailing airline industry, however. US deliveries appear to have resumed their downward trend in November.

- Non-OECD demand has yet to show a tangible boost from a recent downturn in product prices, as the latter has been partly offset by falling manufacturing output and deepening economic woes in Latin America. However, Indian oil demand rebounded in October from a nearly uninterrupted year-long contraction, while in China a dip in apparent demand in September was milder than expected.

Estimated Annual World Oil Demand Growth 1997-2002

	(million barrels per day)					
	97-96	98-97	99-98	00-99	01-00	02-01
North America	0.48	0.38	0.68	0.33	-0.05	0.19
Latin America	0.34	0.05	0.00	0.01	-0.06	0.04
FSU	-0.16	-0.06	-0.07	-0.05	0.08	0.06
Europe	0.15	0.27	-0.13	-0.12	0.02	0.01
OECD Pacific	0.13	-0.54	0.27	-0.04	-0.13	-0.08
China	0.47	-0.02	0.30	0.30	0.09	0.16
Other Asia	0.33	0.06	0.39	0.10	0.00	0.05
Subtotal, Asia	0.93	-0.50	0.96	0.37	-0.04	0.14
Middle East	0.16	0.17	0.12	0.09	0.15	0.11
Africa	0.07	0.06	0.05	0.01	0.03	0.03
World	1.97	0.36	1.62	0.64	0.14	0.57

OECD

Early Indications of Current Demand

September delivery data for most OECD economies and preliminary reports for October for some of the largest ones show that OECD demand contracted even more than previously thought at the end of the third quarter, but proved more resilient than expected at the beginning of the current one.

Submissions for September are now available from 24 of the 30 OECD Member countries, including all key markets. On aggregate, the data show a contraction in demand of 2.9%, the sharpest monthly dip since January 1998. The steepest decline was in North America, where deliveries fell by 4.8% year-on-year. Demand in the Asia-Pacific region contracted by 4.1%. However, European demand inched higher, by 0.9%, thanks to robust gasoil deliveries in France and, to a lesser extent, Italy.

Combined with smaller downward adjustments for July and August, the cut in September demand estimates – of roughly 150 kb/d – shaved 50 kb/d off the third-quarter assessment. Cuts of 45 kb/d and 6 kb/d for Canada and Mexico in June trimmed the second-quarter estimate by another 20 kb/d.

By contrast, preliminary October data pegged deliveries at 1.1% below last year, but more than 680 kb/d above expectations. The distribution of the demand cuts among the main markets appears somewhat of a mirror image of September. After bucking the downward trend at the end of the third quarter, Europe led the decline in October. As expected, strong heating-oil buying in France and Italy in September “borrowed” winter demand from later months, leading to a drop in October. The aggregate European decline would have been even steeper had German homeowners not resumed stockpiling heating oil, lifting residential storage levels near historic records, and – assuming normal winter conditions – leaving little room for further buying this year. By contrast, the contraction in Asian demand, while steep, was far less dramatic than in September. North American demand was nearly flat, as robust gains in US gasoline deliveries more than offset a milder-than-expected dip in jet fuel deliveries.

Taking into account the stronger-than-expected October delivery data, various adjustments have been made to the forecast of oil product consumption for November and December, with the net effect of raising the assessment of fourth-quarter OECD demand by 260 kb/d. A contraction in aggregate OECD demand begun in the second quarter and continued in the third is expected to deepen in the fourth, but not as much as previously thought. The final quarter’s decline is now assessed at 1.5% year-on-year, rather than 2% in last month’s Report.

The deeper-than-expected second-and third-quarters contraction is consistent with recent macro-economic indicators. The US economy officially was found to have slipped into recession in March, and the third-quarter contraction in gross domestic product was revised to 1.1%, from the 0.4% initially diagnosed. As ominous as it may sound, that reappraisal might actually be ground for optimism, since much of it reflects the fact that more business orders were filled out of inventories, rather than production, compared to what was originally thought. This would suggest that businesses are closer to rebuilding their stocks, thus setting the stage for a faster global economic rebound. October consumer spending, in the US and elsewhere, was also more resilient than expected, suggesting that the economic impact of the September attacks might have been overstated.

While recent data may increase somewhat the upside risk to this Report's demand assessment, it is far too early to predict a faster recovery in the US and global economies. Much of the strength of US consumer spending in October stemmed from record-high automobile sales, spurred by zero-financing schemes that might in effect have "borrowed" demand from later months. Consumer sentiment in the US and elsewhere may be less resilient than recent spending patterns would suggest, and has yet to reflect the full effect of recently announced job cuts, which are still being worked through the economy. Manufacturing output continues to contract virtually everywhere.

Oil data showing surprisingly robust deliveries in October are also subject to potentially large revisions. Even if the October preliminary reports were only mildly revised, some of the apparent strength in deliveries might not be sustained. Strong deliveries of heating oil in Western Europe are a case in point. Likewise, surprisingly robust jet fuel and kerosene sales in September and October cannot be seen as an unequivocal reflection of recent and future demand strength.

Preliminary Inland Deliveries – October 2001¹

	Gasoline		Jet/Kerosene		Diesel		Other Gasoil		RFO		Other ²		Total Products	
	Mb/d	% pa	Mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa	mb/d	% pa
United States ³	8.69	3.2	1.62	-8.8	2.44	-2.9	1.38	15.1	0.86	-22.7	4.96	3.5	19.95	0.7
Mexico	0.56	6.7	0.05	-14.5	0.28	-4.5	0.00	-100.0	0.51	-0.4	0.36	2.3	1.76	1.1
Japan	0.98	2.8	0.42	5.3	0.72	0.1	0.45	1.1	0.44	-11.1	1.54	-1.8	4.55	-0.6
Korea	0.16	7.6	0.04	-12.0	0.34	5.6	0.11	-7.7	0.31	-9.5	0.87	-7.7	1.83	-4.7
France	0.31	2.1	0.12	-5.3	0.62	5.7	0.30	-43.9	0.06	-17.9	0.48	-4.9	1.89	-11.3
Germany	0.68	3.6	0.15	-10.9	0.64	4.9	0.65	10.4	0.10	-8.4	0.46	-0.4	2.67	3.3
Italy	0.39	3.2	0.08	-2.9	0.46	16.2	0.13	-22.8	0.20	-24.9	0.44	-2.2	1.70	-2.3
Total	11.76	3.3	2.47	-6.8	5.50	0.6	3.01	-1.5	2.48	-15.7	9.12	-3.6	34.34	-0.8

Sources: US EIA, Mexico Pemex, Japan MITI, Korea PEDCO, France CPDP, Germany MWV, Italy Ministry of Industry

Percentage change is calculated from the same month of the previous year

1 excludes refinery fuel and bunkers (except US)

2 includes direct use of crude oil

3 fifty states only. Diesel's share of total distillate is estimated. Percentage change is calculated versus last year.

The above table, showing preliminary estimates of oil deliveries in seven of the largest OECD economies for October, stands in contrast to the corresponding table in last month's Report. Not only is the overall scope of the contraction reduced to a fraction of a percentage point, from roughly 3% a month earlier, but its geographical distribution is altered. Nearly all the economies where demand slowed in September are now posting a gain, including the US, Germany and Mexico. Conversely, deliveries in France, Korea and Italy swung into decline. Japanese deliveries continued to contract, but much more slowly.

The shift in demand is also striking when the data are broken down by products. As in the previous month, residual fuel oil, contracted the most. Deliveries fell short of last year's level by an even wider margin than in September, as the demand loss spread to each of the markets for which data were available. The fall was especially dramatic in the US, spurred by mild weather and lower natural gas prices. Heating oil deliveries also switched into decline, as a reversal in last month's French and Italian delivery pattern offset gains elsewhere.

In contrast with heating fuels, sales of transportation fuels showed a marked improvement in October. Gasoline deliveries posted substantial gains across the region, including in the US, Japan and Germany. While lower prices encouraged consumption, safety concerns over air travel may also have shifted demand from jet fuel to gasoline, as consumers favoured driving over flying. Diesel deliveries also rose substantially in Europe, where diesel increasingly replaces gasoline as automobile fuel. The relatively modest scope of the decline in jet fuel deliveries is more surprising, but may be partly misleading.

Interpreting the Numbers – Jet Fuel Demand

Jet fuel demand had been expected to plummet in the wake of the terrorist attacks of 11 September against the US. Not only had the tragedy caused a prolonged closure of the US airspace. The unprecedented nature of the attacks also raised the likelihood that safety concerns would for long lead business and leisure travellers alike to shun air travel in favour of other modes of transportation – or simply to defer or cut back on trips. Overextended airlines, their resources already drained by high fuel costs and lower demand due to the US and global economic downturns, announced sweeping cuts in flight schedules and fleet capacity. In addition to safety issues, the drain of the terrorist attacks on the US and global economies was expected to delay a recovery initially expected for the end of this year, and further undermine air travel demand. Expectations of a contraction in jet fuel demand of 15% to 25% lasting several months in Europe and North America seemed reasonable.

So far, however, available delivery data suggest that the decline in jet fuel demand since the attacks has fallen far short of expectations. For October, preliminary data for some of the largest OECD economies showed that deliveries of jet fuel and kerosene fell everywhere except Japan, the fuel's second largest market. However, the decline rates were relatively benign. In the US, the prime target of the attacks, the drop in October was less than 9%, down from a double-digit decline in September, and contrasting with drops in air traffic in the 20% to 35% range.

Moreover, the steeper decline rates initially showed in preliminary estimates of September sales have since been revised. For OECD Europe, aggregate jet fuel and kerosene demand now stands at 1.9% below September 2000 levels, and only 0.5% below for Europe's four largest economies. Steeper decline rates for Asian and North American demand, of 11.6% and 13.7%, bring the OECD average for September 9.5% below last year. The apparent recovery in North American deliveries in October, to a decline of only 6.5%, bring the OECD overall figure for that month just 8.8% below 2000 levels.

Do the data mean that the expected decline in jet fuel demand had been overestimated? That is certainly possible, but far from necessary. For starters, preliminary data remain in general subject to potentially deep revisions. If recent experience is any guide, preliminary data for deliveries of jet fuel are liable to even deeper revisions than those for other products. Part of the reason is that deliveries to foreign airlines are not always included in preliminary estimates of domestic sales. Consider the September preliminary data. An 8.9% increase in Korean deliveries has thus been revised down into a 15.3% decline, while a Japanese decline of 4.6% gave way to a 9.2% contraction. Likewise, a contraction in French deliveries deepened from an initial estimate of 7.8% to a revised 13%. In Italy, however, first assessments showing that deliveries fell 12.9% were revised upwards into a 9.5% gain.

Moreover, the early delivery data seem at odds with announcements by both individual airlines and their trade associations confirming cuts in air traffic of up to 20%-35% in Europe and North America, as well as reductions in fleet capacity. Cuts in aircraft fleet seem likely to translate into declines in jet fuel demand at least as deep, since airlines retire first their least fuel efficient aeroplanes.

Finally, two months of surprisingly benign data do not make a trend. The fact that jet fuel inventory levels appear to have been drawn down aggressively since the attacks and that refiners have been sharply reducing their jet fuel yields also seems inconsistent with the notion of resilient jet fuel demand. Rather, it seems possible that, in the face of sharply reduced end-user consumption, demand for jet fuel storage has plummeted. Rather than face the burden of excess inventory capital and storage costs, stockholders might have sought to draw down their tanks, possibly by selling jet fuel at discounted rates or by blending it into other products, thereby boosting apparent demand.

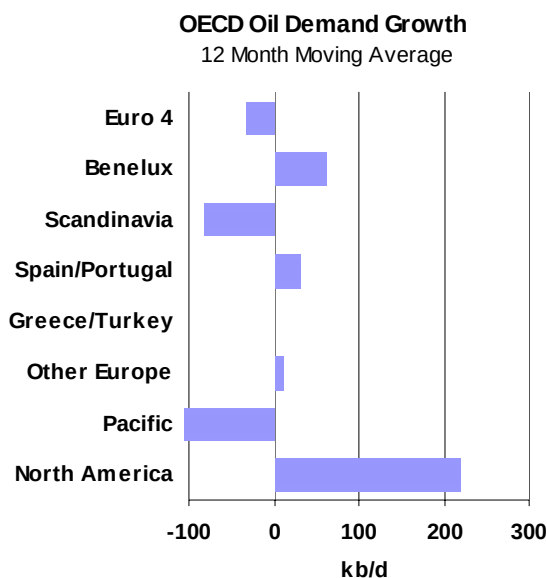
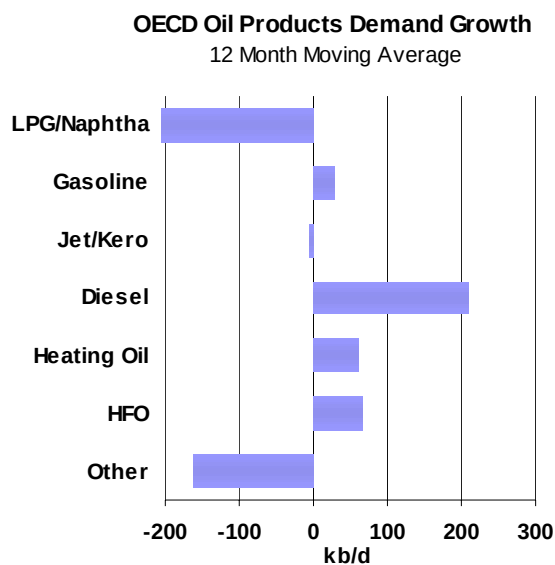
This would go some way into explaining why deliveries of "other kerosene" surged by 40 kb/d year-on-year in September in the UK and Italy, offsetting a decline in jet fuel and aviation kerosene demand, and misleadingly inflating the aggregate figure for European jet fuel and kerosene deliveries. Had "other kerosene" deliveries in those two countries remained at year-ago levels, aggregate jet fuel and kerosene deliveries for OECD Europe in September would have dipped by 5.2%, rather than 1.9%.

Moving Annual Average Change in Oil Demand – October 2001

	LPG	Naphtha	Gasoline	Jet/ Kerosene	Diesel	Other Gasoil	HFO	Other	Total	Kb/d
US	-6.7%	-13.1%	1.4%	0.2%	4.9%	7.9%	12.2%	-4.5%	0.8%	157
Canada*	-14.3%	-0.5%	1.4%	-5.0%	2.2%	-0.6%	13.8%	3.6%	-0.8%	-17
Mexico	-2.9%	-39.9%	2.6%	2.3%	-2.6%	-2.6%	-3.0%	-53.7%	-3.4%	-67
Japan	1.5%	-1.9%	0.8%	1.2%	-2.4%	-1.3%	-8.4%	-11.2%	-2.3%	-128
Korea	-1.1%	1.9%	-0.7%	-13.3%	14.3%	-16.1%	-1.4%	-15.2%	-1.6%	-34
France	-5.4%	-1.0%	-3.9%	-5.0%	3.8%	0.3%	-17.3%	3.6%	-1.1%	-23
Germany	-2.9%	-3.6%	-3.7%	-2.0%	1.1%	9.2%	8.0%	-1.5%	1.2%	33
Italy	0.6%	-1.7%	-0.6%	-0.7%	11.4%	-14.7%	-10.8%	16.4%	-0.8%	-14
UK*	-5.7%	-11.5%	-1.5%	5.4%	2.2%	2.2%	8.5%	-2.8%	-1.0%	-18
Total	-5.2%	-2.9%	0.8%	-0.6%	3.8%	1.6%	0.0%	-4.6%	-0.3%	-124
kb/d	-223	-75	96	-23	212	61	0	-172	-124	

* near-month data are estimated

While less steep than expected, the decline in oil product deliveries was enough to move the twelve-month moving-average change in aggregate oil demand growth for the nine largest OECD markets, shown above, further into negative territory in October. The aggregate index, which swung into decline for the first time in many months in September, sank from minus 0.1% to minus 0.3% in the latest reporting month. Seven of the countries included in the sample are now experiencing a decline in their moving average changes in oil demand growth, up from five last month. Of the various products represented, the moving averages fell most for heavy fuel oil, down 2.3% percentage points, on steep demand drops in the US and Canada. The indices for jet fuel/kerosene and “other gasoil” demand came next, falling each by seven tenths of a percentage point. Much of the latter’s dip reflected the sharp reversal in French deliveries. An expected decline in German consumer buying will likely cause the moving average change for “other gasoil” demand to slump further in coming months.

**North America**

The outlook for North American oil demand growth hangs in part on two variables: the weather and the state of the US economy. While the former is proverbially difficult to predict, the outlook for the latter, following a spate of mixed economic indicators, is nearly as murky.

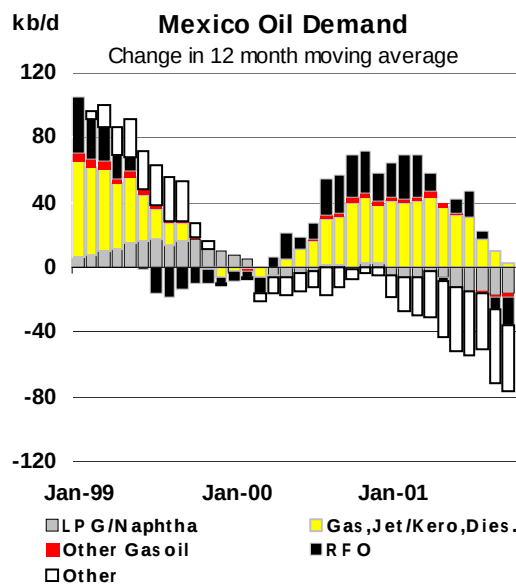
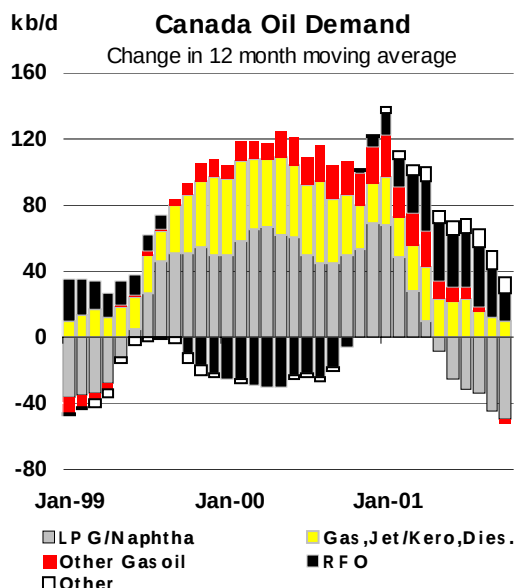
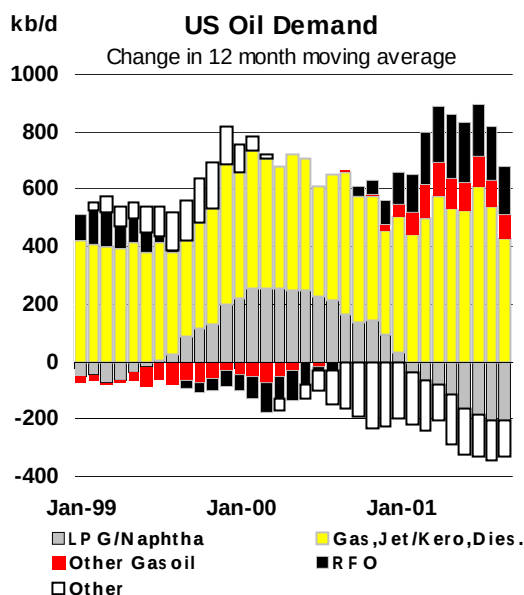
Recent US weather patterns have not been supportive of oil demand. In contrast with November of 2000, when temperatures fell below the norm across the US, last month was exceptionally mild in the Northeast, the main North American heating oil market, and other parts of the country. Degree days fell 35% below last year’s level in the East Coast and Great Lakes regions, and nearly 50% below last year in the Southeast. On average, last month’s degree days were roughly 30% below the norm. Short-term weather forecasts in early December foresaw no quick change in weather patterns.

Whereas cold weather and high natural gas prices last year caused substantial heating oil and residual fuel oil demand from power generators and industrial users, this year's mild temperatures, compounding the effects of sharply lower natural gas prices, reversed the trend. US heating oil demand fell by an average 5.8% in the third quarter, and will likely contract further in the fourth. Residual fuel oil demand inched 2.4% lower, following four consecutive quarters of double-digit growth rates, and is also set for further losses.

Reduced manufacturing activity has exacerbated the effects of warmer weather, as reduced industrial demand depressed natural gas prices, enhancing the competitive value of gas as boiler fuel relative to oil.

A wholesale recovery in manufacturing activity is generally thought to remain several months away. US industrial output plunged 1.2% from September to October, the biggest one-month drop since the recession of 1990. Industrial output has contracted in 12 of the 13 months to October, to a level 7% below its peak of June 2000. According to the National Association of Purchasing Management, US manufacturing activity contracted in November for the sixteenth month in a row.

Recent US economic data are not all gloomy, though. In a departure from last month, some indicators point to the beginning of a recovery. The contraction in the NAPM manufacturing index for November was much shallower than for October. Even better, the NAPM index of non-manufacturing activity for November rose to a five-month high of 51.3. This reading, following October's four-year low of 40.6, suggests that the September terrorist attacks had a sharp if only brief depressive effect on the vast US service sector. Index readings above 50 indicate expansion. Likewise, US consumer spending shot ahead by a record 2.9% in October, rebounding from September's 1.7% plunge. Construction spending broke a five-month decline, rising by 1.9%. Orders for durable goods soared by a record 12.8%, more than reversing the large drop in September.



While heartening, those data are far too inconclusive to reveal an unmistakable shift in economic trends. Much of the US spending boom in October reflected record-high motor vehicle sales spurred by zero-interest financing. Those sales almost certainly came at the expense of sales that would otherwise have been made tomorrow. The US unemployment will likely keep rising through much of 2002. Dashing investors' hopes of slowdown in job cuts, employers laid off far more workers in November than expected, pushing the jobless rate to 5.7%, its highest level since August 1995. Job

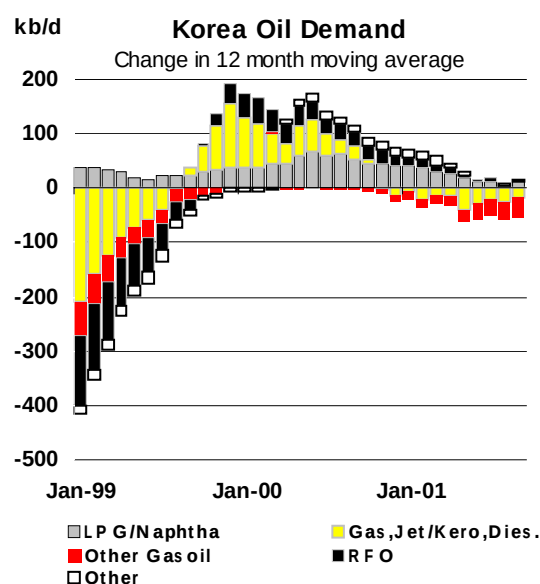
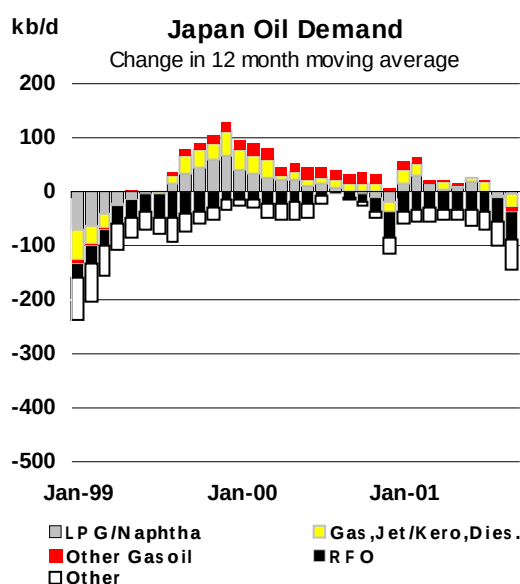
losses of 468,000 and 331,000 in October and November were the biggest since 1980. Some economists fear that rising unemployment will cause consumer spending to implode, and that currently excessive household expenses will make the fall in consumption all the harder. While businesses drew their inventories down significantly in the third quarter, some economists, such as Federal Reserve Bank of Chicago President Michael Moskowitz, fear that that was not enough.

Meanwhile, the slowdown in the US economy is taking an increasingly heavy toll on oil demand in the country's neighbours, both north and south. Mexican oil demand contracted by 12% in September, the steepest monthly fall since the peso crisis of autumn 1995. That brought the third-quarter decline to 3.2%, following contractions of 1%, 2.1% and 5.1% in the fourth quarter of 2000 and the first two quarters of this year. Revised Canadian data up to July show that demand there contracted steadily, and steeply, since February. Canadian demand now looks to have shrunk by 4.6% in the second quarter, following flat growth in the first, as exports to the US – 85% of total Canadian exports – fell briskly. Canada's jobless rate rose to 7.5% in November, mostly on job cuts in the manufacturing and transportation sectors, as slowing US demand sent less trucks carrying Canadian goods across the border.

Pacific

Japanese demand was revised down sharply for September to show a contraction of 495 kb/d, or 9.1%, the biggest monthly drop in at least 10 years. The decline, which coincided with a massive 2.9% plunge in industrial output, pushed the third-quarter demand average 5.6% below last year, the steepest quarterly contraction in oil demand since the third quarter of 1993. Industrial output fell again in October, for the eighth time this year, though by a milder 0.3%. Preliminary estimates also point to a more benign contraction in oil demand of 46 kb/d, or 1%.

Japan's economy technically fell into recession following two consecutive quarters of lower GDP. Its GDP contracted a real 0.5% in the latest quarter and 1.2% in the April-June period, highlighting the heavy toll taken on Japanese exports by weak demand and the information technology slump. Prior to the latest GDP data, the government had said it expected the economy to contract by 0.9% in the fiscal year to the end of March, marking the largest decline since the current calculation system started in 1980.



As in the US, the latest economic data were not all negative. October was the first month in the last 16 in which companies reached the output targets they had set in the previous month. Moreover, the year-on-year decline in exports was less than expected, and also less than in previous months.

Beyond economic circumstances, lasting threats weigh on Japanese oil demand growth, however. Crude oil and product burn by electric utilities continues to decline, as coal and natural gas liquids replace oil as boiler fuel. In addition, Japanese manufacturers are increasingly shifting their factories to lower-cost Asian countries, particularly China, preferring to meet both domestic and export demand from offshore production sites. This "hollowing out" of Japan has caused the country's trade balance

to deteriorate more over the last 10 months than reduced import demand for Japanese manufactured goods would otherwise warrant. This is particularly true of Japan's trade balance with other Asian countries. While Japan's de-industrialisation has supported oil consumption in the host countries of its offshore manufacturing sites, the latter's gain in energy demand has been Japan's loss.

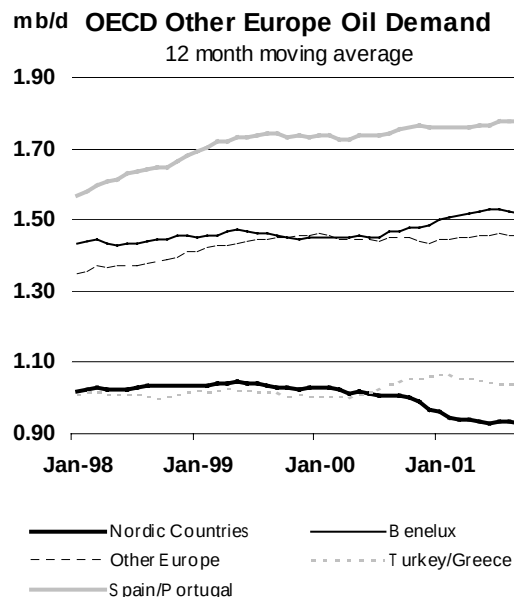
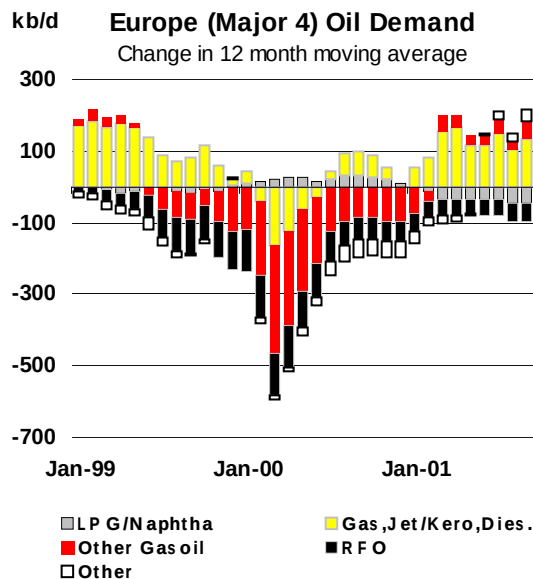
In sharp contrast with Japan, Korean demand soared by 6.2% in September despite a 15.3% drop in demand for jet fuel and kerosene. The gain offset July and August declines, leaving third-quarter consumption flat from last year. Defying expectations, gross domestic product expanded by 1.8% in the quarter, spurred by aggressive government stimulus measures. September industrial output jumped by 5.1%, despite reduced demand for Korean exports such as semiconductors and cars.

While Korea has proven to be one of Asia's most resilient economies, the strong economic performance of the third quarter is unlikely to be replicated in the fourth. Industrial output fell back to a 1.3% year-on-year decline in October. More drops may follow as the full impact of the September terrorist attacks makes itself felt. The Korean airline industry, which derives 40% of its revenue from service to the US, and Korean jet fuel deliveries are particularly exposed to the downturn in transpacific air travel. Industrial investment is down sharply, and any delay in the US economic recovery would hurt the Korean economy as well.

Furthermore, the strength in September oil deliveries reflected "borrowed demand" ahead of the lengthy Chuseok celebration of October, Korea's foremost holiday period. Not surprisingly, preliminary data for October deliveries point to a year-on-year contraction of roughly 100 kb/d, partly offsetting September's 150 kb/d increase.

Europe

Recent data show that European oil demand, bucking the larger OECD decline in oil deliveries, rose by 0.9% in September amid tepid industrial output growth of 0.1% in the eurozone. However, preliminary estimates show European oil demand shrinking by 2.4% in October as the four largest economies swung from a 2.9% gain to a 2.9% contraction in deliveries, while eurozone industrial output slipped into decline.



Germany, the region's leading market, saw its economy contract by 0.1% in the third quarter from the previous quarter, amid weak investment and consumer spending. German September manufacturing orders declined by a seasonally adjusted 4.1% on the month, far more than expected. Year-on-year, orders fell by an unadjusted 9.8%, and by 6% on an adjusted basis. While the drop was due mainly to sharply lower orders from abroad, domestic household spending also looks set for further declines, as the labour market continues to worsen. Unemployment rose again in November, and the number of jobless people now looks set to rise beyond the politically difficult 4 million mark this winter.

German economic weakness in the third quarter was partly offset by the stronger performance of some of the region's other large economies, but this will not likely persist into the fourth quarter. French consumers spent an annualised 5% more in the third quarter than in the same period last year, single-handedly giving the euro area a major boost. But French consumption retreated by 0.4% in October, and rising unemployment leaves meagre hopes of a rebound. Indeed, French November industry confidence touched its lowest level since December 1993. Although consumer confidence in the UK showed a mild improvement in November after contracting for four consecutive months, industrial activity has been faltering. Manufacturing output posted its largest annual fall in October since October 1991, down by 4.4% year-on-year.

Despite lackluster economic performance, European oil demand grew relatively vigorously, by 1.5%, in the third quarter, even as demand in other OECD regions fell sharply. Fourth-quarter demand will likely be considerably weaker, not only because the economic performance of the region as a whole is expected to worsen, but also because the third-quarter gains in oil demand partly reflected "borrowed" demand from the winter. With tertiary and residential storage tanks replenished from price-opportunistic buying and early stockpiling, factors that boost European demand should fade, even as the region faces the full effects of the September terrorist attacks and reduced US imports.

Non-OECD

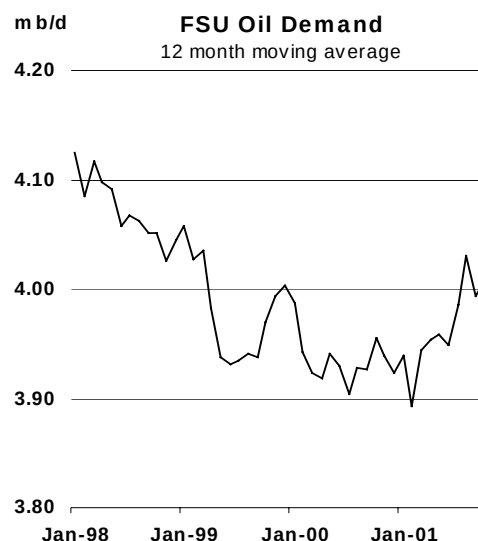
Poor economic performance partly offset the effect of lower product prices to cap oil demand in several emerging economies. Reflecting lower-than-expected deliveries in Latin America as the region struggled with deepening economic woes, this Report trims the assessment of aggregate non-OECD oil demand for 2001 by 30 kb/d. Nevertheless, demand growth of 300 kb/d in non-OECD economies for this year is expected to more than offset a 160 kb/d contraction in OECD consumption. In 2002, non-OECD economies are poised to provide more than three fourths of the world's expected growth in oil products demand of 570 kb/d. Moreover, further declines in product prices could lead non-OECD demand to exceed current expectations. A swift recovery in the US economy would also provide a boost to non-OECD oil consumption, as US demand for non-OECD exports would rebound.

Former Soviet Union

For the last few weeks, Russia has been at the centre of a highly publicised campaign by OPEC to enlist the support of rival producers in the cartel's faltering efforts to prop up oil prices by reigning in production. Important as the issue of future Russian oil production levels may be for the oil market as a whole, international oil prices and Russia's relations with the west, it is not expected to greatly affect FSU domestic oil demand.

While lower international oil prices would trim FSU export revenue and possibly cap overall regional economic growth, they would also provide a boost to domestic industries that have had to cope with rising energy costs in recent months. Lower oil prices would also hasten the recovery in the global economy, within which Russia is increasingly integrated. Conversely, sustained strength in oil prices would hamper demand growth from oil and power intensive industries, but would provide continued high export revenue and disposable income, fuelling consumer demand in selected markets.

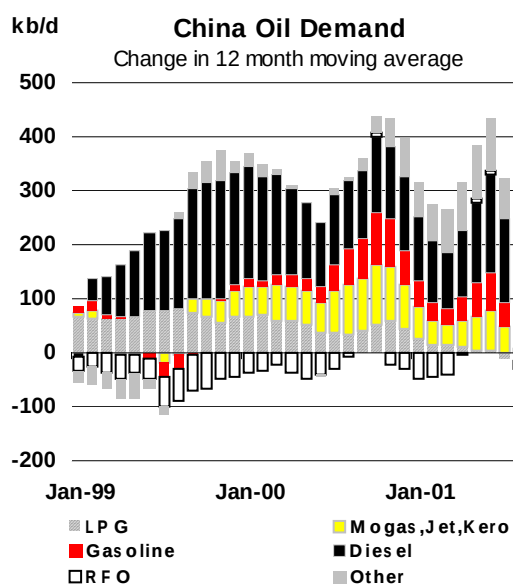
In any event, FSU oil demand, having brought an end this year to a long contraction started in the collapse of the Soviet Union, seems set to post another marginal increase of roughly 60 kb/d in 2002, extending the 80 kb/d advance expected for this year.



China

Implied Chinese demand continued to contract in September, extending the trend of July and August, as refiners carried out a government mandate to draw down brimming crude and product inventories. However, the rate of decline flattened markedly. Apparent demand fell by only 1.6% in September, to 4.97 mb/d, compared with declines of 10.6% in July and 8.4% in August. Overall, third-quarter demand fell 6.9% short of year-earlier levels, to an average 4.7 mb/d.

As expected, the slower decline partly reflected a rebound in LPG imports, which soared by more than 20% as Chinese buyers sought to take advantage of a perceived bottoming out of prices. Fuel oil imports also bounced back up, jumping by 17.5% after falling by 4.4% and 4% in the previous two months. While the gain in LPG imports is expected to fizzle in October, fuel oil demand should benefit from new delays in the government's plans to institute a new fuel oil tax.



Other non-OECD

After falling by 3.3% in the third quarter, Indian demand started rebounding in October and November. Demand for diesel, the mainstay of the Indian product mix, posted double-digit gains in October, reversing 12 consecutive months of contraction. More gains followed in November. Gasoline demand also grew sharply.

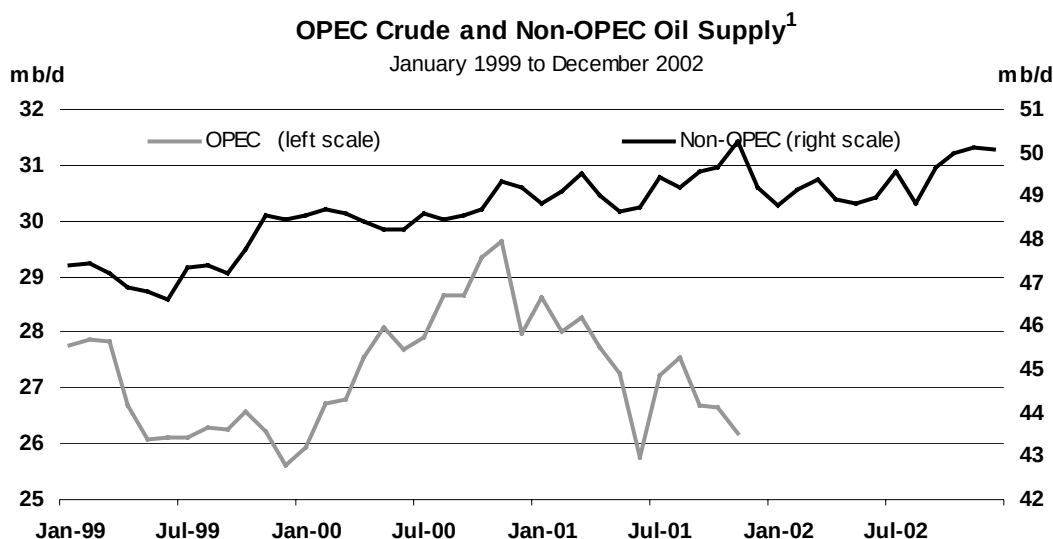
Summary of Global Oil Demand

	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
Demand (mb/d)																
North America	23.77	23.65	23.84	24.45	24.43	24.10	24.22	23.74	24.02	24.22	24.05	23.99	23.72	24.34	24.90	24.24
Europe	15.21	15.17	14.62	15.16	15.40	15.09	15.18	14.76	15.38	15.11	15.11	15.02	14.62	15.35	15.43	15.11
Pacific	8.69	9.35	8.09	8.35	8.81	8.65	9.44	8.00	8.06	8.59	8.52	9.19	7.89	8.02	8.68	8.44
Total OECD	47.68	48.17	46.56	47.96	48.64	47.84	48.84	46.50	47.46	47.92	47.68	48.19	46.24	47.71	49.01	47.79
FSU	3.66	3.65	3.49	3.55	3.77	3.61	3.78	3.63	3.58	3.78	3.69	3.84	3.67	3.63	3.85	3.75
Europe	0.71	0.77	0.72	0.67	0.72	0.72	0.77	0.73	0.67	0.73	0.73	0.78	0.74	0.68	0.74	0.74
China	4.49	4.73	4.55	5.05	4.82	4.79	4.67	5.16	4.70	4.99	4.88	4.89	5.07	4.91	5.30	5.04
Other Asia	7.21	7.23	7.40	7.35	7.26	7.31	7.34	7.42	7.23	7.26	7.31	7.35	7.45	7.30	7.35	7.36
Latin America	4.85	4.72	4.89	4.96	4.88	4.86	4.70	4.83	4.87	4.82	4.80	4.68	4.84	4.93	4.91	4.84
Middle East	4.29	4.27	4.41	4.52	4.32	4.38	4.41	4.57	4.68	4.46	4.53	4.52	4.68	4.80	4.56	4.64
Africa	2.37	2.40	2.34	2.36	2.41	2.37	2.42	2.36	2.39	2.44	2.40	2.44	2.39	2.42	2.47	2.43
Total Non-OECD	27.57	27.76	27.80	28.46	28.18	28.05	28.09	28.70	28.13	28.47	28.35	28.49	28.85	28.68	29.19	28.80
World	75.25	75.93	74.36	76.42	76.82	75.89	76.93	75.20	75.59	76.39	76.02	76.68	75.09	76.38	78.19	76.59
Of which:																
US	19.52	19.27	19.48	20.02	19.98	19.69	19.86	19.57	19.69	19.86	19.75	19.63	19.54	19.94	20.44	19.89
Euro 4	8.54	8.46	8.08	8.43	8.56	8.38	8.41	8.20	8.65	8.36	8.41	8.29	8.10	8.58	8.58	8.39
Japan	5.60	6.01	5.01	5.41	5.63	5.51	6.10	4.97	5.11	5.49	5.41	5.92	4.88	5.08	5.51	5.34
Korea	2.08	2.33	2.06	1.95	2.18	2.13	2.32	2.00	1.95	2.09	2.09	2.26	1.98	1.95	2.14	2.08
Mexico	1.94	2.00	2.00	2.00	1.94	1.99	1.96	1.90	1.94	1.92	1.93	1.95	1.90	1.97	1.97	1.95
Canada	2.01	2.06	2.07	2.14	2.19	2.11	2.06	1.97	2.08	2.11	2.06	2.07	1.97	2.11	2.15	2.07
Brazil	2.15	2.07	2.16	2.20	2.17	2.15	2.08	2.14	2.15	2.14	2.13	2.07	2.15	2.18	2.18	2.15
India	2.00	2.09	2.04	2.00	1.97	2.03	2.10	2.03	1.93	1.99	2.01	2.12	2.08	1.98	2.04	2.06
Annual Change (% per annum)																
North America	3.0	0.6	1.9	1.6	1.4	1.4	2.4	-0.4	-1.8	-0.9	-0.2	-1.0	-0.1	1.3	2.8	0.8
Europe	-0.5	-4.4	1.1	2.6	-2.2	-0.8	0.0	1.0	1.5	-1.9	0.1	-1.1	-0.9	-0.2	2.1	0.0
Pacific	3.2	-1.2	2.1	1.6	-3.7	-0.4	0.9	-1.2	-3.4	-2.5	-1.5	-2.7	-1.3	-0.5	1.0	-0.9
Total OECD	1.9	-1.4	1.7	1.9	-0.7	0.3	1.4	-0.1	-1.0	-1.5	-0.3	-1.3	-0.6	0.5	2.3	0.2
FSU	-1.9	-3.9	1.6	-1.1	-1.4	-1.2	3.6	3.9	0.9	0.3	2.1	1.6	1.2	1.4	2.0	1.6
Europe	-7.7	1.1	1.4	1.3	1.3	1.3	0.0	1.3	0.9	0.7	0.7	0.8	1.2	1.5	1.5	1.2
China	7.2	8.2	-1.4	16.7	3.9	6.7	-1.4	13.5	-6.9	3.5	1.9	4.8	-1.7	4.5	6.2	3.3
Other Asia	5.7	1.4	2.3	2.0	0.1	1.4	1.6	0.2	-1.6	-0.1	0.0	0.1	0.5	1.0	1.2	0.7
Latin America	0.1	0.5	1.0	0.5	-0.8	0.3	-0.5	-1.2	-1.9	-1.2	-1.2	-0.4	0.3	1.2	2.0	0.8
Middle East	3.0	0.1	1.4	3.5	3.5	2.1	3.4	3.6	3.6	3.1	3.4	2.4	2.3	2.5	2.4	2.4
Africa	2.1	1.8	0.0	-0.1	-0.6	0.3	1.1	1.1	1.3	1.5	1.3	0.9	1.3	1.2	1.3	1.2
Total Non-OECD	2.8	1.4	1.0	3.7	0.9	1.7	1.2	3.2	-1.1	1.0	1.1	1.4	0.5	1.9	2.5	1.6
World	2.2	-0.4	1.4	2.5	-0.2	0.9	1.3	1.1	-1.1	-0.6	0.2	-0.3	-0.1	1.0	2.4	0.7
Annual Change (mb/d)																
North America	0.68	0.15	0.45	0.38	0.33	0.33	0.57	-0.10	-0.44	-0.21	-0.05	-0.23	-0.02	0.32	0.68	0.19
Europe	-0.07	-0.70	0.15	0.38	-0.35	-0.13	0.01	0.14	0.22	-0.29	0.02	-0.16	-0.13	-0.04	0.32	0.00
Pacific	0.27	-0.12	0.17	0.13	-0.34	-0.04	0.09	-0.10	-0.29	-0.22	-0.13	-0.25	-0.11	-0.04	0.09	-0.08
Total OECD	0.88	-0.67	0.78	0.89	-0.36	0.16	0.66	-0.06	-0.50	-0.72	-0.16	-0.65	-0.26	0.25	1.09	0.11
FSU	-0.07	-0.15	0.06	-0.04	-0.05	-0.05	0.13	0.13	0.03	0.01	0.08	0.06	0.04	0.05	0.08	0.06
Europe	-0.06	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01
China	0.30	0.36	-0.06	0.72	0.18	0.30	-0.07	0.61	-0.35	0.17	0.09	0.22	-0.09	0.21	0.31	0.16
Other Asia	0.39	0.10	0.16	0.14	0.01	0.10	0.12	0.02	-0.12	-0.01	0.00	0.00	0.04	0.07	0.09	0.05
Latin America	0.00	0.02	0.05	0.03	-0.04	0.01	-0.02	-0.06	-0.09	-0.06	-0.06	-0.02	0.02	0.06	0.09	0.04
Middle East	0.12	0.00	0.06	0.15	0.15	0.09	0.15	0.16	0.16	0.14	0.15	0.10	0.11	0.11	0.11	0.11
Africa	0.05	0.04	0.00	0.00	-0.02	0.01	0.03	0.03	0.03	0.04	0.03	0.02	0.03	0.03	0.03	0.03
Total Non-OECD	0.74	0.39	0.27	1.01	0.24	0.48	0.33	0.90	-0.33	0.29	0.30	0.40	0.15	0.54	0.72	0.45
World	1.62	-0.28	1.05	1.90	-0.12	0.64	1.00	0.84	-0.83	-0.43	0.14	-0.25	-0.11	0.79	1.81	0.57
Changes from Last Month's Report																
North America	-	-	-	-	-	-	-	-0.02	-0.03	0.21	0.04	0.13	0.06	-0.02	-0.03	0.03
Europe	-	-	-	-	-	-	-	-0.01	0.02	0.06	0.02	-0.01	-0.02	-0.03	0.07	-
Pacific	-	-	-	-	-	-	-	-	-0.03	-	-0.01	-	-	-0.01	0.04	0.01
Total OECD	-	-	-	-	-	-	-	-0.02	-0.05	0.26	0.05	0.12	0.05	-0.06	0.09	0.05
FSU	-	-	-	-	-	-	-	-	-	-	-	0.02	0.01	0.01	0.01	0.01
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	0.02	-	0.01	-	-	0.03	-	0.01
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Latin America	-	-	-	-	-	-	-0.01	-0.02	-0.07	-0.05	-0.04	-0.05	-0.03	-0.05	-0.01	-0.04
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-0.01	-0.02	-0.04	-0.04	-0.03	-0.04	-0.01	-0.01	-	-0.02
World	-	-	-	-	-	-	-0.01	-0.04	-0.09	0.22	0.02	0.08	0.04	-0.08	0.09	0.03

SUPPLY

Summary

- Preliminary estimates indicate that **world oil production** averaged 77.0 mb/d for November, an increase of 290 kb/d over the previous month (see Table 4). **OPEC 10** production fell by 290 kb/d, to 23.7 mb/d, against their target of 23.2 mb/d. OPEC ministers met in Vienna on 14 November, and announced their decision to cut production by 1.5 mb/d from 1 January 2002 on the condition that key non-OPEC producers cut their volumes by 500 kb/d. Following this announcement, there have been discussions between OPEC and non-OPEC producers, particularly between Saudi Arabia and Russia. At the time of writing, Angola, Mexico, Norway, Oman and Russia have all expressed an intention to cut production or exports. Meanwhile, **Iraqi** production fell by 50 kb/d, to 2.77 mb/d, in November. There was no disruption at renewal of the UN oil-for-food programme, which took place on 30 November.
- Non-OPEC** supply rose sharply by 630 kb/d in November, more than offsetting the decreases in OPEC production. In the **OECD**, North Sea production remained high after summer maintenance programme was completed in September, while output from Alaska and the US Gulf of Mexico rose due to the start-up of new fields and better weather conditions (see Table 4A). In **non-OECD** areas, Russian supply continued to increase, while Kazakhstan output bounced back due to the resumption of production at the Karachaganak field after a two-month outage. Brazilian production also recovered from the loss resulted from an oil workers' strike in October. In offshore Angola, the 180 kb/d Girassol field came onstream in early December.
- The **"call on OPEC crude plus stock change"** for the fourth quarter of this year has been revised downwards by 0.1 mb/d, to 26.0 mb/d, as upward revisions in non-OPEC supply outweigh upward revisions in demand (see Table 1). The "call" for the first quarter of next year stands at 25.8 mb/d, unchanged from last month's Report. The "call" for the second quarter falls by 1.2 mb/d from the first quarter, to 24.6 mb/d. However, as demand recovers in the third and fourth quarters, the "call" bounces back to 25.9 mb/d and 27.3 mb/d, putting the yearly average for 2002 at 25.9 mb/d.



1 Non-OPEC Oil Supply includes OPEC NGLs

All world oil supply figures for November discussed in this Report are IEA estimates. Estimates for OPEC countries and Alaska are supported by preliminary November crude supply data.

Note: Random events present downside risk to the non-OPEC production forecast contained in this Report. These events can include accidents, unplanned or unannounced maintenance, technical problems, labour strikes, political unrest, guerrilla activity, wars and weather-related supply losses. No contingency allowance for random events is subtracted from the supply forecast. Although upside variations can occur, experience in recent years indicates that, roughly speaking, the random events listed above may cause supply losses of between 200 kb/d and 300 kb/d for non-OPEC supply each year.

OPEC

The OPEC meeting in September stressed the need for co-operation with non-OPEC producers in the effort to support oil prices. The Venezuelan President Hugo Chavez conducted a three-week tour, visiting major producers and consumers, and a meeting between OPEC and non-OPEC producers was held in Vienna at the end of October. Oil ministers from Mexico, Saudi Arabia and Venezuela met in Madrid, Spain, on 11 November and agreed on the need for action to curb oversupply in the market. Although Russia announced a potential output cut of 30 kb/d for the fourth quarter, OPEC was not satisfied with the volumes. OPEC ministers met in Vienna on 14 November, and announced their agreement to cut production by 1.5 mb/d from 1 January 2002 on the condition that non-OPEC producers cut their volumes by 500 kb/d.

Mexico signalled that it would cut exports by 100 kb/d. Oman also expressed its support to OPEC. Norway said a week later that it was willing to carry out cuts of between 100 kb/d and 200 kb/d. Following OPEC's announcement, there has been much discussion between OPEC and non-OPEC producers, particularly between Saudi Arabia and Russia. OPEC wants Russia to contribute a significant part of the 500 kb/d cut by non-OPEC producers. Russia held out the possibility of a fourth quarter output cut, and announced a new possible 150 kb/d export cut for the first quarter in early December. Angola also said it would contribute to the production cut. As of early December, however, it is not clear whether these pledges satisfy the condition of the 500 kb/d cut in OPEC's statement on 14 November (see relevant country sections).

OPEC Crude Production

(million barrels per day)

	1 Apr 2001 Target	Cut	1 Sep 2001 Target	Nov 2001 Production	Sustainable Production Capacity ¹	Spare Capacity vs Nov 2001 Production
Algeria	0.773	0.032	0.741	0.82	0.95	0.13
Indonesia	1.255	0.052	1.203	1.19	1.25	0.06
Iran	3.552	0.146	3.406	3.45	3.90	0.45
Kuwait ³	1.941	0.080	1.861	1.94	2.70	0.76
Libya	1.296	0.054	1.242	1.29	1.45	0.16
Nigeria	1.993	0.082	1.911	2.08	2.20	0.12
Qatar	0.627	0.026	0.601	0.61	0.75	0.14
Saudi Arabia ³	7.865	0.324	7.541	7.70	10.50	2.80
UAE	2.113	0.088	2.025	2.00	2.50	0.50
Venezuela	2.786	0.116	2.670	2.67	3.15	0.48
Subtotal	24.201	1.000	23.201	23.74	29.35	5.61
Iraq				2.77	2.80	0.03
Total				26.51	32.15	5.64

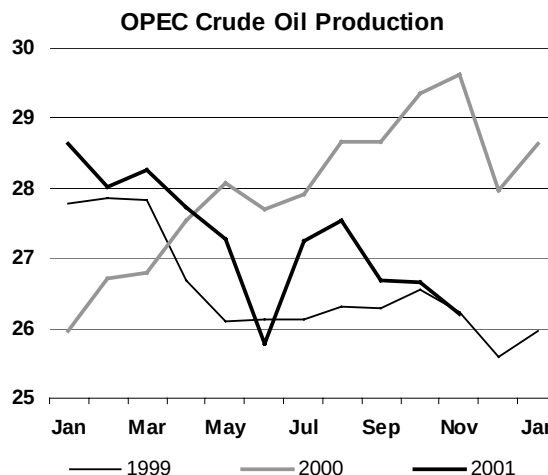
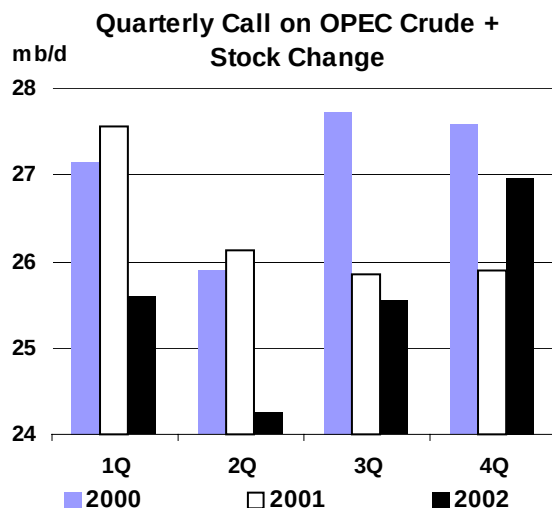
¹ Capacity levels can be reached within three months and maintained for more than six months

² Includes half of Neutral Zone production

Preliminary estimates show that November OPEC 10 crude supply fell by 290 kb/d from the previous month, to 23.74 mb/d. Production was some 540 kb/d above the November target of 23.2 mb/d. OPEC output, including Iraq's, fell by 340 kb/d, to 26.51 mb/d. Iraqi production was down 50 kb/d, to 2.77 mb/d. OPEC's spare capacity was estimated at 5.6 mb/d in November. October OPEC production has been revised downwards by 120 kb/d. Downward revisions in Iran and Venezuela were partially offset by upward revisions in Saudi Arabia and Indonesia.

Saudi Arabian crude supply (excluding the Neutral Zone, but including the Abu Safa field) fell by an estimated 60 kb/d from the revised October volumes, to 7.39 mb/d. Production from **Kuwait** (excluding the Neutral Zone) is put at 1.63 mb/d, down 10 kb/d. The Kuwaiti Prime Minister announced at the National Assembly that the country's production capacity had risen to 2.7 mb/d

from 2.5 mb/d in mid-October. Kuwait's capacity in the table above has been revised accordingly. **Neutral Zone** production fell by 20 kb/d to 610 kb/d, while **UAE** output remained unchanged at 2.00 mb/d. **Iranian** and **Qatari** production also remained unchanged from the revised October volumes. **Algerian** and **Libyan** production averaged 820 kb/d and 1.29 mb/d. **Nigerian** crude supply fell by 90 kb/d, while **Indonesian** crude output decreased by 70 kb/d. **Venezuelan** crude production in November remained unchanged from the revised October volumes of 2.67 mb/d.



Iraqi exports under the UN oil-for-food programme fell by 100 kb/d, to 2.12 mb/d, in November. Export volumes fell in the middle of the month but recovered towards the end. With an estimated 650 kb/d of domestic consumption and border trade, Iraqi production is put at 2.77 mb/d. Refineries in the country, which apparently had been shut down as a precautionary measure against a possible US air strike, have reportedly resumed operation and increased throughput.

In contrast to earlier anticipation, there was no disruption of Iraqi exports at the phase renewal of the UN oil-for-food programme. The UN Security Council unanimously adopted a resolution to launch Phase XI of the oil-for-food programme on 29 November and Iraq signed an agreement with the UN on 3 December. The new Phase XI will run from 1 December 2001 to 29 May 2002 and the resolution pledged to revise sanctions against Iraq within six months.

Venezuela's Orinoco Heavy Oil

Venezuela's fourth Orinoco heavy oil project, Hamaca, began production in mid-November. Current output of 10 kb/d will increase to 70 kb/d next year and an upgrading facility at the Jose complex is scheduled for completion in December 2003. Hamaca is expected to produce 180 kb/d of upgraded 26-degree crude in 2004. The partners of the project are Philips (40%), ChevronTexaco (30%) and PDVSA (30%).

The area north of the Orinoco River contains recoverable reserves of some 270 billion barrels of heavy oil (API gravity 8 to 10). In the 1990s Venezuela announced four joint projects to produce and upgrade Orinoco heavy oil with foreign oil companies. Petrozuata and Cerro Negro have completed their upgraders this year and are producing an estimated 120 kb/d of upgraded synthetic non-conventional crude oil. The third project, Sincor, came onstream at the end of last year. Its upgrader is scheduled to start up in mid-2002. Venezuela expects these four projects to produce 700 kb/d in 2005.

Estimated Orinoco Production

(thousand barrels per day)

	1998	1999	2000	2001	2002
Heavy Oil Production	8	50	100	75	85
Upgraded Oil Production				122	311
Total	8	50	100	197	396

Non-OPEC Outlook

Non-OPEC supply is estimated at 46.6 mb/d in 2001 and 47.5 mb/d in 2002, for year-on-year gains of 690 kb/d and 920 kb/d, respectively. Non-OPEC production is estimated at 47.3 mb/d for the fourth quarter of this year, representing growth of 1.0 mb/d over the same period last year. Next year, the forecast calls for growth in the first quarter, to 47.8 mb/d. Output is expected to drop to 47.4 mb/d in the second quarter and to 47.3 mb/d in the third quarter, pulled down by North Sea maintenance and other seasonal patterns. Finally, with a typical late-year surge, fourth quarter output is anticipated at 47.7 mb/d.

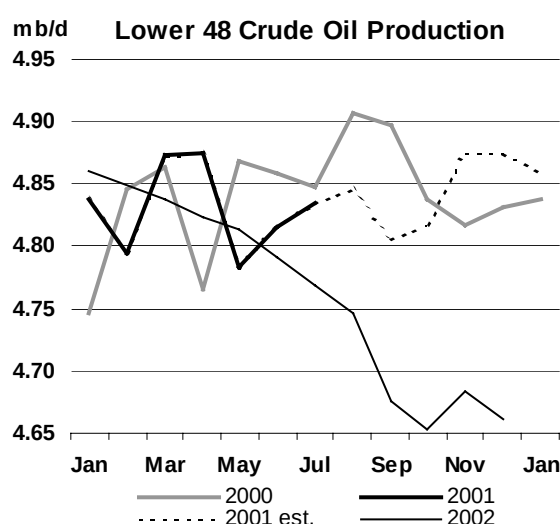
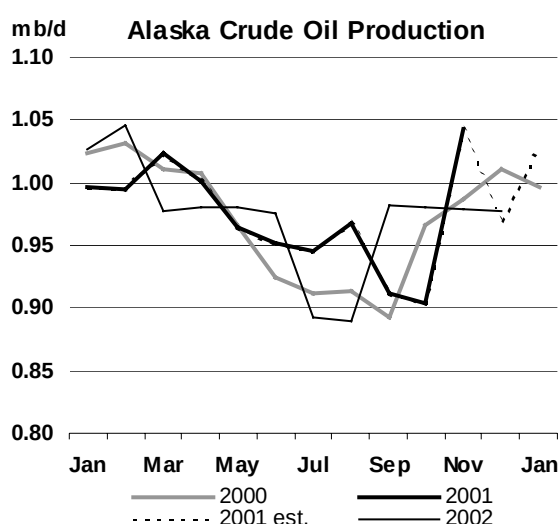
Focusing on geographical areas, more than 70% of the next year's growth will come from Russia and Canada. Russian output will grow by 430 kb/d due to strong upstream capital investment, while production is expected to be 220 kb/d higher in Canada owing to the start-up of the offshore Terra Nova field and capacity expansion at synthetic crude plants in Alberta. The two countries are followed by Brazil (+120 kb/d), Kazakhstan (+80 kb/d), Mexico (+80 kb/d) and Norway (+80 kb/d). Possible production cuts by some non-OPEC producers in relation to the OPEC meeting on 14 November are not incorporated into this forecast.

Non-OPEC supply tends not to be as price-sensitive as demand, given that producers usually produce at maximum operating capacity. Oil companies try to bring fields onstream as early as possible and, once production starts, maintain the maximum flow rates, to improve project economics and company financial performance, if oil prices stay above the operating costs. Therefore, the current forecast for 2002 is thought valid as long as the Brent benchmark price stays above \$15 per barrel.

OECD

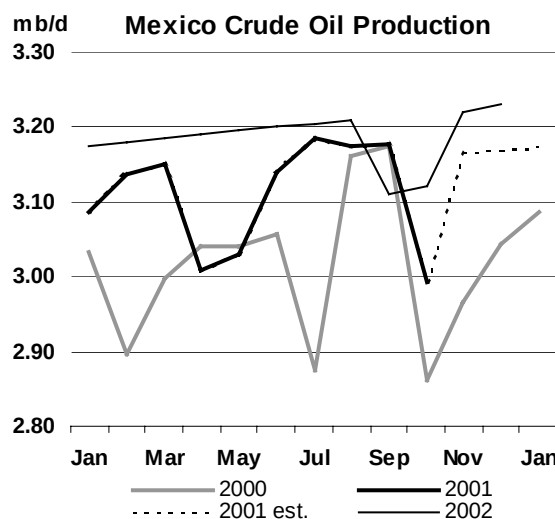
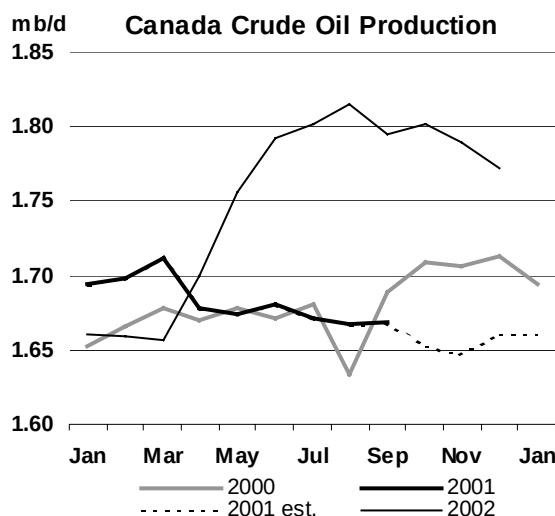
North America

US - November - Alaska actual, other estimates: US crude production in November increased by an estimated 190 kb/d from the previous month, to 5.92 mb/d. The bulk of the increase came from Alaska. Alaskan production was up 140 kb/d, due to the start-up of the new Northstar and Borealis fields. Northstar began production in early November, with output averaging 11 kb/d for the month. Meanwhile, Borealis, a Prudhoe Bay satellite, came onstream in mid-November; peak production of the field is estimated at 20 kb/d. Supply from California remained unchanged at 790 kb/d, while output in the Gulf of Mexico increased by 70 kb/d, to 1.60 mb/d, due to better weather conditions. Supply from other states decreased by 10 kb/d. The latest data suggest that September NGL production increased by 80 kb/d from the previous month, to 2.03 mb/d. In the wake of recent lower drilling activities, US onshore production growth for next year has been trimmed by 50 kb/d.



Canada - September actual, October and November estimates: Canadian crude production in September remained unchanged from the previous month, at 1.67 mb/d. Losses in Alberta were compensated by gains at the offshore Hibernia field, whose output grew by 20 kb/d to 150 kb/d. Synthetic crude production recovered from the loss in the previous month. However, production fell by estimated 20 kb/d, to 330 kb/d, in October, due to a ten-day unscheduled shutdown of the Suncor plant. Output is thought to have recovered in November. September NGL production remained

unchanged at 700 kb/d. Similar to the US, Canadian production growth estimates for next year have been revised downwards by 30 kb/d, to 220 kb/d.



Mexico - October actual, November estimate: October Mexican crude production was down 180 kb/d over the previous month, due to a decrease in the offshore Cantarell field. While Pemex said that it would cut output by 70 kb/d from August to November due to maintenance work at the Cantarell field, October was the first month during the period to post a fall in production. At the end of November, the Mexican Government said that difficulties at the field had been resolved. Meanwhile, Mexico's crude exports averaged 1.73 mb/d for October. Exports were lower at 1.65 mb/d in both August and September. Earlier the country said it would cut exports by 100 kb/d from the beginning of 2002 in support of OPEC's production cut (see OPEC section).

North Sea

UK – September actual, October and November estimates: UK offshore crude and NGL production rose by 30 kb/d, to 2.40 mb/d, in September. NGL output was up 10 kb/d, while crude production gained 20 kb/d. Supply from the Brent system fell by another 20 kb/d, following a 40 kb/d decrease in the previous month, as maintenance work continued. Conversely, production in the Forties system rose by 60 kb/d. Within the Forties system, output from the Elgin/Franklin field was down 20 kb/d from the previous month, to 80 kb/d, while the Shearwater field remained unchanged at 40 kb/d. The Elgin/Franklin field came onstream in April this year and the Shearwater field resumed production in July after an eight-month shutdown. Output from the area west of Shetlands rose by 50 kb/d, due to the completion of maintenance work at the Foinaven and Schiehallion fields. Offshore crude production is estimated to have increased to 2.64 mb/d in October and November, with the end of scheduled maintenance work.

North Sea Oil Production Outlook

November 2001 - April 2002
(thousand barrels per day)

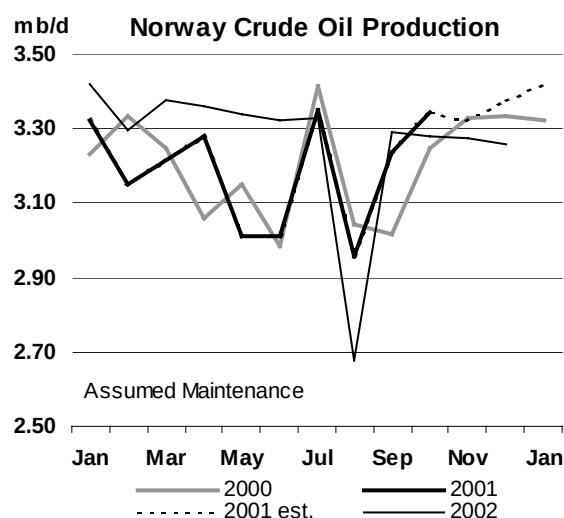
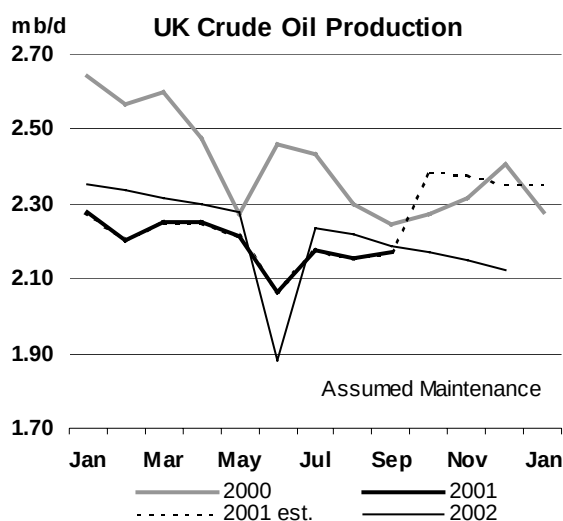
	Nov 01	Dec 01	Jan 02	Feb 02	Mar 02	Apr 02
UK	2635	2607	2623	2611	2589	2550
Norway	3537	3594	3643	3529	3608	3592
Denmark	359	367	359	356	354	350
Other ¹	55	63	63	63	63	62
Total	6586	6631	6688	6557	6615	6554

¹ offshore Netherlands and offshore Germany

Norway – October actual, November estimate: October Norwegian production was up 160 kb/d from the previous month, to 3.55 mb/d, following the completion of most summer maintenance programmes in the previous month. Output from the Ekofisk area rose by 40 kb/d, while production from the Oseberg/Troll area increased by 90 kb/d. In contrast, supply from the Statfjord/Gullfaks area fell by 40 kb/d. Because of this higher-than-expected production in October, Norwegian production is now estimated at 3.50 mb/d for next year, an upward revision of 40 kb/d from the last Report.

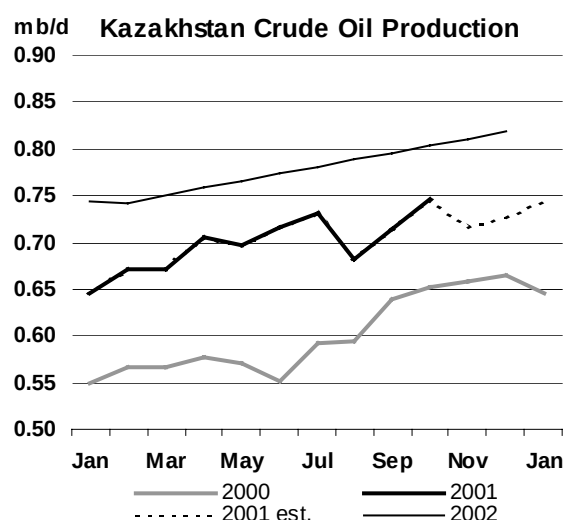
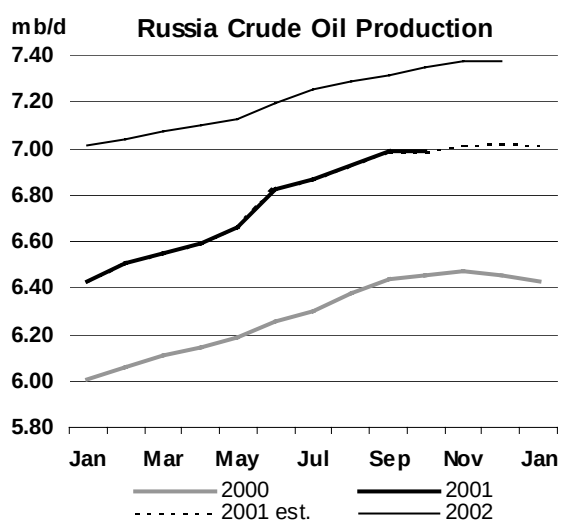
A week after the OPEC meeting, Norway said that it was willing to carry out cuts of between 100 kb/d and 200 kb/d on the condition that other exporters cut production. The Norwegian oil minister said that the reduction would be based on the estimated production of 3.2 mb/d for next year and shared by all oil-producing companies in the country on a pro-rata basis. The Norwegian

Government reiterated that the country was prepared to reduce output up to 200 kb/d, following Russia's announcement to cut exports by 150 kb/d in early December (see OPEC section).



Former Soviet Union (FSU)

Russia - October actual, November estimate: October Russian output (crude plus NGLs) was up slightly over the previous month, averaging 7.23 mb/d. Production increased for the ninth consecutive month, and October production volumes were 540 kb/d higher than a year ago. Output of Surgutneftegas, Yukos and Sibneft increased, while production from Lukoil fell. Russian supply is forecast at 7.02 mb/d (up 510 kb/d year-on-year) for this year and 7.45 mb/d (up 430 kb/d) for next year. Meanwhile, FSU exports averaged 4.59 mb/d for November, a fall of 110 kb/d from the previous month, as the region built domestic stocks and increased fuel consumption in preparation for winter (see Trade section).



Russia, which has increased production by 1 mb/d for the last two years, is the prime target of OPEC's demand on non-OPEC producers to cut production. Russia rebuffed the request by OPEC in September, and went on to announce a 30 kb/d output cut shortly before the OPEC meeting on 14 November. OPEC desires to have Russia contributing a significant part to the 500 kb/d cut by non-OPEC producers, which was attached as a condition of the 1.5 mb/d OPEC production cut in OPEC's statement on 14 November. Following discussions with OPEC and Saudi Arabia, Russia in late November increased its offer of a potential output cut for the fourth quarter, to 50 kb/d, and, then in early December, announced an incremental 150 kb/d export cut for the first quarter (see OPEC section).

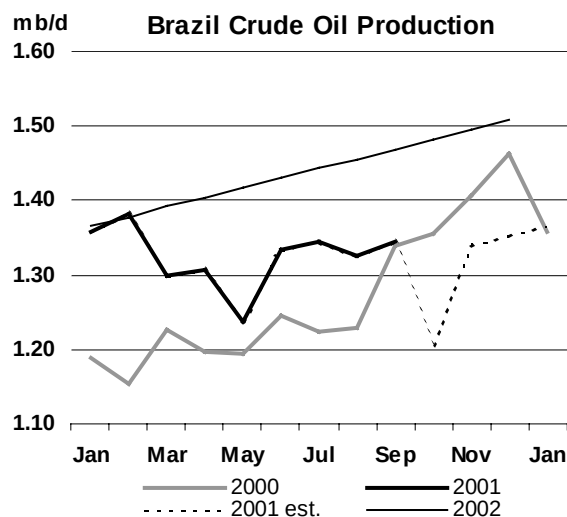
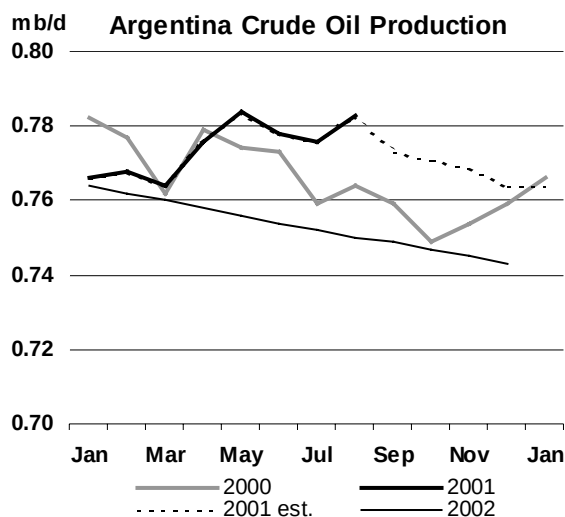
Kazakhstan - October actual, November estimate: Kazakhstan production (crude and NGLs) remained low at 760 kb/d in October, as suspension of exports from the Karachaganak gas condensate field continued. However, in late October, the Kazakhstan and Russian Governments signed a memorandum of understanding on the disputed VAT issue and the field resumed production in early November. As a result, Kazakhstan output returned to normal, averaging 810 kb/d for the month of November. Since the Karachaganak field is located near the Russian border, and its gas is sent to the Orenburg complex on the Russian territory for processing, output has suffered from various disputes between the two countries. To prevent these issues from re-occurring, the operator, Karachaganak Integration Organisation, launched the construction of a liquid processing plant and a 650 km pipeline to link the field to the Caspian Pipeline Consortium (CPC) pipeline.

Other Non-OPEC

Argentina - August actual, September to November estimates: The latest Argentine data are those for August. Crude production rose by 10 kb/d from the previous month, to 780 kb/d. The country's output started rising gradually at the end of last year, reversing the previous declining trend. Crude production is expected to have averaged 770 kb/d from September to November.

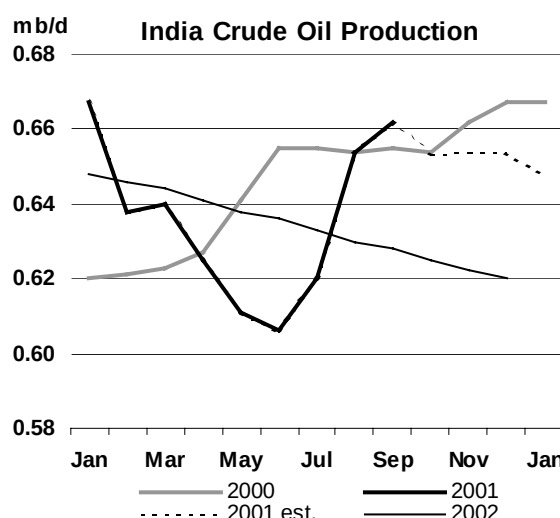
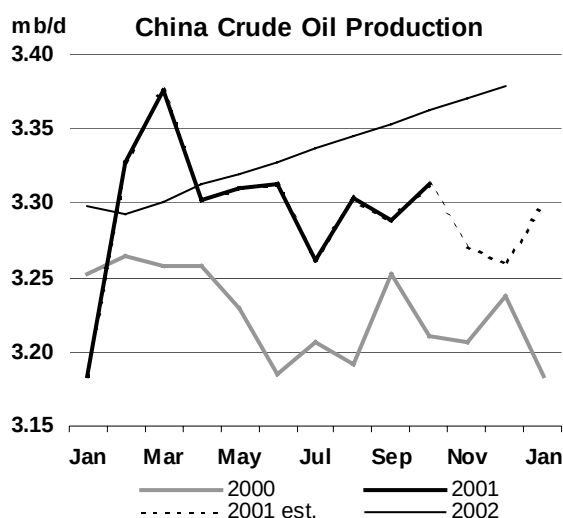
Brazil - September actual, October and November estimates: Brazilian crude production rose by 20 kb/d, to 1.35 mb/d, in September. Onshore production and output from the offshore Rio de Janeiro area increased by 10 kb/d each. However, Brazilian production fell to an estimated 1.20 mb/d in October, due to an oil workers' strike, which ended on 29 October and production is estimated to have returned to 1.34 mb/d in November. Petrobras received an environmental licence to install the production platform P-40 in the offshore Marlim Sul field in late November, after a four-month delay. P-40, along with its storage and offloading unit P-38, is expected to reach peak output of 150 kb/d in late 2002.

Brazil's National Petroleum Agency (ANP) revised its historical data last month. Revisions were mainly in crude and were upward in direction. Production volumes after January 1999 in this Report have been revised accordingly. Crude output for both 1999 and 2000 is raised by 30 kb/d, to 1.13 mb/d and 1.27 mb/d. Similarly, crude production for the first eight months of this year is increased by 40 kb/d on the average. Meanwhile, a new head of ANP was named in November. Sebastiao de Rego Barros, the former Argentine ambassador to Russia, is to succeed David Zylbersztajn, who resigned in October.



China - October actual, November estimate: In October, Chinese crude supply was up 30 kb/d, to 3.31 mb/d. Output at the largest Daqing field bounced back, while offshore production rose by 10 kb/d, to 410 kb/d. Crude production averaged estimated 3.27 mb/d for November. China's admission to the World Trade Organisation is unlikely to affect its upstream activities, in contrast to the other areas of the country's oil and gas sector. Upstream resources have already been divided among three national companies; CNPC, Sinopec and CNOOC. Aside from the offshore areas and gas resources, existing fields are maturing and no new promising exploration areas are emerging.

India - September actual, October and November estimates: Indian output rose by 10 kb/d, to 750 kb/d, in September. The increase came from the offshore Bombay High field, which completed a six-month maintenance programme at the end of July. Supply from onshore fields remained virtually unchanged. Indian production averaged estimated 740 kb/d for October and November.



Oman – October actual, November estimate: Oman's crude and NGL output in October gained 20 kb/d, to 960 kb/d. The increase came from both crude and NGLs. Annual production is estimated at 970 kb/d for this year and 940 kb/d for next year. Oman was among the first non-OPEC producers that expressed its co-operation with OPEC (see OPEC section).

Egypt - October actual, November estimate: Egyptian crude output was down 10 kb/d, to 630 kb/d, in October, while its NGL production was up 10 kb/d, to 120 kb/d. Although declines in crude production were arrested temporarily in the third quarter, production volumes were 60 kb/d lower than a year earlier.

Angola – September actual, October and November estimates: In Angola, crude production averaged 710 kb/d for September. The deepwater Girassol field in offshore Block 17 came onstream in early December. The field is located in water at a depth of 1,350 meters, and the operator, TotalFinaElf, needed three-and-a-half years to develop the field by utilising a 200 kb/d floating production storage and offloading (FPSO) vessel. However, the country's production is expected to average 750 kb/d for next year, an increase of only 30 kb/d from this year. Despite the start-up of a couple of new offshore fields, declines at existing fields will limit the growth. Meanwhile, at a press meeting in Luanda, the capital, the Angolan minister for energy indicated that the country would join a few non-OPEC producers by cutting production. However, volumes of the cut were not specified (see OPEC section).

Revisions to Non-OPEC Oil Supply

The estimated non-OPEC supply growth for 2001 has been increased by 70 kb/d, to 690 kb/d, due to the latest higher-than-expected data from OECD and non-OECD countries. Resumption of production at the Karachaganak field in Kazakhstan also contributes to the increase. Meanwhile, growth in 2002 has been decreased by 30 kb/d to 920 kb/d. Growths in North America are revised downwards in light of lower drilling activities in the region. (For further details, see relevant country sections.)

Revisions to Non-OPEC Oil Supply

(million barrels per day)

	Last month's OMR			This month's OMR			This month v last month		
	2001	2002	02 vs. 01	2001	2002	02 vs. 01	2001	2002	02 vs. 01
North America	14.32	14.70	0.38	14.36	14.67	0.32	0.04	-0.03	-0.07
Europe	6.71	6.77	0.06	6.70	6.79	0.09	-0.01	0.02	0.04
Pacific	0.78	0.72	-0.06	0.78	0.72	-0.06	0.00	0.00	0.00
Total OECD	21.82	22.19	0.38	21.84	22.18	0.35	0.02	-0.01	-0.03
Former USSR	8.51	9.02	0.51	8.55	9.06	0.51	0.04	0.04	0.00
Europe	0.18	0.17	-0.01	0.18	0.17	-0.01	0.00	0.00	0.00
China	3.28	3.30	0.02	3.29	3.33	0.04	0.01	0.03	0.02
Other Asia	2.38	2.38	0.00	2.38	2.39	0.01	0.00	0.01	0.00
Latin America	3.77	3.82	0.05	3.80	3.83	0.03	0.03	0.01	-0.02
Middle East	1.99	1.93	-0.05	1.99	1.93	-0.06	0.00	0.00	0.00
Africa	2.83	2.84	0.01	2.83	2.84	0.01	0.00	0.00	0.00
Total Non-OECD	22.94	23.47	0.53	23.02	23.55	0.53	0.08	0.08	0.00
Processing Gains	1.75	1.79	0.04	1.75	1.79	0.04	0.00	0.00	0.00
Total Non-OPEC	46.51	47.45	0.94	46.61	47.53	0.92	0.10	0.08	-0.02

OMR = Oil Market Report

TRADE

Net OECD Crude and Product Trade by Region

North American net imports of crude oil in September decreased by 300 kb/d from August. Crude oil requirements were reduced due to heavy turnarounds at refineries, as well as weak underlying refinery demand. Imports of Saudi Arabia and Venezuela lost ground by around 20%. The WTI/Dubai differential was wide from the middle of August to the middle of September, suggesting weak Asian crude demand, and this allowed more West African crude to move west. The imports from Nigeria were up by 30% from August.

Net imports of petroleum products to North America in September increased by nearly 30% from August. Gasoline imports to the United States increased by 14% to more than 760 kb/d and gasoil/diesel by 37% to over 240 kb/d from the previous month. The US imported almost 150 kb/d of jet/kerosene in September, an increase of almost 40% from August. The transatlantic arbitrage windows for gasoline and jet/kerosene, while narrow, were open due to low freight rates which encouraged the product flows to the US. Fuel oil exports from the US declined, compared to the month earlier, although 66 kb/d found its way to Singapore.

OECD North America Crude & Product Trade

(million barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Jul 01	Aug 01	Sep 01	Latest month vs. Aug 01 Sep 00	
Net Imports/(Exports) of:											
Crude Oil	7.19	7.44	7.44	7.47	7.72	7.60	7.79	7.65	7.35	-0.30	-0.41
Products & Feedstocks	1.16	1.28	1.40	1.78	1.54	1.23	1.14	1.11	1.44	0.33	0.11
Gasoil/Diesel	0.00	0.04	0.06	0.36	0.06	-0.02	0.00	-0.06	0.00	0.07	0.04
Gasoline	0.45	0.44	0.45	0.50	0.59	0.54	0.42	0.56	0.64	0.07	0.17
Heavy Fuel Oil	0.13	0.28	0.38	0.34	0.32	0.29	0.33	0.22	0.31	0.09	0.05
LPG	0.03	0.04	0.05	0.03	0.03	0.02	0.03	0.04	0.00	-0.04	-0.07
Naphtha	0.04	0.08	0.10	0.10	0.04	0.03	0.00	0.04	0.04	-0.01	-0.06
Jet & Kerosene	0.09	0.13	0.15	0.17	0.17	0.11	0.08	0.11	0.15	0.04	0.05
Other	0.41	0.27	0.21	0.29	0.34	0.25	0.27	0.19	0.30	0.11	-0.07
Total	8.34	8.72	8.84	9.25	9.26	8.83	8.94	8.75	8.79	0.04	-0.30

Source: IEA MOS imports and exports data for extra-regional trade

According to preliminary weekly statistics, crude oil imports by the US appear to have been strong in the first half of November, but fell sharply in the second half, mainly due to lowered crude oil demand as a result of weak refining margins. Gasoline imports continued to be steady in response to decreasing prices and people driving rather than flying. Despite increased demand, gasoline stocks are high and growing. Distillate fuel imports also remained firm, coinciding with increasing stock levels in preparation for the winter heating season.

OECD Europe Crude & Product Trade

(million barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Jul 01	Aug 01	Sep 01	Latest month vs. Aug 01 Sep 00	
Net Imports/(Exports) of:											
Crude Oil	6.95	7.14	7.76	7.27	7.04	7.32	6.87	8.02	7.05	-0.96	-0.62
Products & Feedstocks	1.02	1.19	0.99	1.21	1.30	1.79	1.94	1.74	1.68	-0.06	0.69
Gasoil/Diesel	0.28	0.32	0.28	0.39	0.40	0.46	0.45	0.41	0.52	0.11	0.14
Gasoline	-0.29	-0.23	-0.27	-0.27	-0.21	-0.21	-0.02	-0.39	-0.22	0.18	0.05
Heavy Fuel Oil	0.08	0.09	0.03	0.11	0.02	0.22	0.27	0.19	0.18	-0.01	0.18
LPG	0.17	0.19	0.22	0.19	0.12	0.15	0.09	0.20	0.15	-0.05	-0.03
Naphtha	0.23	0.19	0.11	0.20	0.27	0.23	0.23	0.27	0.19	-0.08	0.11
Jet & Kerosene	0.07	0.13	0.16	0.14	0.22	0.27	0.27	0.33	0.20	-0.14	0.08
Other	0.47	0.50	0.46	0.46	0.48	0.68	0.66	0.72	0.65	-0.07	0.15
Total	7.96	8.32	8.76	8.48	8.34	9.11	8.82	9.75	8.74	-1.02	0.07

Source: IEA MOS imports and exports data for extra-regional trade

Net crude oil imports into **OECD Europe** in September dropped to 7.05 mb/d from August, a decline of almost 1 mb/d. The bulk of the decline was attributed to FSU, by 17% to 2.39 mb/d. The price of Urals became less advantageous than other relevant grades and the market was hesitant to purchase.

Net gasoil/diesel imports into OECD European countries increased by over 25% to 520 kb/d. Gasoil/diesel demand was steady in the region while refinery maintenance decreased the product supply. This factor encouraged gasoil/diesel imports from outside OECD Europe. On the other hand, net jet/kerosene imports fell by 40% to 200 kb/d due to ambiguous arbitrage windows.

Net crude oil imports to **OECD Pacific** countries in September declined marginally from August, to 6.23 mb/d, but were slightly higher than a year ago. Japanese imports decreased by 5%, while Korean crude imports remained flat. The drop in Japanese imports reflects the weakness of the country's economy. South Korea diversified its crude oil supply sources outside the Middle East, importing crudes from Latin America. Net gasoil/diesel exports dropped from August, because of the spill-over effect of a weakening economy. Net naphtha imports also declined from the previous month, as a result of weakness in the petrochemical industry.

OECD Pacific Crude & Product Trade

(million barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Jul 01	Aug 01	Sep 01	Latest month vs. Aug 01 Sep 00	
Net Imports/(Exports) of:											
Crude Oil	6.90	6.71	6.94	7.50	6.33	6.22	5.90	6.53	6.23	-0.31	0.03
Products & Feedstocks	1.01	1.05	0.94	1.00	0.92	1.01	0.91	1.06	1.05	0.00	0.25
Gasoil/Diesel	-0.20	-0.20	-0.23	-0.22	-0.14	-0.20	-0.15	-0.29	-0.18	0.11	0.06
Gasoline	-0.01	0.00	-0.02	0.00	-0.01	-0.01	0.00	0.00	-0.02	-0.02	-0.03
Heavy Fuel Oil	-0.16	-0.11	-0.18	-0.18	-0.11	-0.05	-0.08	-0.02	-0.06	-0.04	0.04
LPG	0.55	0.56	0.51	0.51	0.56	0.50	0.47	0.53	0.50	-0.03	-0.08
Naphtha	0.65	0.66	0.70	0.66	0.58	0.71	0.71	0.76	0.66	-0.09	0.09
Jet & Kerosene	-0.01	-0.03	0.01	0.09	-0.13	-0.11	-0.17	-0.09	-0.06	0.03	0.06
Other	0.19	0.16	0.13	0.15	0.18	0.17	0.13	0.17	0.21	0.04	0.11
Total	7.91	7.75	7.88	8.50	7.25	7.23	6.81	7.59	7.28	-0.31	0.29

Source: IEA MOS imports and exports data for extra-regional trade

A 80 kb/d Japanese refinery shut-in its December operations, owing to stagnant demand, a high level of stocks and low prices for petroleum products. The suspension of activity is temporary, but it could be extended in next year. The refiner previously announced a plan to decrease its refinery runs by 4%, compared to 2000 levels, but now is extending its reduction to 14%. It is anticipated that Japanese refining companies may reduce throughputs accordingly. This could undermine the demand for crude oil, although there might be some pick-up in demand associated with the winter heating season.

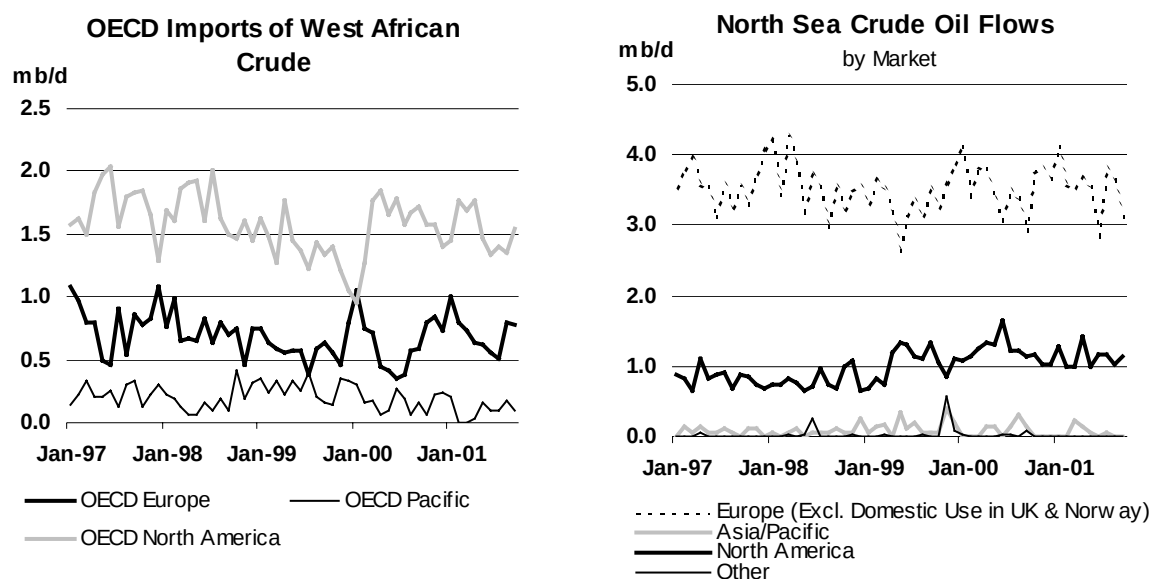
West African & North Sea Trade

The OECD imported 2.43 mb/d of **West African** crude oil in September. OECD Europe imports remained flat, thanks to the strong Brent prices in the first half of the month. North American imports increased because West African crudes avoided the effect of the surge in insurance premia after the terrorist attacks on 11 September. OECD Pacific imports declined by almost 45%. The summer gasoline season in Japan was over and the requirement for gasoline-rich West African crude oil fell off.

In November, Asian countries such as China and India continued to purchase West African crude oil, albeit at reduced levels. The United States took some West African crudes but the volume was limited, despite inexpensive freight costs, which were the lowest in the past two years. This reflects current weak market conditions and declining refining margins for light petroleum products in US. On the other hand, West African crude oil exports to Europe were reportedly firm, because of more advantageous prices than for other crudes with high light product yields.

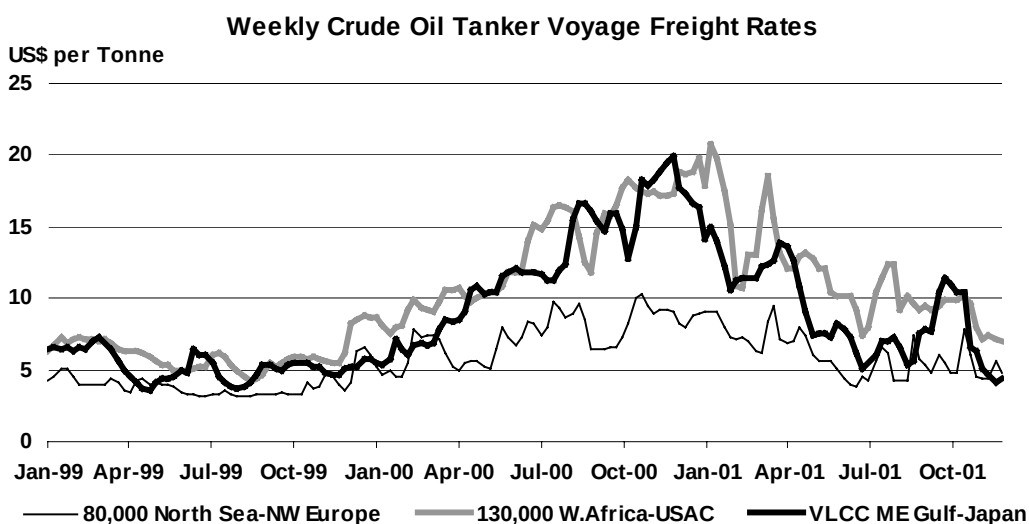
Total crude oil flows from the **North Sea**, excluding domestic use in the UK and Norway, were 4.26 mb/d in September, a 9% decrease from August. The flows to the European markets decreased as a result of reduced crude oil requirement due to heavy refinery maintenance executed in some European countries such as Germany. In relation to the OPEC conference on 14 November, Norway

announced on 22 November, a potential production cut of up to 200 kb/d on the condition that OPEC and other major oil producers made similar reductions.



Freight

In the middle of November, VLCC freight rates from the Middle East Gulf to Japan declined by more than 30% from already low levels at the end of October, hitting the lowest level in recent years. A lower demand for crude oil, due to global economic downturn, decreased tanker requirements. Freight rates on some routes dropped below operating expenses. This condition could encourage owners to accelerate laying up their ships. However, the surge in war-risk insurance premia after the terrorist attacks might diminish the scrapping, because the premia is determined by the worth of vessels. On the other hand, more capacity with the completion of newly constructed vessels is expected to come to the market in the next few years. This oversupply situation could weaken fundamentals for freight and this will be further exacerbated if OPEC and some non-OPEC countries decide to curb their production. Product tanker freight rates generally followed crude price trends. The rate from the Middle East Gulf to Japan fell by more than 40% from October to November.



Source: SSY Consultancy & Research Ltd.

Non-OECD Trade

FSU net petroleum exports in November, according to preliminary statistics, were flat at 4.56 mb/d. Stormy weather prevented the Black Sea port of Novorossiysk from loading oil and this restricted exports. Moreover, demand for Urals was weaker in the Mediterranean, due to weak refining margins as well as the inflow of Iraqi Kirkuk in early November. Iraqi Kirkuk is of similar quality to Urals, and was in demand due to speculation on the possible reduction in its official selling price.

FSU Net Exports of Crude & Petroleum Products

(million barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Sep 01	Oct 01	Nov 01	Latest month vs. Oct 01 Nov 00	
Black Sea Exports	1.56	1.80	1.78	1.83	2.05	2.11	1.97	2.15	2.03	-0.12	0.16
Baltic Exports	1.09	1.37	1.19	1.47	1.75	1.72	1.71	1.41	1.33	-0.08	0.13
Total Seaborne	2.66	3.18	2.96	3.30	3.80	3.83	3.68	3.56	3.36	-0.20	0.29
Druzhba Pipeline	1.02	1.03	1.07	1.07	1.07	1.04	1.02	1.11	1.15	0.04	0.09
Other	0.08	0.12	0.13	0.06	0.08	0.05	0.02	0.03	0.09	0.06	-0.01
Total Exports	3.75	4.32	4.17	4.44	4.95	4.92	4.71	4.70	4.59	-0.11	0.37
Imports	0.03	0.02	0.02	0.01	0.01	0.01	0.02	0.03	0.03	0.00	0.00
Total Net Exports	3.71	4.31	4.15	4.43	4.94	4.91	4.69	4.67	4.56	-0.11	0.37
Crude	2.71	3.06	3.12	3.19	3.46	3.51	3.38	3.50	3.45	-0.04	0.24
Products	1.01	1.24	1.03	1.24	1.49	1.40	1.31	1.17	1.11	-0.07	0.13

Sources: Petro-Logistics, IEA estimates

On 1 November, the Russian fuel oil export quotas increased to 21% of total domestic production. With this measure, and seasonal demand for fuel oil in Northwest Europe, seaborne exports gained from October. At the end of November, the government announced a plan, for a further relaxation of the export quota to 25% of the production from December, due to lower domestic demand than that formerly anticipated. Gasoil exports from the Baltic and Black Sea fell, owing to weak demand in Northwest Europe.

Russia is planning to commence the operation of the Baltic Pipeline System (BPS) on 26 December. The new pipeline will initially be able to carry 240 kb/d of crude oil, with 32.85° of API gravity and 0.95% of sulphur content, from West Siberia to the newly-constructed port of Primorsk near St. Petersburg. BPS is also scheduled to increase its capacity to 360 kb/d. In addition to the CPC pipeline, which formally began operations on 27 November, Russia has substantially increased export capacity and flexibility to Europe with BPS.

On 5 December, Russia announced it was considering a cut back of crude oil exports by 150 kb/d for the first quarter of 2002. On the other hand, a reduction in crude oil exports might contribute to higher domestic refinery runs and increased product exports. Crude oil trade flows, especially to Europe, could be impacted, if the decision is implemented.

Chinese net crude oil imports decreased to 1.01 mb/d in September, more than 20% down from August. Non-OPEC imports dropped, while those from Middle Eastern countries such as Iran, Saudi Arabia and Oman generally held steady. Iran was the single largest crude oil supplier to China in September this year, providing almost 290 kb/d. On the other hand, Chinese crude oil exports more than doubled to slightly above 200 kb/d this month. Expected destinations are Japan, Indonesia, the US and North Korea.

Chinese net petroleum product imports soared to 397 kb/d in September, but this increase is largely attributed to robust gains in LPG. Excluding LPG, net product imports actually declined by more than 20%. Net gasoline exports fell by 12%, approaching normal levels. Net heavy fuel oil imports slowed to 272 kb/d, due to Chinese purchasers' speculation of forthcoming low fuel oil prices as well as a decrease in demand. Net LPG imports jumped to more than double, the highest ever level of 260 kb/d. LPG prices from Saudi Arabia have fallen since last year, and traders assumed that the current prices of \$230/ton (approximately \$19.8/bbl) for propane and \$215/ton (\$18.5/bbl) for butane had bottomed, and rushed to buy LPG to build inland stocks for the forthcoming winter season.

China Crude & Product Trade

(thousand barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Jul 01	Aug 01	Sep 01	Latest month vs.	
										Aug 01	Sep 00
Net Imports/(Exports) of:											
Crude Oil	581	1179	1275	852	1352	1127	1046	1318	1013	-305	-432
Products & Feedstocks	436	287	299	282	339	288	173	296	397	101	93
Gasoil/Diesel	-6	-6	-5	2	1	-1	2	-5	0	5	4
Gasoline	-96	-105	-113	-128	-128	-170	-220	-154	-136	19	-28
Heavy Fuel Oil	244	192	137	304	319	305	296	346	272	-74	112
LPG	174	152	152	131	142	171	133	122	260	139	104
Naphtha	7	-14	-20	-19	-12	-34	-34	-41	-25	16	-9
Jet & Kerosene	19	9	17	3	3	4	-1	7	5	-1	-3
Other	95	59	131	-12	14	13	-3	22	20	-2	-86
Total	1017	1466	1573	1134	1691	1414	1219	1614	1410	-204	-339

Source: China Oil, Gas and Petrochemicals plus IEA estimates

October preliminary numbers for crude oil and petroleum products indicated that Chinese imports continued to decline, after eliminating the factor of LPG import increase in September, and this trend could imply a petroleum demand slowdown for China.

On 10 November, China was invited to join the World Trade Organisation (WTO) at the 4th ministerial meeting in Doha, Qatar. The country will gradually reform its petroleum regulatory system to provide foreign-company access to domestic markets. While the final agreement between WTO and China is yet to be concluded, preliminary information suggests that the agreement could make allowances for non-governmental companies to import crude oil and petroleum products, market accessibility for foreign companies, and reduction of the import tariffs.

Net crude oil imports by the **Indian Oil Corporation (IOC)** in September again fell to 838 kb/d, although this figure does not include the volume of crude oil imported by the country's private sector, namely, Reliance Petroleum. The decrease generally reflects weak domestic petroleum demand conditions. IOC crude oil imports from main OPEC countries such as Saudi Arabia, Kuwait, UAE, Iran and Nigeria fell. The net imports of petroleum products increased slightly but were not enough to offset the drop of crude oil imports.

India Crude & Product Trade

(thousand barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Jul 01	Aug 01	Sep 01	Latest month vs.	
										Aug 01	Sep 00
Net Imports/(Exports) of:											
Crude Oil	917	888	925	805	995	993	1154	982	838	-144	25
Products & Feedstocks	408	212	139	174	114	109	94	113	120	7	-22
Gasoil/Diesel	137	34	0	0	-2	-2	-2	-2	0	2	0
Gasoline	0	0	0	0	0	0	0	0	0	0	0
Heavy Fuel Oil	7	15	7	6	8	8	8	10	7	-3	-3
LPG	57	22	19	41	11	17	11	22	17	-5	11
Naphtha	65	66	67	75	69	76	68	83	78	-5	13
Jet & Kerosene	138	73	45	52	28	9	9	0	18	18	-42
Other	3	2	1	0	0	0	0	0	0	0	0
Total	1325	1101	1064	979	1110	1102	1248	1095	958	-137	3

Sources: Indian Ministry of Commerce, Indian Port Authorities and IEA estimates.

Excludes private imports of crude and private exports of products, for which figures are unavailable

Diesel, gasoline, kerosene and LPG prices are administered and maintained at low levels, offset by compensation from an oil pool account managed by the Petroleum Ministry. In order to liberalise the petroleum industry, the Government of India planned to eliminate intervention in petroleum product prices and allocation, as well as by curbing subsidies on LPG and kerosene by next April. There are still some uncertainties as to full liberalisation in April, especially with regard to the prices of LPG and kerosene. Indian oil imports may need more time to fully reflect international oil market conditions.

Net imports of crude oil to **Singapore** increased by more than a third from the previous month to 766 kb/d in October. This gain partly offsets import reductions in the previous month. However, the level was, still 20% lower than the previous year, reflecting weak economic conditions in the country and the surrounding region. Refining margins were relatively steady due to a fall in oil prices, and the impact of run cuts. Crude oil imports from Saudi Arabia increased substantially to nearly 230 kb/d, more than a 60% gain from September, and imports from some non-OPEC countries such as Australia (139 kb/d), Vietnam (83 kb/d) and Oman (65 kb/d) are quite noticeable. The country also imported crude from Ecuador this month.

Singapore Crude & Product Trade

(thousand barrels per day)

	1999	2000	4Q00	1Q01	2Q01	3Q01	Aug 01	Sep 01	Oct 01	Latest month vs. Sep 01 Oct 00	
Net Imports/(Exports) of:											
Crude Oil	885	840	981	996	846	728	885	557	766	209	-210
Products & Feedstocks	-185	-90	-188	-145	-51	116	53	65	62	-2	355
Gasoil/Diesel	-202	-157	-184	-152	-132	-112	-104	-91	-169	-77	58
Gasoline	-83	-82	-61	-78	-84	-67	-83	-95	-87	7	-55
Heavy Fuel Oil	306	341	293	323	323	431	426	358	448	90	230
LPG	-24	-22	-23	-25	-21	-17	-21	-17	-23	-6	-2
Naphtha	-28	-33	-47	-46	-24	-11	-29	28	-10	-38	36
Jet & Kerosene	-106	-93	-121	-121	-66	-59	-80	-75	-45	30	91
Other	-47	-45	-46	-45	-48	-49	-56	-43	-52	-8	-2
Total	700	-180	792	851	795	844	938	622	829	207	146

Source: Singapore Monthly Oil Statistics, IEA estimates

Petroleum product imports into Singapore in October were unchanged from September, but remained substantially higher than in the year 2000. Gasoil net exports jumped to 169 kb/d, mainly to neighbouring countries such as Thailand, Cambodia and Bangladesh, combined with a drop in imports. In spite of the increase in net export volume, the country reportedly retained a high level of gasoil stocks. The price of heavy fuel oil weakened in Singapore, but not as sharply as crude oil and other products, due to its relatively firm product requirement. This attracted heavy fuel oil flows from outside. The product net imports rebounded to slightly less than 450 kb/d. The country imported 193 kb/d of heavy fuel oil from Saudi Arabia, 40 kb/d more than during the month of September.

OECD STOCKS

OECD Industry Stock Changes in October 2001

The world supply/demand balance outlook for the end of year has not significantly changed from the previous Report. The implied global stock change for the fourth quarter indicates a build in global stocks. In spite of revisions to September data, the third quarter OECD stock change confirmed the strong pace of total oil inventory builds.

Preliminary estimates for October suggest that OECD total oil stocks increased by 0.22 mb/d, or 6.8 million barrels, leaving inventories in primary storage at the end of the month at 2654 million barrels. The Pacific region led the build with 0.42 mb/d while Europe remained virtually unchanged and North America declined by a moderate 0.11 mb/d. As the implied global stock change points to a build in inventories, accordingly, the preliminary October figures foreshadow more counter seasonal builds in OECD total oil inventories by the end of the year.

Preliminary Industry Stock Change in October and the Third Quarter 2001

(million barrels per day)

	October (preliminary)				Third Quarter 2001			
	North America	Europe	Pacific	Total	North America	Europe	Pacific	Total
Crude Oil	0.13	-0.09	0.27	0.31	0.13	0.07	-0.10	0.10
Gasoline	0.06	-0.11	0.01	-0.03	-0.14	-0.04	0.00	-0.19
Distillates	0.02	0.06	0.24	0.32	0.16	-0.06	0.15	0.25
Residual Fuel Oil	0.05	0.05	0.02	0.11	-0.06	-0.05	0.00	-0.12
Other Products	-0.42	0.00	-0.09	-0.51	0.14	0.06	0.03	0.24
Total Products	-0.29	-0.01	0.18	-0.12	0.10	-0.09	0.18	0.19
Other Oils ¹	0.04	0.00	-0.02	0.02	0.10	0.07	0.09	0.26
Total Oil	-0.11	-0.09	0.42	0.22	0.32	0.05	0.18	0.55

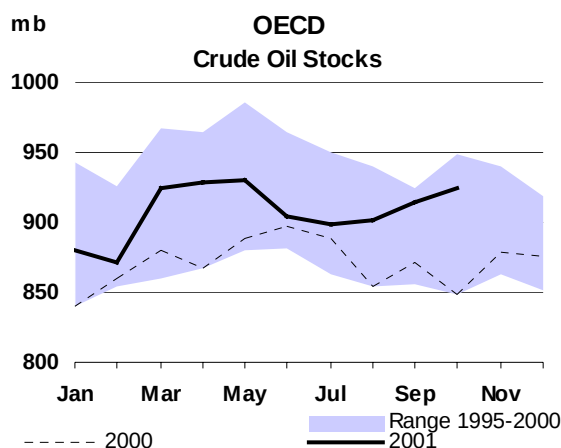
other oils includes NGLs, feedstocks and other hydrocarbons

Against a backdrop of weak demand and an anticipated moderate seasonal uptick in deliveries for the fourth quarter, total oil stocks, although short of their peak levels of 1998, should remain comfortable through to the end of the year. In October, industry crude stocks and all major product inventories were above, or tracking, the previous year's level.

In absence of a severe winter, heating oil and kerosene are unlikely to come under significant pressure as inventories respectively in the Northeast United States and in Japan are significantly above the previous year. The delayed winter in the Northern Hemisphere, where temperatures have been unseasonably mild, has cut domestic demand for heating oil and utility demand for fuel oil. Additionally, movement into tertiary storage, namely of gas oil in Europe, means that distillate product stocks, which typically lead the draw in total oil inventories during the fourth quarter, could well remain flat.

After remaining virtually unchanged during July and August, OECD crude oil increased from September to October. Crude stocks built by 9.6 million barrels in October leaving industry stocks at the end of the month at 923.6 million barrels, OECD crude stocks ended short of the upper bound of their five-range by 24.7 million barrels.

Gains in crude stocks were centred in the Pacific and to a lesser extent in North America. The weight of rising crude stocks was felt on prices particularly on the NYMEX and to a lesser extent on the IPE. As the supply of crude outweighs refinery demand, prices on futures markets have declined during October and their discount to future months indicates prompt supply continues to remain ample.



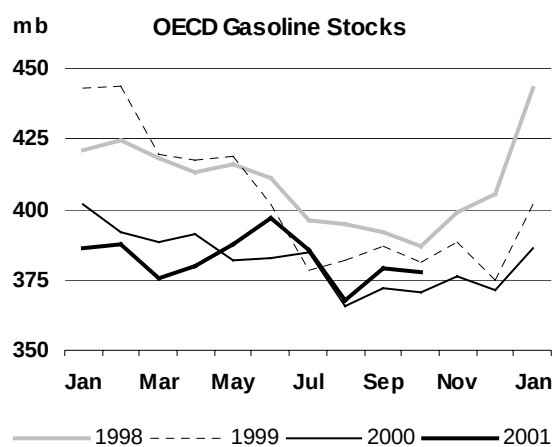
Crude oil stocks built in the Atlantic Basin as westbound sailings in July and August from the Mid East Gulf arrived into western ports in October, boosting onshore stock levels. Most of the crude was delivered to the **US** as witnessed by increased import levels, which averaged around 9.3 mb/d in October compared to 8.9 mb/d in September. WTI's premium over Brent in early October opened Atlantic arbitrage and attracted North Sea and West African Brent related crudes west. European crude stocks slipped moderately, but the draw in crude stocks was contained by increased CIS exports into Northwest Europe and the Mediterranean.

Refinery throughput and scheduled refinery maintenance in North America and Europe led to diverging crude inventory trends within the Atlantic Basin despite the greater supplies of crude oil in western ports. Planned maintenance and weak refining margins during October in the **US** limited the demand for crude oil as throughputs averaged around 15.2 mb/d while percentage utilisation remained at 91%. Conversely, European throughputs rebounded by 370 kb/d in October after peak maintenance in September as complex margins at the beginning of the month provided enough incentive to increase runs. Margins, around \$2 a barrel in Northwest Europe and the Mediterranean, were sustained by a resilient gasoil price spread over dated Brent.

As expected, the September build of oil in transit from the Mid East Gulf heading east translated into increased arrivals at Asian ports, adding to the oversupply of crude oil in the region. As weak oil sales prompted a year-on-year reduction in crude runs, crude stocks have been building. Accordingly, crude stocks increased in the OECD Pacific by a hefty 8.3 million barrels, albeit on downward revised September figures. Announcements of refinery run cuts of 9% year-on-year in the fourth quarter by Japanese refiners, undermined by bleak domestic demand and weak prices, point toward a protracted period of oversupply in crude oil for the region. In the absence of reduced crude oil deliveries, crude stocks will build.

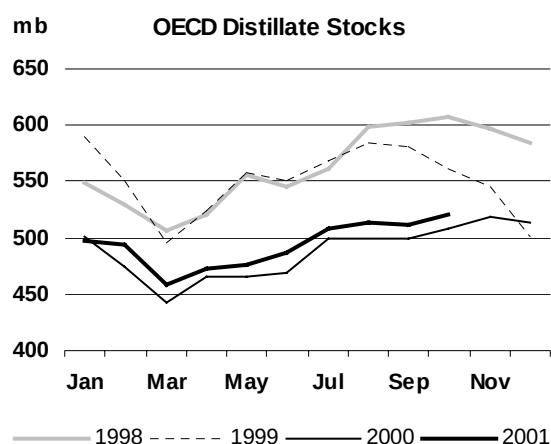
While OECD total products stocks declined by 0.12 mb/d in October, major product categories ended above or around the year-ago level. In North America, inventories declined because of a surprisingly strong draw in "other products". Barring the draw in "other products", OECD total product stocks increased as middle distillates and residual fuel oil built while gasoline stock remained unchanged. Regionally, total product stocks in North America and the Pacific were more comfortable in absolute levels than in Europe where inventories ended at the lower end of their five-year range. In Europe, early downstream stockpiling of heating oil by consumers and refinery utilisation rates below capacity hindered builds in primary storage. As demand in the OECD is set to contract year-on-year in the fourth quarter, we should see further builds in product inventories as deliveries begin to weaken.

OECD gasoline stocks edged downwards in October, ending the month at 378 million barrels. While Pacific stocks remained virtually flat, stocks built in North America as production in the **US**, which benefited from a yield on crude typical of the summer, and higher imports outpaced weak gasoline deliveries. Europe, however, witnessed a draw that is associated with refiners unloading higher sulphur specification stocks. **UK** and **Germany** (Europe's biggest gasoline markets) are among several European countries that switched to ultra-low sulphur gasoline. As more of the European Union's gasoline market will do the same next year, the greater the pressure to liquidate stocks. Additionally, the incentive to build gasoline stocks in Europe was absent as gasoline was trading at an unusual discount to gasoil in Northwest Europe. A steady flow of gasoline exports to the **US** has also pressured stocks downward.



OECD middle distillate stocks remain near the bottom of their five-year range, and marginally higher than year-ago levels. Stocks in primary storage ended October at 520.7 million barrels, up 9.8 million barrels over September levels. The stock build was centred in the Pacific whereas builds in the Atlantic Basin were surprisingly modest. Changes in the level of OECD middle distillates were subject to changes in the level of its kerosene component. In the absence of strong winter demand, middle distillates build in the OECD Pacific as kerosene stocks increased in **Japan** and **Korea**. In

North America however, as US refiners scaled back production of jet-type kerosene, refiner yields on crude indicate that blending of excess jet fuel favoured more naphtha – thus gasoline – over gasoil. Although heating oil stocks built as surplus jet fuel was blended in the gasoil pool, the sharp draw in jet-type kerosene stocks can explain the moderate pace of the middle distillate stock build in North America. Nevertheless, the key US Northeast heating oil market remains comfortably supplied going into winter. In Europe, in spite of increased throughputs, builds in primary storage were hampered by persistently strong deliveries into tertiary storage. In **Germany**, Europe's largest heating oil market, heating oil tanks were 70.2% full by 1 November, 10 percentage points above the previous year.



Revisions and Preliminary OECD Stocks at the End of October

Revisions to the previous Report's preliminary figures are modest. Crude stocks have been adjusted downwards by 4.6 million barrels. The revision stemmed from a significant reduction in Pacific inventories, which was partially offset by additions to crude stocks in Europe. On the product side, reductions in the middle to the heavy end of the barrel were partially offset by upward revisions in gasoline stocks. Total OECD product stocks on a regional basis were revised proportionally more in Europe. Most of the 7.7 million barrels downward revision in European product inventories stemmed from a reduction in middle distillate stocks, suggesting that gasoil movement into tertiary storage was stronger than previously stated. On the other side of the Atlantic, all major product categories were incremented on average by 1.5 million barrels, confirming persistence in demand weakness. In the Pacific, revisions to product stock levels remained minor.

Revisions versus 12 November 2001 Oil Market Report

(million barrels)

	North America		Europe		Pacific		OECD	
	Aug 01	Sep 01	Aug 01	Sep 01	Aug 01	Sep 01	Aug 01	Sep 01
Crude Oil	0.6	0.5	-0.7	6.5	0.1	-11.5	0.0	-4.6
Gasoline	-0.1	1.4	0.8	1.8	0.0	0.4	0.7	3.6
Distillates	0.1	1.7	0.9	-4.9	0.0	1.2	1.1	-2.0
Residual Fuel Oil	0.1	1.5	-0.4	-3.7	0.0	0.0	-0.3	-2.2
Other Products	-0.5	-1.0	-0.1	-0.9	0.0	1.5	-0.5	-0.3
Total Products	-0.3	3.6	1.3	-7.7	0.0	3.2	1.0	-1.0
Other Oils ¹	1.9	4.2	0.5	4.0	0.0	1.4	2.3	9.7
Total Oil	2.2	8.3	1.0	2.8	0.1	-7.0	3.3	4.2

¹ other oils includes NGLs, feedstocks and other hydrocarbons

OECD industry stocks of total oil ended October at 2654 million barrels, up by 118.4 million barrels on the previous year, but still below 1998 and 1999 levels. In October, total oil stocks in all OECD regions remained over the previous year's level with OECD North America closing out at 1251.9 million barrels, while OECD Europe and Pacific stood at 915.7 and 485.5 million barrels respectively. Days of forward cover of total oil remained above year ago levels across all OECD regions.

Year-on-Year Industry Stock Comparisons for October 2001

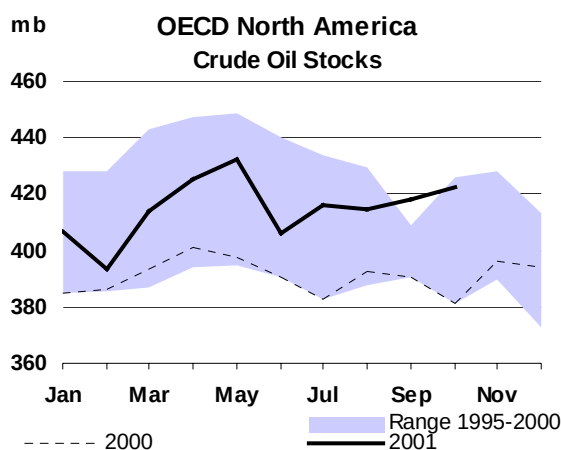
	(million barrels)					(Days of Forward Demand)			
	North America	Europe	Pacific	Total		North America	Europe	Pacific	Total
Crude Oil	40.5	23.0	10.9	74.4	Total Oil	4.7	1.8	3.4	3.6
Total Products	46.6	-9.1	-2.5	35.1	Versus 1999	0.4	1.1	3.2	1.1
Other Oils ¹	4.9	-3.6	7.8	9.0	Versus 1998	-3.8	-2.5	1.6	-2.5
Total Oil	92.0	10.3	16.2	118.4	Total Products	2.4	0.1	0.5	1.3
Versus 1999	22.4	-15.8	12.4	19.0	Versus 1999	-0.1	-0.1	1.4	0.2
Versus 1998	-49.1	-78.0	4.6	-122.4	Versus 1998	-2.4	-2.8	1.3	-1.9

¹ other oils includes NGLs, feedstocks and other hydrocarbons

Regional Stock Developments

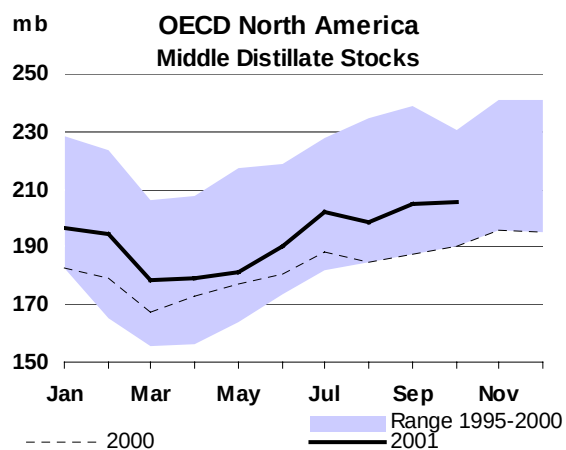
North America

Crude oil stocks at 422.1 million barrels ended October at 40.5 million barrels more than the previous year's level or near the top of the five-year range. Stocks build in North America as planned refinery turnarounds and poor margins reduced demand for crude oil in US. While US crude runs rebounded by 1% over September levels, rising imports bolstered crude availability. Crude oil imports surged to 9.3 mb/d on average in October according to DOE weekly figures as summer liftings from the Mid East Gulf arrived in the US. In November, the absence of a significant increase in US refinery activity in conjunction with sustained crude import levels, kept crude in storage. US crude stocks ended November at 311.5 million barrels, well above their five-year range and roughly equal to end of October levels. Bleak refinery economics shored up crude stocks as November crude runs, on average 14.9 mb/d, indicated limited refinery demand for crude. The November surplus in crude was most visible in the pivotal Mid-continent region as PADD II stocks increased to 70.9 million barrels and weighed down prompt WTI futures price. Restraint in refinery runs, in order to draw down excess product inventories, will limit near-term crude draws. In November, President Bush ordered the Strategic Petroleum Reserve to be filled to capacity. The DOE, which operates the SPR facility, will begin filling the reserve with royalty-in-kind oil beginning April 2002.



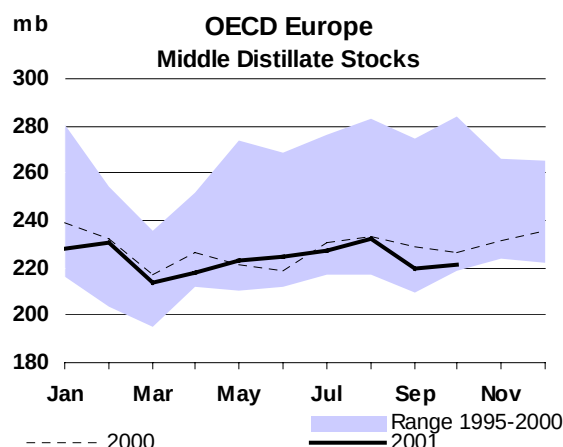
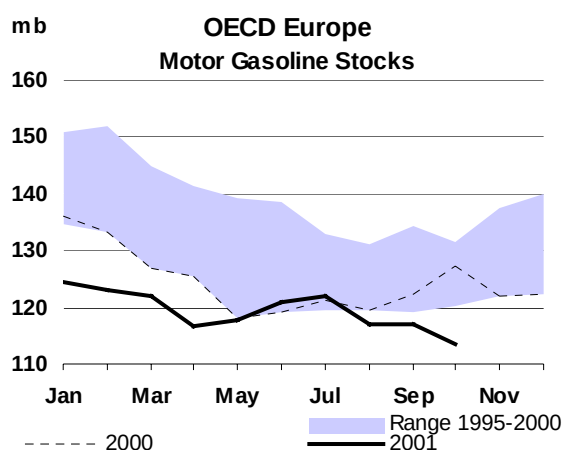
Product stocks, barring the "other products" component, increased in October because of slowing demand in the US. As the US economy contracted in the third quarter, demand particularly for industrial fuels - jet fuel, distillates, and residual fuel oil - remained weak. Gasoline stocks in North America rose in October, increasing by 2 million barrels over the previous month. Despite low prices at the pump, gasoline deliveries failed to keep pace with strong production levels and high yields on crude in the US during October. In November, US deliveries of gasoline picked up and were comparatively higher than year-ago levels as their record-low retail prices and reduced air travel stirred consumers back to the roads. Aside from an uptick in demand due to the Thanksgiving Holiday, driving emerged as a preferred mode of transport. In spite of a dip in production levels, resilient gasoline demand was insufficient to reverse the momentum of the gasoline stock build as inventories ended November at 212.1 million barrels, up by 3.8 million barrels on end of October.

Middle distillate inventory growth in North America was contained in October as jet-type kerosene stocks in the US declined sharply. However, stocks of distillates in the US, which comprise diesel and heating oil, have been steadily increasing from October through to November. With the November degree-days indicator for US heating oil demand ending 29.3% below normal, deliveries of distillates edged down by the end of the month. With distillate production boosted by jet blending and downstream stock building on hold because of weakening spot prices, heating oil inventories in primary storage increased. In the key Northeast area (PADD I), heating oil stocks grew by 6 million barrels since the end of September. Ample regional supplies were also reflected in a low price differential between the Gulf coast and New York Harbour, giving little incentive to send product north. Distillate stocks are bound to remain high in absence of competing demand from Europe where tertiary storage is all but complete. Builds in US residual fuel stocks mirrored the increase in distillate inventories, rising steadily from October through to November. The rise in stocks accompanied a downturn in deliveries as demand from utilities followed the contraction in activity in the manufacturing sector reported by the October US NAPM manufacturing index. In absence of severe weather, distillates and fuel oil are unlikely to come under pressure from fuel switching away from natural gas, as volumes of gas in storage are ample.



Europe

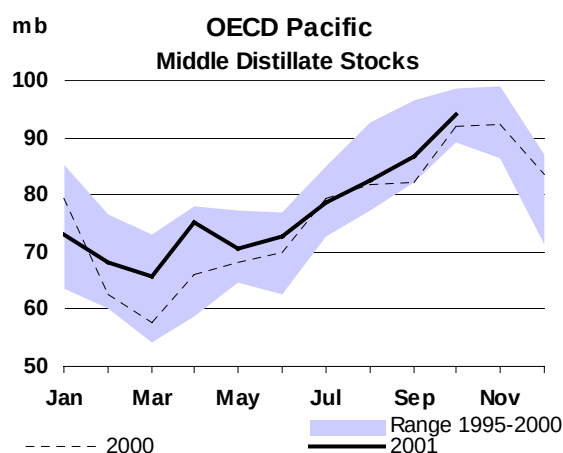
Despite increased arrivals in European ports from the CIS, OECD Europe crude stocks dipped slightly by 2.8 million barrels as refinery activity rebounded in October. Total products in primary storage at 530.5 million barrels remained flat in October, as gains in distillate and residual inventories were offset by a counter seasonal draw in gasoline stocks. The decline in gasoline stocks was centred in **Germany** (1.3 mb) which switched to ultra low sulphur gasoline (ULSG) on 1 November and to a lesser extent in the **Netherlands** (0.8 mb) which prepares to switch next year. The draw could be a prelude to further moves by refiners to dispose of old specification products as they switch to the production of ULSG. The change in product specification led to increased year-on-year storage of gasoline by importers and traders in independent facilities in the Amsterdam-Rotterdam-Antwerp (ARA) area.



Gasoline was also reported to have been exported to the **US** as New York Harbour's gasoline premium over Northwest Europe opened arbitrage possibilities by mid October. Exports were encouraged by advantageous freight rates and a lacklustre product spread to dated Brent. Gasoline in Northwest Europe was also trading at an unusually large discount to gasoil compared to New York. Middle distillates stocks in Europe failed to rally after posting a sharp draw in September. Continued movement into tertiary storage, namely in **Germany** and in **France**, dampened the build. Evidence of tertiary storage builds was supported by continued year-on-year dwindling gasoil stocks in independent storage in the ARA area, a key supplier to inland Germany. With winter purchases all but over, there also is little incentive left for refiners to continue building primary stocks much further.

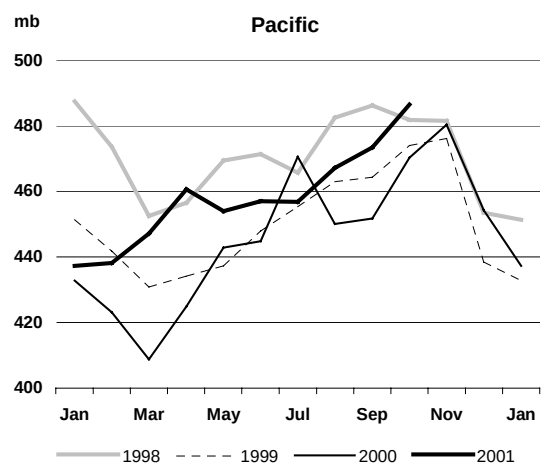
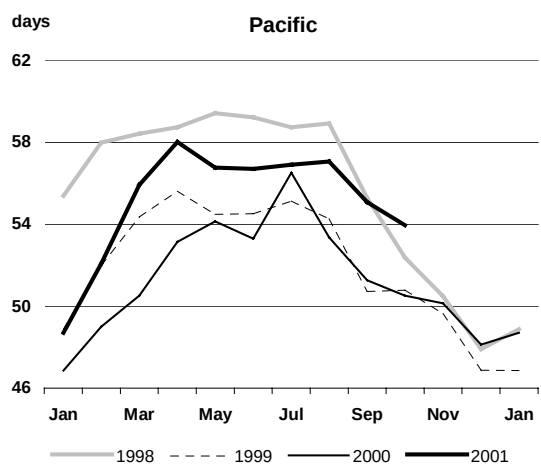
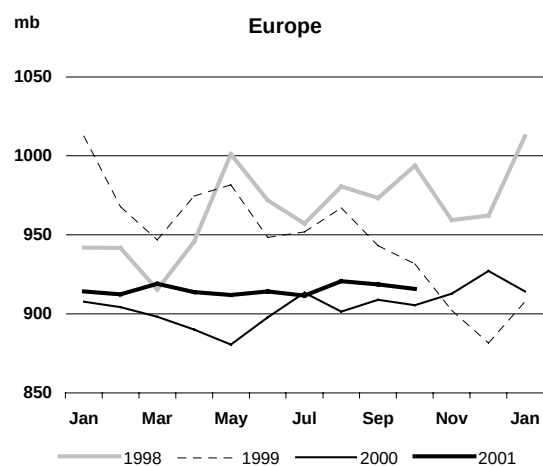
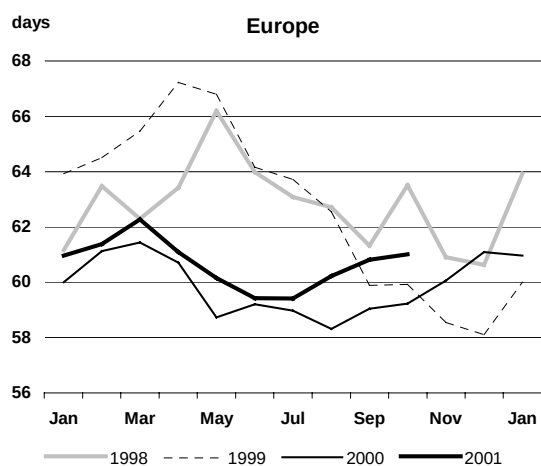
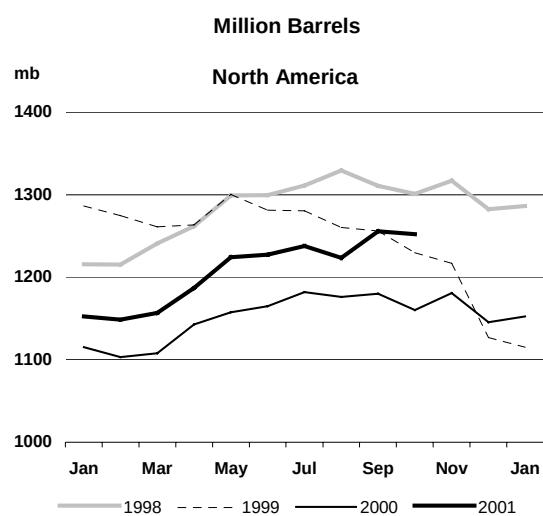
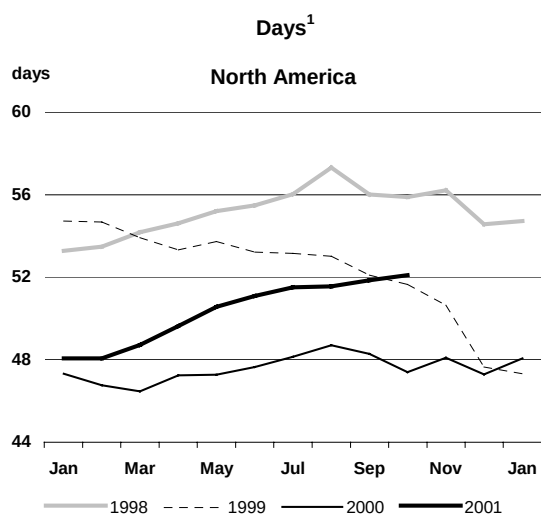
Pacific

Crude stocks in the OECD Pacific built in October as stocks increased both in **Korea** and in **Japan**. Onshore inventories swelled as September oil-at-sea heading east began to translate in higher arrivals into Asian ports while crude runs regionally were down on the year. Product inventories increased as middle distillates grew significantly during October in **Korea** (4.6 mb) and **Japan** (2.8 mb), but also in **Singapore**. Although the build fits the seasonal norm, it comes on the heels of increases in the production of kerosene – a staple winter fuel in the region – whilst winter demand was below expectations.



Although Korean refiners were running near capacity in October, their Japanese counterparts were aiming at further run cuts for the fourth quarter. Weak oil demand, amidst grim prospects for regional economic growth and ample product inventories, was reflected in steadily declining Singapore product prices in the middle and heavy end of the barrel. The decline in manufacturing activity has nudged residual fuel oil inventories up in Japan and weighed down on the transportation sector, sidelining gasoil use. A sinking gasoil spread over the benchmark Dubai indicates that regional availability is high and is likely to remain so as ample Middle East supplies are looking eastward for demand outlets. With weak prices, reliance on prompt supply in the market should hinder further product builds in primary storage.

Regional OECD End of Month Industry Stocks (in days of forward demand and millions barrels of Total Oil)

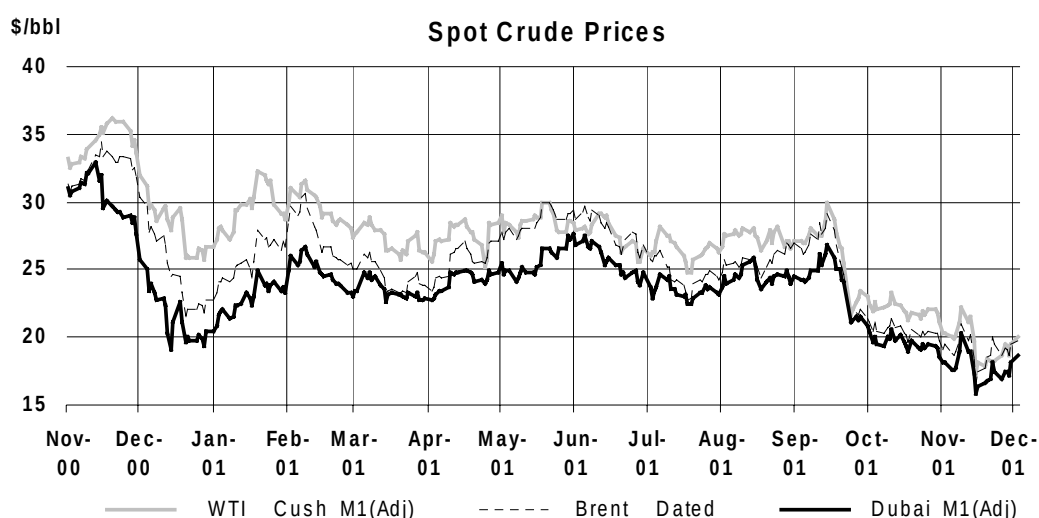


1. Days of forward demand are based on average demand over the next three months.

PRICES AND REFINERY ACTIVITY

Summary

- Monthly average prices for the main marker crudes fell in November. Prices were volatile during the month, driven by continuing economic and oil demand weakness and the events surrounding the 14 November OPEC meeting. At the beginning of December, prices were about the same as a month earlier, with **WTI Cushing** below \$20, **dated Brent** below \$19 and **Dubai** below \$18. However, crude prices declined during the first week of December.
- After weakening early in November, crude prices strengthened, as the expected **OPEC 10** crude production cut shifted from 1 mb/d on 1 January to 1.5 mb/d on 1 December. OPEC then surprised oil markets on 14 November, when it announced that it would cut crude production by 1.5 mb/d on 1 January, but *only if* non-OPEC countries cut by 0.5 mb/d. OPEC's primary focus was, and is, Russia. Fearing a shift in OPEC strategy, from prices to market share, crude prices plunged \$4 in two days, dropping to mid-1999 levels. In the following two weeks, prices strengthened, as Norway and Mexico announced conditional cuts, and the tone of Russia's statements shifted from confrontational to cautiously co-operative.
- Russia announced a 150 kb/d cut in crude exports on 5 December, but the potentially bullish development was offset by bearish weekly US inventory figures released on 4-5 December. At this writing, the markets have reserved judgement about the **OPEC/non-OPEC deal**. Firstly, the deal has not yet been finalised, and secondly, there continues to be a distinct "wait and see" attitude regarding the volume of physical crude that will actually be removed from the market.
- **Product prices** were also lower in November. The declines were broad-based, across all regions and all products, with few areas of relative strength. With product prices falling faster than crude prices, **refining margins** fell in all four main refining centres. By the end of November, margins were below breakeven levels in all of the main centres, a situation symptomatic of weak product demand, high product inventories, and relatively low product prices around the world.
- Preliminary OECD **refinery throughput** in October averaged 38.5 mb/d, a decrease of 630 kb/d compared to the year-earlier figure. As has been the case in recent months, the decline results from refiners adjusting to lower demand and unattractive margins.



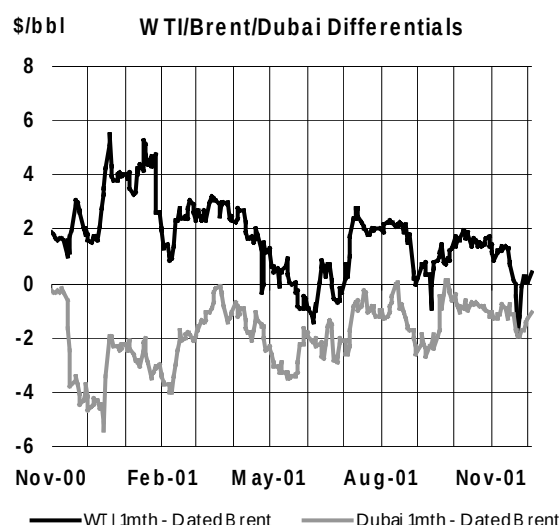
Crude Oil Prices

Spot Crude Prices and Differentials

Despite strong price volatility in November, by early December, prices for the main marker crudes were about the same as they were a month ago. **WTI Cushing** was below \$20, **dated Brent** was below \$19 and **Dubai** was below \$18.

The key **WTI-Brent** differential narrowed from \$1.59 in October to \$0.61 in November, on a monthly average basis. During the second half of November, WTI's normal premium to Brent vanished altogether, reportedly due to a single European trader snapping up 11 Brent cargoes. This discouraged transatlantic arbitrage trade. The **Brent-Dubai** spread widened from \$0.86 in October to \$1.31 in November. This appears to have been due to the reported Brent trading play, which distorted Brent prices, rather than to a fundamental weakening in Asian demand for Middle Eastern sour grades.

The key market drivers were continuing economic and oil demand weakness, and the OPEC meeting that took place on 14 November, including its prelude and aftermath. Although there were no particular developments on the economic and oil demand front that moved the markets, other than the associated growth in US inventories, the world slowdown has provided the backdrop to OPEC's decision-making. In fact, oil demand weakness is at the top of the list of drivers, because it has been the dominant feature in the oil markets in recent months, and has forced OPEC into its current reactive mode. In the aftermath of the 11 September terrorist attacks and the resulting impact on jet fuel and overall oil product demand, the 3.5 mb/d in production target cuts agreed so far this year have not been enough to stabilise prices. As a result, OPEC is in the process of trying to arrange a further 2 mb/d cut effective on 1 January, 1.5 mb/d from OPEC and 0.5 mb/d from non-OPEC countries.



Spot Crude Oil Prices and Differentials*

(monthly and weekly averages, \$/bbl)

	Sep	Oct	Nov	Nov-Oct		Week Beginning:				
				Change	%	29 Oct	05 Nov	12 Nov	19 Nov	26 Nov
Crudes										
Brent Dated	25.57	20.49	18.98	-1.51	-7.4	19.78	19.43	18.47	18.88	19.00
WTI Cushing 1 month (adjusted)	26.08	22.08	19.59	-2.49	-11.3	20.31	20.67	19.57	18.15	19.10
Urals (Mediterranean)	24.80	19.74	18.06	-1.68	-8.5	18.82	18.31	17.46	18.05	18.32
Dubai 1 month (adjusted)	24.12	19.63	17.67	-1.96	-10.0	18.10	18.39	17.74	na	na
Tapis	25.86	21.57	20.08	-1.49	-6.9	21.37	20.70	20.39	19.53	19.40
Differential to Dated Brent										
WTI Cushing 1month (adjusted)	0.51	1.59	0.61	-0.98		0.53	1.24	1.10	-0.73	0.10
Urals (Mediterranean)	-0.78	-0.75	-0.92	-0.17		-0.96	-1.12	-1.01	-0.83	-0.68
Dubai	-1.45	-0.86	-1.31	-0.45		-1.68	-1.04	-0.73	na	na
Tapis	0.29	1.09	1.10	0.02		1.59	1.27	1.92	0.65	0.40
Prompt Month Differential										
Brent 1mth-2mth (adjusted)	-0.58	-0.72	-0.74	-0.02		-0.15	-0.11	-0.22	0.02	-0.12
WTI Cushing 1mth-2mth (adjusted)	-0.93	-0.40	-0.44	-0.04		-0.84	-0.17	-0.22	-0.67	0.00

* Weekly data for Brent and WTI 1st month and 2nd month are unadjusted

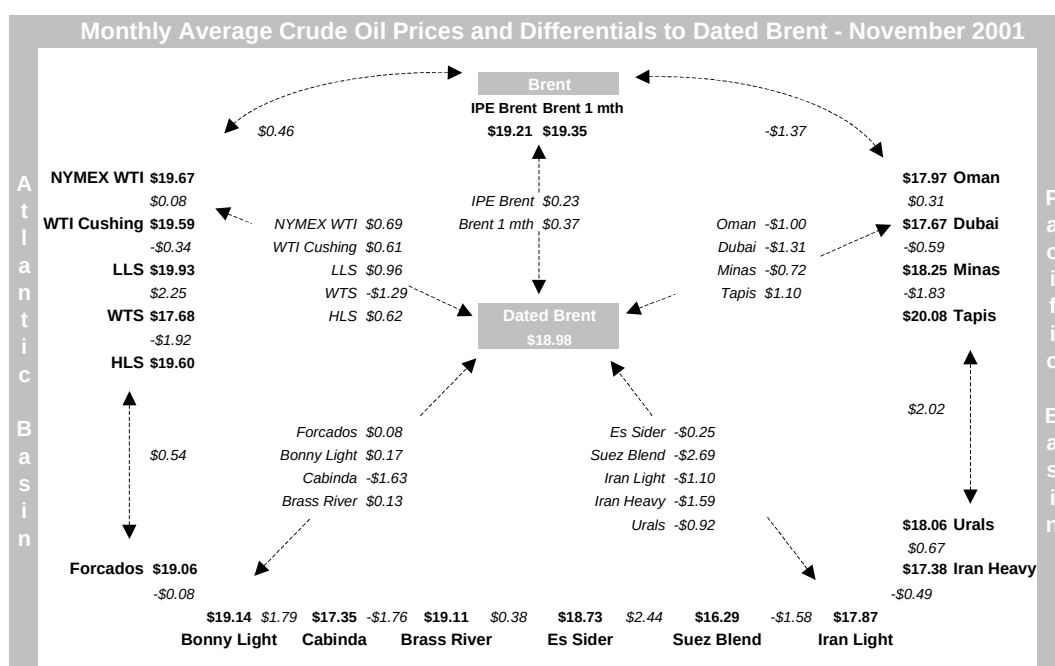
Early in November, crude prices weakened due to negative economic news, and market sentiment was overwhelmingly bearish. The 14 November OPEC meeting was generally expected to cut OPEC 10 production targets by 1 mb/d effective on 1 January. The markets were generally not impressed with this suggestion, which was thought to be too little, too late, especially in light of OPEC overproduction. However, led by statements from the Saudi Arabian Oil Minister and others, expectations shifted to a 1.5 mb/d cut effective on 1 December. As the mid-month meeting

approached, crude prices gained \$2, reversing the late October/early November losses, and regaining the low-\$20s range of late September and October.

OPEC then surprised the world and the oil markets when it decided on 14 November that it would cut by 1.5 mb/d on 1 January, but *only if* non-OPEC producers agreed to cut 0.5 mb/d at the same time. If non-OPEC producers would not agree to such a cut, OPEC would not cut either. Fearing a shift in OPEC strategy, from price to market share, crude prices plunged \$4 in two days, dropping to levels not seen since mid-1999. Mindful of the fact that a further 1.5 mb/d cut would take OPEC 10 targets down to pre-Gulf War levels, OPEC insisted that because non-OPEC producers shared in the benefits of market management, they should also share in the pain.

It became evident that while OPEC expected co-operation from Norway, Mexico, Oman, and possibly Angola, its primary focus was Russia. Russian production growth in the last two years has been a spectacular 0.8 mb/d, which roughly equals world demand growth over the same period.

Following the OPEC meeting, Norway (100-200 kb/d) and Mexico (100 kb/d) made it clear that they would implement cuts, each on the condition that other non-OPEC countries and OPEC also cut. Oman also announced a small 40 kb/d cut, and Angola said that it intended to make a small cut. Russia's initial offer of a 30 kb/d cut for the current quarter, later increased to 50 kb/d, was dismissed by OPEC as inconsequential. The real focus for Russia was on 1 January and the first quarter of next year. Amidst intense discussion and speculation regarding Russia's reaction to OPEC's challenge (could it cut? would it cut? why? why not?), crude prices began to firm. As the tone of various Russian statements changed from confrontational to cautiously co-operative, market sentiment became gradually less pessimistic, particularly by the last week of November.



During the same week, the markets followed developments regarding the Iraqi rollover closely. For a few days, the uncertainty added some support to prices. A Washington Post article early in November contained convincing analysis and strong signals from the US government that a smooth rollover should be expected, because a US disagreement with anti-terrorism ally Russia was not desired at the present time. This was a key reason why the markets only shifted attention to Iraq close to the rollover date. The expected smooth renewal did, in fact, occur. It should be noted, however, that administrative and logistical factors may yet depress Iraqi exports for a couple of weeks.

Russia announced on 5 December that it would cut crude exports by 150 kb/d beginning on 1 January. Various questions remain to be resolved in the coming days and weeks, but it now appears more likely that a combined 2 mb/d cut, or something close to it, will take effect on 1 January. Early on, the crude price reaction has been muted, with the bullish news offset by bearish weekly US inventory figures released on 4-5 December. The markets have also reserved judgement because while

announcements of cuts are one thing, the actual implementation is another. In the past, this has proven equally true for both OPEC and non-OPEC cuts. There may well be a psychological reaction in the market if, and when, a convincing final deal is hammered out, but then attention will inevitably shift towards actual "compliance" with the cuts.

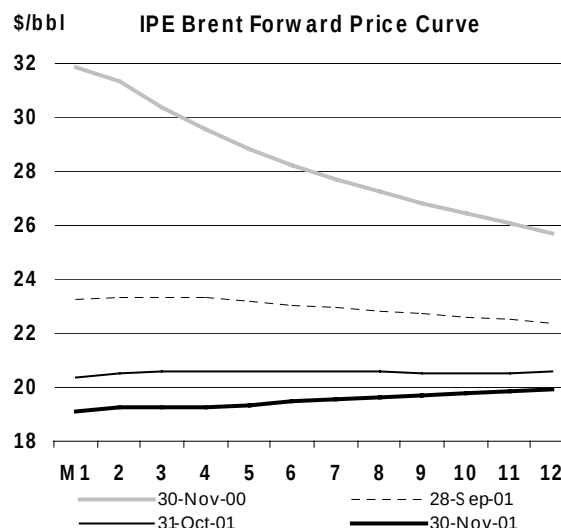
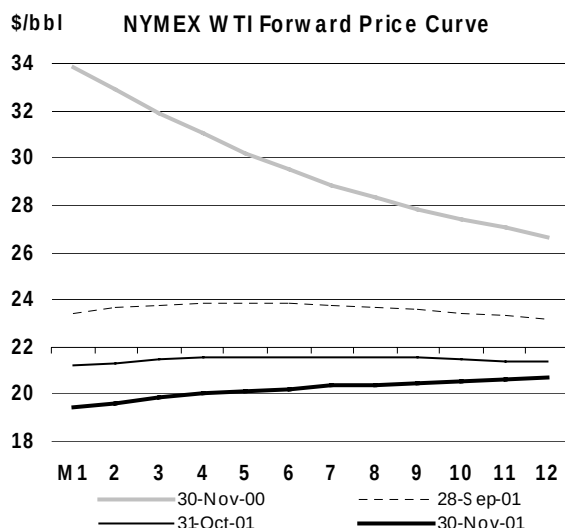
Looking forward, on the supply side of the equation, in addition to a 1 January OPEC/non-OPEC cut in crude production and exports, the Israeli-Palestinian conflict has escalated in the last week, and this generally adds a security premium to crude prices. There has also been speculation in the last week regarding a possible "Phase II" in the US-led coalition's fight against terrorism, with discussions mentioning Yemen, Sudan, Somalia and Iraq.

On the other side of the equation, the economic and oil demand situations dominate the oil market. In the last month, some positive economic indicators have started to appear, along with negative ones. In addition, it is starting to look as though the post-11 September demand weakness is not turning out to be quite as severe as previously thought. Although the IEA is, at this point, reserving judgement, some oil market analysts have already begun to revise their oil demand forecasts upward. In the end, a re-balancing of the crude and product markets, when it happens, will probably be driven by a recovery in economic health and oil demand. It will be difficult for production cuts alone to do the job.

Crude Futures

In November and early December, front-month futures prices for **NYMEX WTI** and **IPE Brent** tracked prices for spot physical prices for WTI Cushing and dated Brent closely. End-month prices are shown on the graphs. On 30 November, front-month **NYMEX WTI** was \$1.74 lower than the price on 31 October. The first-month/third-month contango rose from 28 cents to 40 cents. Front-month **IPE Brent** was \$1.23 lower and the first-month/third-month contango fell from 24 cents to 11 cents.

When the futures curve is in contango (upward-sloping to the right), prompt prices are at a discount to forward prices, indicating an adequately supplied physical market. At present, the mild contango indicates two things. First, supply and demand are fairly well-balanced. Second, market participants are unsure of future market direction: will an OPEC/non-OPEC cut combine with recovering demand to tighten the markets? Or will softening demand dominate?



As with prices themselves, the non-commercials' net position for NYMEX WTI became "shorter", or more pessimistic, mid-month, immediately after the OPEC meeting. Then, as sentiment began to turn less pessimistic late in the month, the net position backed off somewhat, ending November at roughly 45,000 contracts short, similar to the end of October. This remains a very significant short position. If prices started to move upwards with a fundamental shift in market sentiment, due, for example, to a convincing OPEC/non-OPEC agreement coupled with signs of serious implementation, the "covering" of the short positions could add momentum and possibly exaggerate price movements.

Delivered Crude Prices

Crude import prices into IEA countries averaged \$24.68 in September, about the same as the previous month's \$24.63 (see Table 8 at the back of the Report). A large part of the steep fall in prices that followed the 11 September terrorist attacks on the US took place late in the month. As a result, the downward correction had little effect upon delivered crude prices for September. The changes in **IEA North America** and **IEA Europe** were modest. However, the somewhat larger 34 cent increase in **IEA Pacific** prices was, as usual, more reflective of price movements in Dubai and other Middle Eastern crudes that took place the month before, due to the longer shipping times to Asia.

Product Prices

Spot Product Prices

In the first half of November, product prices generally followed crude prices, strengthening in advance of the OPEC meeting and weakening after OPEC made its cut dependent on non-OPEC co-operation. As the second half of November progressed, however, the tracks started to diverge. The mood in the crude markets became less pessimistic and crude prices started to trend upwards. In contrast, the product markets continued to be weighed down by weak demand and comfortable inventories, and the upturn was noticeably less pronounced. For the month as a whole, most product prices fell by 12-16% compared to October averages. These declines outpaced crude prices, which were 7-11% lower. As a result, refining margins suffered.

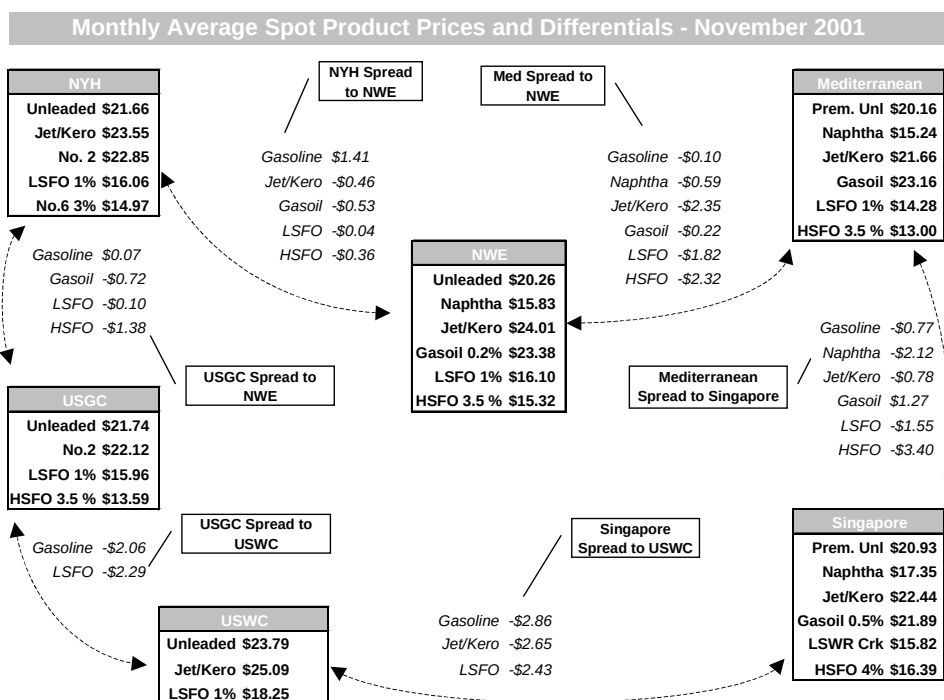
Spot Product Prices

(monthly and weekly averages, \$/bbl)

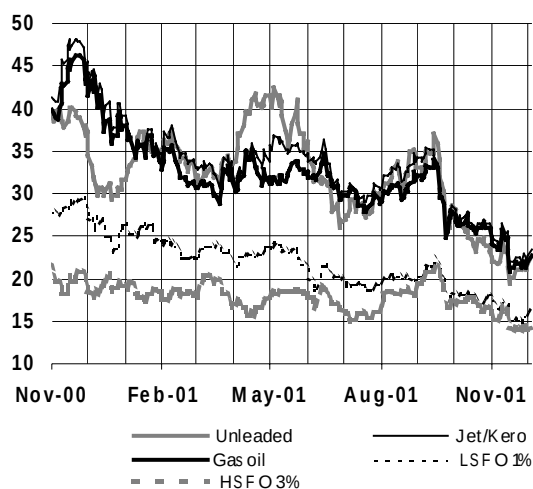
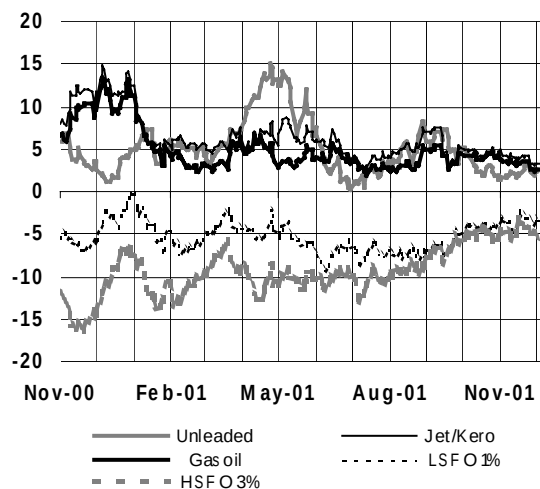
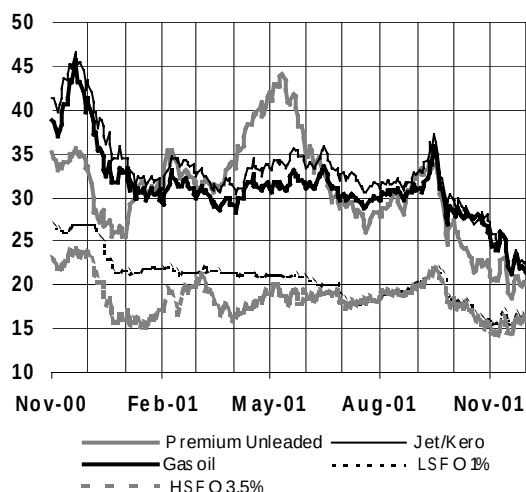
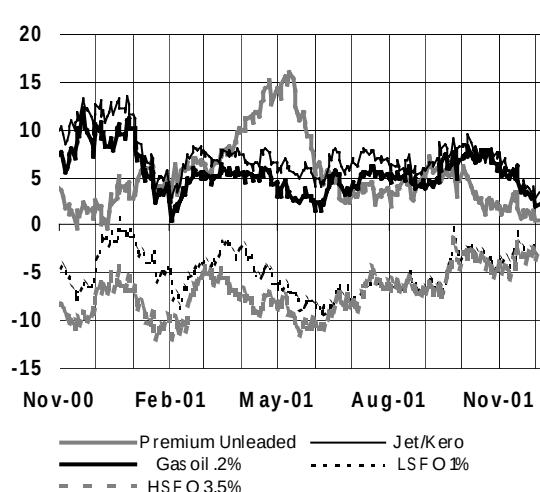
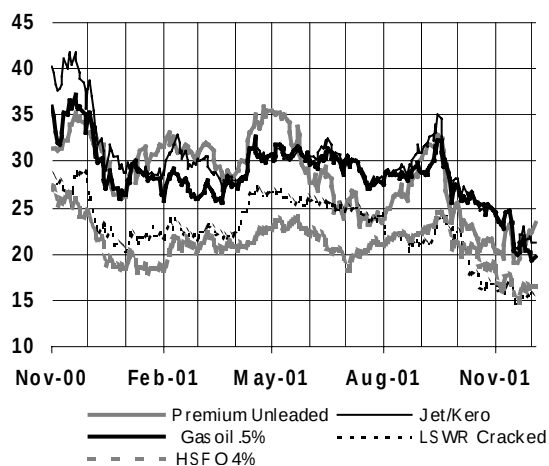
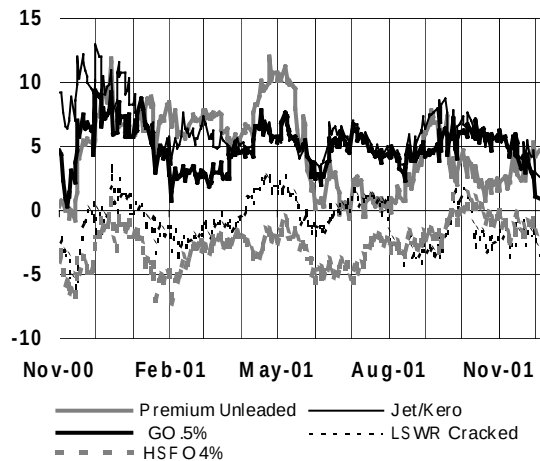
	Sep	Oct	Nov	Nov-Oct		Week Beginning:					Sep	Oct	Nov
				Change	%	29 Oct	05 Nov	12 Nov	19 Nov	26 Nov			
Rotterdam, Barges FOB											Differential to Brent		
Premium Unleaded (Cargo)	31.09	23.68	20.66	-3.02	-12.8	21.60	21.17	21.35	20.01	20.07	5.52	3.19	1.69
Regular Unleaded	30.10	23.25	20.26	-2.99	-12.9	21.22	20.80	20.95	19.59	19.62	4.53	2.76	1.28
Naphtha	23.10	19.05	15.83	-3.22	-16.9	16.87	16.18	16.62	15.65	14.85	-2.47	-1.43	-3.14
Jet/Kerosene	33.01	28.21	24.01	-4.20	-14.9	27.04	25.47	24.09	22.98	22.60	7.44	7.72	5.04
Gasoil	31.31	27.67	23.38	-4.29	-15.5	25.71	24.69	23.85	22.50	21.83	5.74	7.18	4.41
Fuel Oil 1.0%S	20.71	17.22	16.10	-1.12	-6.5	15.80	15.75	16.30	16.20	16.37	-4.87	-3.27	-2.88
Fuel Oil 3.5%	20.15	16.74	15.32	-1.42	-8.5	15.23	14.65	15.35	15.49	16.00	-5.43	-3.75	-3.65
Mediterranean – Basis Italy, Cargoes FOB											Differential to Urals		
Premium Leaded (0.15 g/l)	31.87	24.30	20.88	-3.42	-14.1	22.02	21.62	21.59	20.10	20.07	7.07	4.56	2.82
Premium Unleaded	31.07	23.60	20.16	-3.44	-14.6	21.31	20.90	20.87	19.38	19.35	6.28	3.86	2.10
Naphtha	22.65	18.29	15.24	-3.05	-16.7	16.06	15.52	16.08	15.10	14.28	-2.15	-1.45	-2.82
Jet/Kerosene	30.23	24.94	21.66	-3.28	-13.2	23.47	22.68	21.97	20.89	20.56	5.44	5.20	3.60
Gasoil	29.95	26.44	23.16	-3.28	-12.4	25.30	24.39	23.86	22.28	21.49	5.15	6.70	5.10
Fuel Oil 1.0%S	20.19	16.47	14.28	-2.19	-13.3	15.45	14.67	14.10	13.88	14.16	-4.61	-3.27	-3.78
Fuel Oil 3.5%S	17.96	14.91	13.00	-1.91	-12.8	13.23	12.76	12.63	13.01	13.64	-6.83	-4.83	-5.06
NY Harbour, Barges											Differential to WTI		
Premium Unleaded 93	33.70	26.64	23.03	-3.60	-13.5	24.05	23.89	22.83	22.23	22.77	7.62	4.56	3.45
Regular Unleaded 87	31.40	25.01	21.66	-3.35	-13.4	22.71	22.67	21.43	20.81	21.28	5.31	2.93	2.07
Jet/Kerosene	30.97	26.76	23.55	-3.22	-12.0	25.70	24.98	23.51	22.31	22.35	4.89	4.68	3.96
No.2 Heating Oil	30.02	26.29	22.85	-3.44	-13.1	24.98	24.23	22.88	21.68	21.66	3.94	4.21	3.26
Fuel Oil 1.0%S (Cargo)	20.08	17.94	16.06	-1.89	-10.5	17.63	16.75	15.94	15.21	15.58	-6.00	-4.13	-3.53
Fuel Oil 3.0%S (Cargo)	19.37	17.02	14.97	-2.06	-12.1	16.05	15.75	15.30	14.08	14.14	-6.71	-5.06	-4.62
Singapore, Cargoes											Differential to Dubai		
Premium Unleaded 95	29.50	22.17	20.93	-1.24	-5.6	20.64	20.69	21.08	20.15	22.09	5.38	2.54	3.26
Naphtha	23.94	19.89	17.35	-2.53	-12.7	18.91	17.72	17.86	17.04	16.51	-0.18	0.26	-0.31
Jet/Kerosene	31.19	25.75	22.44	-3.31	-12.9	24.40	23.37	22.46	21.82	21.58	7.07	6.12	4.77
Gasoil	29.32	25.55	21.89	-3.66	-14.3	24.45	23.46	22.40	20.85	20.10	5.20	5.92	4.22
LSWR (0.3%S)	22.54	18.28	15.82	-2.45	-13.4	16.66	16.19	15.84	15.52	15.57	-1.58	-1.35	-1.84
HSFO (3.5%S 180cst)	23.15	19.66	16.50	-3.15	-16.0	18.02	16.93	16.75	15.74	16.30	-0.97	0.03	-1.16
HSFO 4%S	22.86	19.62	16.39	-3.23	-16.5	18.13	16.69	16.57	15.68	16.31	-1.26	-0.01	-1.27

At **New York Harbour**, prices for all products fell. Despite robust **gasoline** demand, according to weekly figures, prices weakened due to high and growing gasoline inventories. In addition, gasoline prices on the US West Coast eased in November, after being much higher than in other regions of the US during much of August, September and October. **Jet/kerosene** was lower because of weak demand, while **heating oil** was off on unseasonably warm weather in the US Northeast, the main heating oil market in the US. **Low sulphur and high sulphur fuel oil** prices also fell due to the warm weather and low demand from electric utilities.

In Europe, including **Northwest Europe** and the **Mediterranean**, the story was much the same, driven by broad-based product demand weakness. There was an oversupply of **gasoline** and little demand for **naphtha** in either of its two main markets, petrochemical feedstocks or gasoline blendstocks. **Gasoil**, which had been an area of relative strength in October, was not supported in November. Gasoil buying eased off in Germany, as home tanks were already 72% full at the end of October, a 13-year high. **Jet/kerosene** demand and prices were also weak. The only area of relative strength in European product prices was in Rotterdam, for **low sulphur and high sulphur fuel oil**. The bottom of the barrel in Northwest Europe was more resilient due to restrained exports from Russia and the effect of OPEC production cuts, which have been concentrated in heavy sour crude grades that have high fuel oil yields.



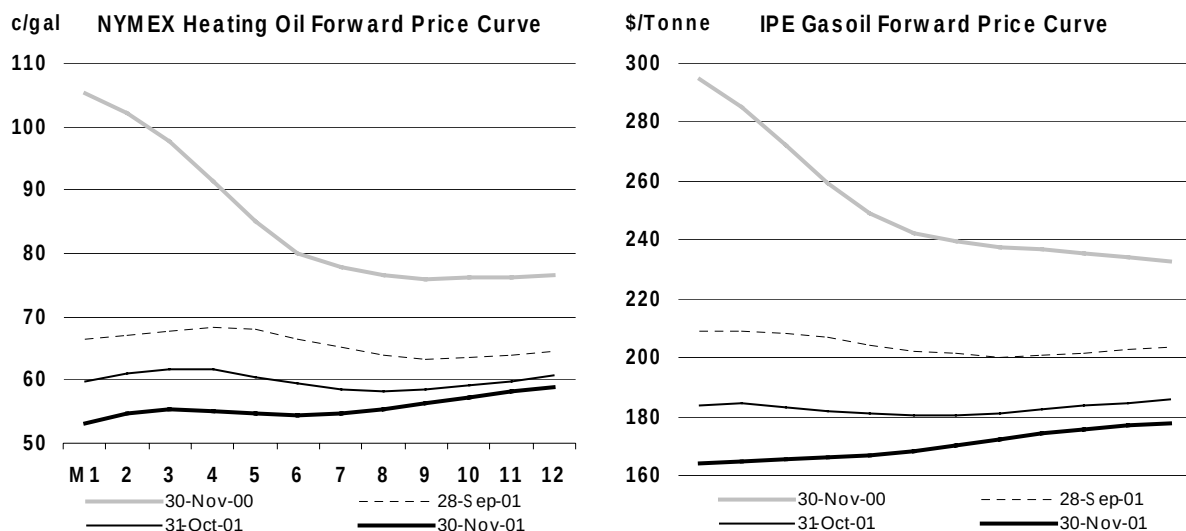
In **Singapore**, there was consistent price weakness across the barrel. Though there have been some reports of a seasonal increase in Asian demand, this refers to crude demand from refiners. They may well be anticipating an upturn in product demand, but judging by prices in November, this has not yet started to take place. The only area of relative strength was in **gasoline**. The spot gasoline market was less oversupplied than other products, because of a lack of available Chinese volumes and strong Indonesian demand for spot cargoes.

\$/bbl New York Harbour Spot Product Prices**\$/bbl New York Harbour Spreads to WTI****\$/bbl Rotterdam Spot Product Prices****\$/bbl Rotterdam Spreads to Dated Brent****\$/bbl Singapore Spot Product Prices****\$/bbl Singapore Spreads to Dubai**

Product Futures

As was the case with crude futures, prices for **NYMEX heating oil** and **IPE gasoil** tracked the physical spot markets, falling in November. The NYMEX heating oil futures curve remained in very shallow contango, with the first-month/third-month spread remaining at 2 cents/gallon at the end of November, the same as at the end of October. The IPE gasoil curve was also in a mild contango at the end of November, with the first-month/third-month spread at \$2/tonne.

The number of short positions held by the non-commercials for NYMEX heating oil increased mid-month, as the market psychology became more pessimistic. It then fell back somewhat, becoming slightly less bearish. The net short position thus ended November about where it began, similar to the pattern with crude oil.



End-User Product Prices

In November, end-user product prices were lower for all products in all countries (see Table 9 at the back of the Report). It was the second consecutive month in which such a broad-based and consistent decline took place. End-user price movements continue to reflect sluggish economic conditions and a generally weak oil product demand environment.

Gasoline prices fell by 3-5% in Europe, 6-11% in North America and only 1% in Japan. Prices for **automotive diesel** decreased by 1-4% in Europe and 3-7% in North America, but were unchanged in Japan. Road diesel remained more resilient than gasoline, as winter-specification fuel commands a quality premium in OECD countries.

Domestic heating oil prices were 4-9% lower in Europe, but fell by a more modest 3% in Japan. The steepest decline was in Germany, where most of this winter's buying had already occurred. By the end of October, consumer heating oil stocks in Germany were at a 13-year high of over 72% full. Prices for **industrial heavy fuel oil** were off by 8-11% in Europe and 4% in Japan. The decrease in Europe reflects weak industrial production.

Refining Margins

Average margins in November fell in all of the major refining centres, compared to the previous month, turning a "mediocre" situation into a "poor" one. Margins weakened as the month progressed and by the end of November, they were below breakeven levels everywhere.

Negative refining margins are symptomatic of weak product demand, high product inventories, and relatively low product prices around the world. Gross product worth declined by a fairly consistent 12% to 14% in the different refining centres last month. The different degrees to which margins fell was therefore due, in large part, to the magnitude of the price decreases for the various marker crudes.

Margins were hit the hardest in **Northwest Europe** and the **Mediterranean**, falling by \$1.00-\$1.50. This was because the European marker crudes, dated Brent and Urals, were the most resilient, falling

by only 7.4% and 8.5%. At the same time, Europe's relative strength in gasoil during October had dissipated by November.

On the **US Gulf Coast**, margins eased off by 35-95 cents. The gasoline-crude spread in the US was comparable, in absolute terms, to the same spreads in Europe. However, the decline in this key spread, from October to November, was less in the US than in Europe. This helps to explain why margins fell less in the US. In **Singapore**, margins were in between Europe and the US, decreasing by 80-95 cents. Gasoline prices held up well in Asia, which helped Singapore margins.

As to the near-term outlook for refining margins, little support is visible. With product demand sluggish and OECD product inventories comfortable, the outlook for product prices continues to be generally gloomy. On the other hand, to the extent that the recent Russian announcement regarding export cuts increases the chances of a co-operative effort between OPEC and key non-OPEC producers, a floor may be put under crude prices, and there may even be some upside potential. This points to a continuing squeeze on refining margins.

Refining Margins in Major Refining Centres

(\$/bbl)

	Monthly Averages			Nov-Oct		End of Week:				
	Sep 01	Oct 01	Nov 01	Change	%	02 Nov	09 Nov	16 Nov	23 Nov	30 Nov
Refining Margins										
NW Europe										
Brent (Hydroskimming)	-0.79	-0.26	-1.57	-1.32		-1.53	-1.89	-1.18	-2.10	-2.83
Brent (Cracking)	0.77	0.78	-0.72	-1.50		-0.73	-0.80	-0.41	-1.27	-2.14
Mediterranean										
Urals (Hydroskimming)	-0.17	0.77	-0.32	-1.09		-0.11	-0.67	0.27	-1.07	-2.04
Urals (Cracking)	1.60	2.07	0.75	-1.32		0.93	0.68	1.28	-0.05	-1.18
US Gulf Coast										
Brent (Cracking)	1.91	0.35	-0.02	-0.37		-0.15	0.03	-0.32	0.59	-0.14
WTI (Cracking)	0.73	0.16	-0.77	-0.93		-0.72	-0.16	-0.96	-1.92	-1.41
Singapore										
Dubai (Hydroskimming)	1.07	1.45	0.48	-0.97		0.72	-0.36	0.72	0.90	-0.71
Dubai (Cracking)	2.60	2.44	1.66	-0.78		1.95	1.00	1.71	2.05	0.39
Gross Product Worth										
NW Europe										
Brent (Hydroskimming)	26.00	21.60	18.55	-3.05	-14.1	19.07	20.28	17.48	18.45	17.57
Brent (Cracking)	27.66	22.74	19.51	-3.23	-14.2	19.97	21.47	18.35	19.38	18.36
Mediterranean										
Urals (Hydroskimming)	24.82	20.73	17.96	-2.77	-13.4	18.55	19.49	17.03	17.76	17.08
Urals (Cracking)	26.70	22.12	19.13	-2.99	-13.5	19.68	20.95	18.14	18.87	18.04
US Gulf Coast										
Brent (Cracking)	29.09	23.52	20.66	-2.86	-12.2	21.28	23.36	18.88	19.89	20.39
WTI (Cracking)	28.85	23.37	20.52	-2.85	-12.2	21.15	23.14	18.73	19.78	20.28
Singapore										
Dubai (Hydroskimming)	25.66	21.51	18.56	-2.95	-13.7	19.27	20.32	17.42	18.81	17.86
Dubai (Cracking)	27.30	22.60	19.84	-2.76	-12.2	20.60	21.78	18.51	20.06	19.07

For the purposes of this Report, refining margins are calculated on the basis of an 'average' refinery that is running a 'typical' crude slate in a specific refining centre. Consequently, reported margins should be taken as an indication, or proxy, of changes in profitability for a given refining centre. No attempt is made to model or otherwise comment upon the relative economics of specific refineries running individual crude slates and producing custom product sales.

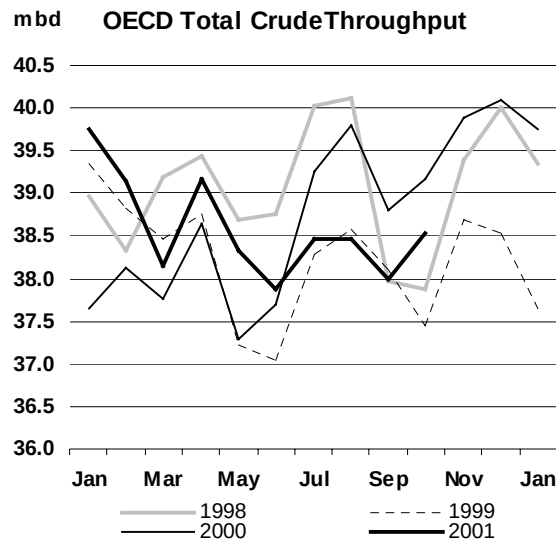
If margins continue to be negative, refiners will continue to reduce throughputs. Eventually, this would be expected to reduce product inventories, and lend support to product prices and refining margins. On the other side of the equation, lower refinery demand for crude would put downward pressure on crude prices. It is worth noting that refiners have already restrained crude runs in recent months. Margins have not responded positively because product demand has been slipping just as fast.

OECD Refinery Throughput

Preliminary monthly data indicate that **total OECD** refinery throughput in October averaged 38.5 mb/d, in the middle of the 1998-2000 range. These volumes were 540 kb/d higher than the previous month, which were revised downwards by the same amount. Compared to the year-earlier figure, October 2001 throughputs were 630 kb/d lower.

In the **US**, October runs were up by 130 kb/d from September, with heavy refinery maintenance scheduled for both months. **European** runs gained 370 kb/d, led by 100 kb/d in both Germany and the Netherlands. European maintenance peaked in September and fell off sharply in October. **Pacific** runs were flat, as a decline in Japanese crude runs was offset by an increase in Korean throughputs.

For November, weekly figures show **US** refinery runs down by 300 kb/d, while preliminary **Japanese** statistics indicate that throughputs gained 400 kb/d. In Europe, margins were poor in November, so refiners may have cut runs in response. OECD throughputs usually increase in November and December, compared to the previous months. The magnitude of these gains this year will be important to understanding the severity of the current product market weakness and the manner in which refiners are responding to it. In light of the 0.5 mb/d downward revision to last month's preliminary figures for September, it will also be interesting to see what revisions are made to the October figures discussed above.



Refinery Crude Throughput and Utilisation in OECD Countries

	million barrels per day						Change from Oct 00		Utilisation rate ²	
	May 01	Jun 01	Jul 01	Aug 01	Sep 01	Oct 01 ¹	mb/d	%	Oct 01	Oct 00
OECD North America										
US ³	15.77	15.65	15.36	15.27	15.06	15.19	0.157	1.0	90.9	91.1
Canada	1.64	1.73	1.94	1.69	1.66	1.71	0.100	6.2	92.5	87.0
Mexico	1.14	1.11	1.24	1.17	1.08	1.08	0.035	3.3	69.8	73.6
Total	18.55	18.49	18.54	18.13	17.80	17.98	0.292	1.7	89.4	88.9
OECD Europe										
France	1.75	1.71	1.76	1.75	1.80	1.81	0.067	3.8	104.3	100.4
Germany	2.24	2.08	2.23	2.26	2.00	2.10	-0.176	-7.7	92.8	100.6
Italy	1.68	1.58	1.71	1.75	1.75	1.83	-0.117	-6.0	90.2	96.0
Netherlands	1.14	1.02	1.02	1.11	1.02	1.12	-0.120	-9.6	92.3	102.1
Spain	1.09	1.08	1.07	1.19	1.12	1.13	-0.061	-5.1	88.5	93.3
UK	1.43	1.36	1.49	1.64	1.67	1.72	-0.016	-0.9	99.0	99.9
Other OECD Europe	3.81	3.90	3.76	3.64	3.78	3.80	-0.277	-6.8	87.2	93.6
Total	13.13	12.73	13.03	13.35	13.14	13.51	-0.700	-4.9	92.5	97.3
OECD Pacific										
Japan	3.64	3.49	3.93	4.13	4.02	3.80	-0.134	-3.4	76.8	75.2
Korea	2.21	2.36	2.16	2.01	2.22	2.42	-0.083	-3.3	98.3	101.7
Other OECD Pacific	0.82	0.82	0.81	0.84	0.82	0.82	-0.005	-0.7	98.9	99.5
Total	6.66	6.67	6.90	6.98	7.06	7.05	-0.222	-3.1	85.4	85.2
OECD Total	38.33	37.88	38.47	38.46	37.99	38.53	-0.630	-1.6	89.7	91.0

¹ Estimate

² Based on crude throughput and current operable refining capacity

³ US\$0

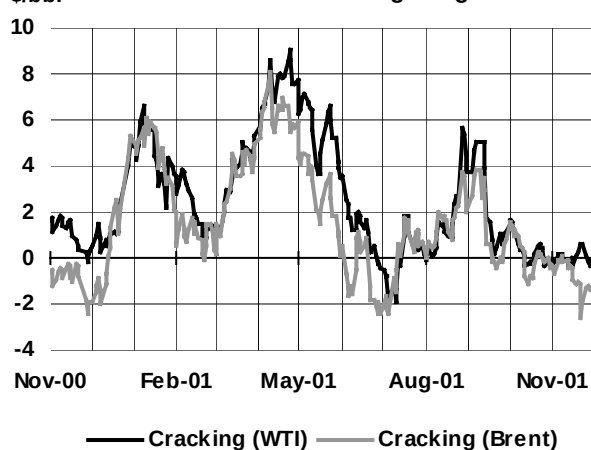
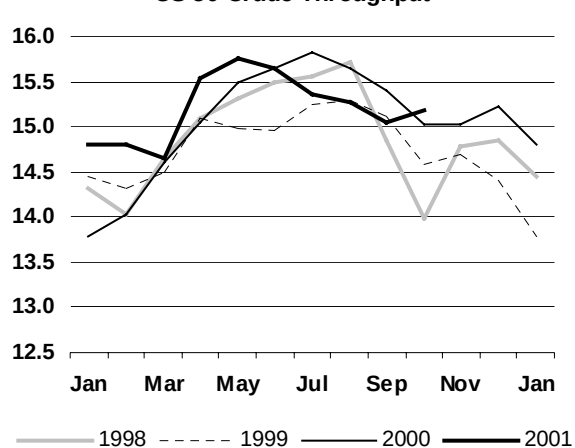
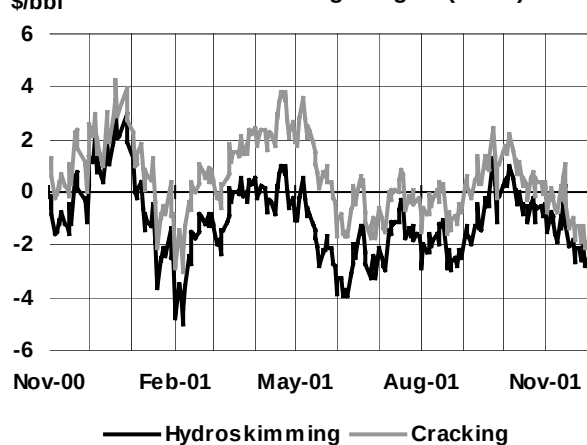
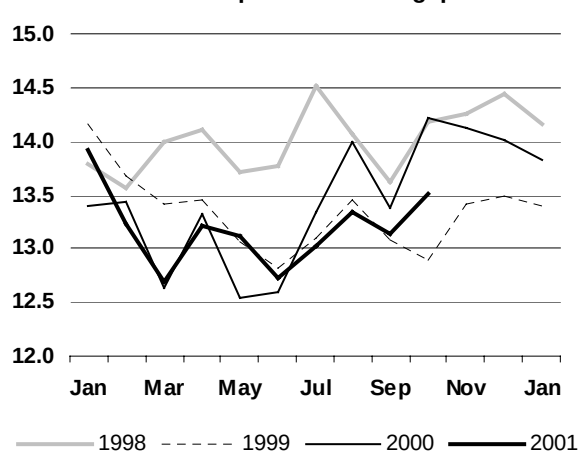
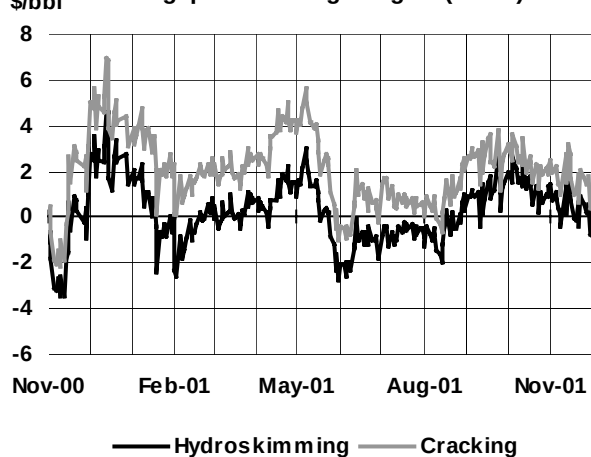
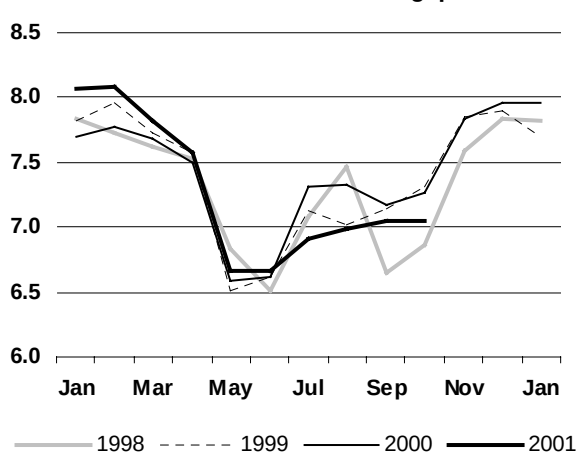
US Gulf Coast Refining Margins**US 50 Crude Throughput****Rotterdam Refining Margins (Brent)****OECD Europe Crude Throughput****Singapore Refining Margins (Dubai)****OECD Pacific Crude Throughput**

Table 1
WORLD OIL SUPPLY AND DEMAND
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	23.1	23.8	23.7	23.8	24.5	24.4	24.1	24.2	23.7	24.0	24.2	24.1	24.0	23.7	24.3	24.9	24.2
Europe	15.3	15.2	15.2	14.6	15.2	15.4	15.1	15.2	14.8	15.4	15.1	15.1	15.0	14.6	15.3	15.4	15.1
Pacific	8.4	8.7	9.4	8.1	8.3	8.8	8.7	9.4	8.0	8.1	8.6	8.5	9.2	7.9	8.0	8.7	8.4
Total OECD	46.8	47.7	48.2	46.6	48.0	48.6	47.8	48.8	46.5	47.5	47.9	47.7	48.2	46.2	47.7	49.0	47.8
NON-OECD DEMAND																	
FSU	3.7	3.7	3.6	3.5	3.6	3.8	3.6	3.8	3.6	3.6	3.8	3.7	3.8	3.7	3.6	3.9	3.7
Europe	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7
China	4.2	4.5	4.7	4.6	5.1	4.8	4.8	4.7	5.2	4.7	5.0	4.9	4.9	5.1	4.9	5.3	5.0
Other Asia	6.8	7.2	7.2	7.4	7.4	7.3	7.3	7.3	7.4	7.2	7.3	7.3	7.3	7.5	7.3	7.3	7.4
Latin America	4.8	4.8	4.7	4.9	5.0	4.9	4.9	4.7	4.8	4.9	4.8	4.8	4.7	4.8	4.9	4.9	4.8
Middle East	4.2	4.3	4.3	4.4	4.5	4.3	4.4	4.4	4.6	4.7	4.5	4.5	4.5	4.7	4.8	4.6	4.6
Africa	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.4
Total Non-OECD	26.8	27.6	27.8	27.8	28.5	28.2	28.1	28.1	28.7	28.1	28.5	28.3	28.5	28.8	28.7	29.2	28.8
Total Demand¹	73.6	75.2	75.9	74.4	76.4	76.8	75.9	76.9	75.2	75.6	76.4	76.0	76.7	75.1	76.4	78.2	76.6
OECD SUPPLY																	
North America	14.5	14.0	14.3	14.4	14.3	14.1	14.3	14.2	14.2	14.4	14.5	14.4	14.8	14.6	14.6	14.7	14.7
Europe	6.7	6.8	7.1	6.6	6.6	6.9	6.8	6.8	6.5	6.5	7.0	6.7	7.1	6.8	6.6	6.7	6.8
Pacific	0.7	0.7	0.9	0.9	0.9	0.8	0.9	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7
Total OECD	21.9	21.4	22.3	21.8	21.7	21.8	21.9	21.8	21.5	21.7	22.3	21.8	22.6	22.1	21.9	22.1	22.2
NON-OECD SUPPLY																	
FSU	7.3	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.5	8.7	8.8	8.6	8.9	9.0	9.1	9.3	9.1
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	0.2	0.2	0.2	0.2
China	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.4	3.3
Other Asia	2.3	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Latin America	3.6	3.8	3.8	3.7	3.8	3.9	3.8	3.9	3.7	3.9	3.8	3.8	3.8	3.8	3.8	3.9	3.8
Middle East	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.9	1.9	1.9	1.9
Africa	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.8	2.9	2.9	2.8	2.8	2.8
Total Non-OECD	21.3	21.7	21.9	22.0	22.4	22.8	22.3	22.8	22.9	23.2	23.2	23.0	23.4	23.5	23.6	23.7	23.6
Processing Gains ²	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Non-OPEC	44.8	44.8	46.0	45.6	45.8	46.3	45.9	46.4	46.1	46.6	47.3	46.6	47.8	47.4	47.3	47.7	47.5
OPEC																	
Crude	27.7	26.6	26.5	27.8	28.4	29.0	27.9	28.3	27.0	27.3							
NGLs	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0	2.9	3.1	3.2	3.2	3.2	3.2
Total OPEC	30.4	29.4	29.3	30.7	31.3	31.9	30.8	31.3	29.9	30.3							
Total Supply³	75.2	74.2	75.3	76.2	77.1	78.2	76.7	77.7	76.0	76.9							
STOCK CHANGES AND MISCELLANEOUS																	
Reported OECD																	
Industry	0.2	-0.7	-0.4	1.0	0.4	-0.1	0.2	0.0	0.8	0.5							
Government	0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.0	0.0	0.0							
Total	0.3	-0.7	-0.4	1.0	0.4	-0.4	0.1	0.0	0.8	0.5							
Floating Storage/Oil in Transit	0.1	-0.1	0.0	0.1	0.0	0.4	0.1	0.1	-0.4	0.0							
Miscellaneous to balance ⁴	1.2	-0.3	-0.2	0.8	0.3	1.5	0.6	0.6	0.4	0.8							
Total Stock Ch. & Misc	1.6	-1.1	-0.7	1.9	0.7	1.4	0.8	0.7	0.8	1.3							
Memo items:																	
Call on OPEC crude + Stock ch. ⁵	26.1	27.7	27.1	25.9	27.7	27.6	27.1	27.6	26.2	26.0	26.0	26.5	25.8	24.6	25.9	27.3	25.9
Total Demand ex. FSU	69.9	71.6	72.3	70.9	72.9	73.1	72.3	73.2	71.6	72.0	72.6	72.3	72.8	71.4	72.7	74.3	72.8
Total demand exc. FSU (% ch) ⁶	0.6	2.4	-0.2	1.4	2.7	-0.1	1.0	1.2	1.0	-1.2	-0.6	0.1	-0.4	-0.2	1.0	2.4	0.7

¹ Measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers, refinery fuel, crude for direct burning,

oil from non-conventional sources and other sources of supply

² Net volumetric gains and losses in the refining process (excludes net gain/loss in former USSR, China and non-OECD Europe) and marine transportation losses

³ Comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply

⁴ Includes changes in non-reported stocks in OECD and non-OECD areas

⁵ Equals total demand minus total non-OPEC supply minus OPEC NGLs and thus includes "Miscellaneous to balance" for historical time periods

⁶ Year on year % growth in global oil demand excluding FSU

Table 1A
WORLD OIL SUPPLY AND DEMAND: CHANGES FROM LAST MONTH'S TABLE 1
(million barrels per day)

	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	1Q01	2Q01	3Q01	4Q01	2001	1Q02	2Q02	3Q02	4Q02	2002
OECD DEMAND																	
North America	-	-	-	-	-	-	-	-	-0.1	-0.1	0.2	0.1	0.1	-	-0.1	-	-
Europe	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-0.1	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-
Total OECD	-	-	-	-	-	-	-	-	-	-	0.2	0.1	0.1	-	-0.1	0.1	0.1
NON-OECD DEMAND																	
FSU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-
Latin America	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-	-	-0.1	-0.1	-	-0.1
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-	-0.1	-	-	-
Total Demand	-	-	-	-	-	-	-	-	-	-0.1	0.2	-	0.1	-	-0.1	0.1	-
OECD SUPPLY																	
North America	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	-	-	-0.1	-
Europe	-	-	-	-	-	-	-	-	-	-0.1	-	-	0.1	-	-	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	-	-	-	-	-	-	-	-	-	-0.1	0.1	-	0.1	-	-	-0.1	-
NON-OECD SUPPLY																	
FSU	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1	0.1	-	0.1	0.1
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	0.1	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	0.1	-	-	-	-	0.1	-	0.1	0.1	-	-	-	-	0.1	-
Middle East	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	-	0.1	-	-	0.1	0.1	0.1	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	0.1
Processing Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OPEC	-	0.1	0.1	0.1	-	-	-	0.1	0.1	-	0.2	0.1	0.1	0.2	0.1	-	0.1
OPEC																	
Crude	-0.3	-	-	-	-	-	-	-0.1	-0.1	-0.1	-	-	-	-	-	-	-
NGLs	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-	-
Total OPEC	-0.4	-	-	-	-	-	-	-	-0.1	-	-	-	-	-	-	-	-
Total Supply	-0.4	-	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
STOCK CHANGES AND MISCELLANEOUS																	
REPORTED OECD																	
Industry	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-
Floating Storage/Oil in Transit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous to balance	-0.4	-	0.1	0.1	0.1	-	0.1	-	0.1	-	-	-	-	-	-	-	-
Total Stock Ch. & Misc	-0.4	-	-	0.1	-	-	-	-	0.1	0.1	-	-	-	-	-	-	-
Memo items:																	
Call on OPEC crude + Stock ch.	-	-	-0.1	-	-0.1	-	-	-0.1	-0.1	-0.1	-0.1	-	-	-	-0.2	0.1	-
Total Demand ex. FSU	-	-	-	-	-	-	-	-	-	-0.1	0.2	-	-	-	-0.1	-	-

When submitting their monthly oil statistics, OECD Member countries periodically update data for prior periods. Similar updates to non-OECD data can occur.

Table 2
OECD REGIONAL OIL DEMAND¹
(million barrels per day)

	May			June			Second Quarter			July			August		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
North America															
LPG	2.75	2.33	-15.0	2.88	2.45	-15.0	2.84	2.49	-12.5	2.70	2.53	-6.3	2.82	2.69	-4.9
Naphtha	0.38	0.29	-24.0	0.37	0.25	-32.7	0.35	0.29	-17.0	0.45	0.29	-35.5	0.37	0.33	-10.8
Motor Gasoline	9.96	10.08	1.2	10.11	10.05	-0.6	9.88	9.97	1.0	9.95	10.30	3.5	10.26	10.31	0.4
Jet/Kerosene	1.91	1.98	3.9	1.95	2.01	2.8	1.92	1.97	2.4	2.03	2.02	-0.5	2.10	2.03	-3.2
Gasoil	4.59	4.62	0.7	4.40	4.43	0.6	4.40	4.55	3.4	4.16	4.38	5.2	4.62	4.62	0.0
Residual Fuel Oil	1.53	1.76	15.0	1.73	1.79	3.2	1.60	1.78	11.1	1.81	1.86	2.8	1.74	1.77	1.6
Other Products	3.03	2.73	-10.0	3.02	2.81	-7.1	2.84	2.69	-5.4	2.90	2.82	-2.7	3.10	2.91	-6.1
Total	24.13	23.79	-1.4	24.46	23.77	-2.8	23.84	23.74	-0.4	24.00	24.19	0.8	25.02	24.66	-1.5
Europe															
LPG	0.87	0.88	1.2	0.84	0.82	-2.6	0.88	0.88	-0.2	0.81	0.83	2.3	0.90	0.83	-7.9
Naphtha	1.18	1.18	0.1	1.15	1.09	-5.3	1.18	1.15	-2.4	1.08	1.10	1.9	1.20	1.09	-8.8
Motor Gasoline	3.16	3.06	-3.3	3.17	3.09	-2.6	3.13	3.05	-2.4	3.13	3.14	0.2	3.24	3.16	-2.6
Jet/Kerosene	1.09	1.11	1.8	1.17	1.16	-0.7	1.11	1.13	2.2	1.17	1.19	1.5	1.23	1.21	-2.0
Gasoil	5.07	5.19	2.4	5.21	5.37	3.2	5.13	5.29	3.1	5.07	5.60	10.5	5.54	5.60	1.0
Residual Fuel Oil	1.84	1.91	3.3	1.94	1.89	-2.9	1.89	1.87	-1.1	1.88	1.90	1.0	2.01	1.97	-2.0
Other Products	1.33	1.45	9.0	1.39	1.41	1.0	1.30	1.39	6.4	1.39	1.49	7.2	1.42	1.51	5.9
Total	14.56	14.79	1.6	14.88	14.83	-0.3	14.62	14.76	1.0	14.54	15.26	4.9	15.55	15.37	-1.2
Pacific															
LPG	0.87	0.89	2.4	0.82	0.91	10.4	0.87	0.90	3.5	0.83	0.79	-5.2	0.82	0.82	-1.0
Naphtha	1.32	1.38	4.2	1.36	1.34	-1.3	1.38	1.38	0.3	1.45	1.33	-7.6	1.50	1.41	-5.7
Motor Gasoline	1.56	1.55	-1.1	1.51	1.50	-0.5	1.52	1.51	-0.5	1.57	1.62	3.1	1.73	1.71	-1.1
Jet/Kerosene	0.77	0.75	-2.0	0.66	0.72	9.9	0.79	0.77	-2.1	0.65	0.64	-1.4	0.75	0.67	-10.4
Gasoil	1.84	1.81	-1.1	1.82	1.87	2.3	1.84	1.83	-0.5	1.75	1.74	-0.3	1.85	1.79	-3.2
Residual Fuel Oil	1.09	1.04	-4.1	1.14	1.04	-8.0	1.13	1.06	-6.7	1.15	1.18	3.3	1.22	1.10	-10.4
Other Products	0.56	0.55	-1.1	0.63	0.53	-16.0	0.57	0.55	-4.1	0.66	0.62	-5.2	0.68	0.65	-4.3
Total	8.00	7.97	-0.3	7.94	7.91	-0.3	8.09	8.00	-1.2	8.05	7.93	-1.4	8.55	8.14	-4.7
OECD															
LPG	4.49	4.11	-8.5	4.55	4.18	-8.1	4.59	4.26	-7.1	4.35	4.15	-4.5	4.55	4.33	-4.8
Naphtha	2.88	2.85	-1.2	2.88	2.68	-6.9	2.91	2.82	-2.9	2.97	2.72	-8.4	3.07	2.84	-7.5
Motor Gasoline	14.68	14.68	0.0	14.79	14.64	-1.0	14.52	14.53	0.1	14.66	15.07	2.7	15.23	15.18	-0.4
Jet/Kerosene	3.76	3.84	2.1	3.78	3.89	3.0	3.82	3.87	1.4	3.85	3.85	0.0	4.08	3.91	-4.2
Gasoil	11.49	11.63	1.2	11.43	11.67	2.1	11.38	11.68	2.6	10.98	11.72	6.8	12.01	12.01	0.0
Residual Fuel Oil	4.46	4.71	5.5	4.81	4.72	-1.9	4.63	4.71	1.7	4.83	4.94	2.2	4.97	4.83	-2.8
Other Products	4.92	4.73	-3.8	5.04	4.74	-6.0	4.71	4.62	-2.0	4.95	4.94	-0.2	5.20	5.07	-2.6
Total	46.69	46.55	-0.3	47.28	46.52	-1.6	46.56	46.50	-0.1	46.59	47.38	1.7	49.12	48.17	-1.9

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils. North America comprises US 50 states, US territories, Mexico and Canada.

Table 3
OIL DEMAND AND % GROWTH IN DEMAND IN SELECTED OECD COUNTRIES¹
(million barrels per day)

	Second Quarter			July			August			September			Third Quarter		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
LPG	2.04	1.84	-9.8	1.98	1.90	-3.9	2.09	1.94	-7.0	2.04	2.11	3.7	2.03	1.98	-2.5
Naphtha	0.28	0.21	-22.4	0.35	0.20	-43.9	0.30	0.24	-17.9	0.38	0.23	-39.6	0.34	0.22	-34.8
Motor Gasoline	8.61	8.67	0.7	8.66	8.97	3.6	8.92	8.94	0.2	8.52	8.56	0.5	8.70	8.83	1.4
Jet/Kerosene	1.73	1.77	2.7	1.81	1.81	0.2	1.87	1.81	-3.6	1.82	1.56	-14.0	1.83	1.73	-5.7
Gasoil	3.56	3.73	4.6	3.37	3.58	6.3	3.73	3.75	0.8	3.74	3.63	-2.8	3.61	3.65	1.3
Residual Fuel Oil	0.81	0.99	21.3	1.09	1.06	-3.1	0.94	0.97	3.6	0.90	0.82	-8.0	0.98	0.95	-2.4
Other Products	2.45	2.36	-3.9	2.46	2.37	-3.7	2.65	2.43	-8.4	2.45	2.16	-11.9	2.52	2.32	-8.0
Total	19.48	19.57	0.5	19.72	19.89	0.9	20.49	20.09	-2.0	19.84	19.08	-3.8	20.02	19.69	-1.6
Japan³															
LPG	0.56	0.57	3.1	0.52	0.49	-5.0	0.53	0.51	-4.1	0.53	0.53	-0.4	0.53	0.51	-3.2
Naphtha	0.77	0.76	-1.0	0.85	0.71	-16.4	0.85	0.79	-6.3	0.79	0.78	-2.3	0.83	0.76	-8.5
Motor Gasoline	0.97	0.98	0.7	1.06	1.10	4.2	1.16	1.14	-2.0	1.04	1.00	-3.7	1.09	1.08	-0.5
Jet/Kerosene	0.50	0.51	1.1	0.43	0.44	2.1	0.47	0.46	-3.5	0.57	0.52	-9.2	0.49	0.47	-4.0
Diesel	0.67	0.65	-2.4	0.69	0.70	1.3	0.70	0.68	-4.2	0.71	0.67	-5.9	0.70	0.68	-3.0
Other Gasoil	0.50	0.49	-0.1	0.47	0.48	3.9	0.49	0.47	-4.3	0.54	0.51	-6.3	0.50	0.49	-2.4
Residual Fuel Oil	0.61	0.56	-7.7	0.67	0.69	3.3	0.73	0.64	-11.5	0.71	0.53	-24.5	0.70	0.62	-11.0
Direct use of Crude Oil	0.11	0.09	-16.0	0.19	0.17	-13.1	0.23	0.19	-18.3	0.19	0.08	-59.4	0.21	0.15	-29.3
Other Products	0.33	0.34	4.1	0.38	0.35	-8.6	0.35	0.34	-2.1	0.37	0.35	-5.4	0.37	0.35	-5.5
Total	5.01	4.97	-0.9	5.26	5.14	-2.3	5.51	5.22	-5.4	5.46	4.96	-9.1	5.41	5.11	-5.6
Germany															
LPG	0.09	0.10	10.7	0.10	0.09	-9.7	0.10	0.09	-4.7	0.09	0.09	-7.7	0.10	0.09	-7.4
Naphtha	0.39	0.38	-1.0	0.38	0.36	-3.9	0.38	0.35	-6.7	0.34	0.36	5.4	0.37	0.36	-2.1
Motor Gasoline	0.70	0.67	-3.3	0.68	0.67	-0.6	0.68	0.67	-1.3	0.69	0.65	-5.4	0.68	0.67	-2.4
Jet/Kerosene	0.16	0.15	-3.2	0.17	0.16	-3.4	0.17	0.16	-3.5	0.17	0.16	-5.1	0.17	0.16	-4.0
Diesel	0.54	0.52	-3.8	0.53	0.56	5.0	0.55	0.56	1.4	0.56	0.53	-4.9	0.55	0.55	0.5
Other Gasoil	0.53	0.62	15.7	0.58	0.83	41.6	0.86	0.85	-0.7	0.80	0.80	0.6	0.75	0.83	10.9
Residual Fuel Oil	0.16	0.19	15.1	0.18	0.17	-3.0	0.17	0.18	5.1	0.17	0.16	-0.9	0.17	0.17	0.4
Other Products	0.13	0.14	7.2	0.14	0.14	-0.1	0.17	0.15	-9.2	0.17	0.13	-24.7	0.16	0.14	-11.9
Total	2.69	2.76	2.8	2.76	2.99	8.4	3.07	3.02	-1.6	3.00	2.89	-3.4	2.94	2.97	1.0
Italy															
LPG	0.12	0.12	0.4	0.11	0.11	1.7	0.12	0.12	-2.2	0.12	0.14	15.6	0.12	0.12	5.1
Naphtha	0.11	0.10	-3.6	0.09	0.10	8.8	0.09	0.10	4.3	0.09	0.12	37.9	0.09	0.10	16.4
Motor Gasoline	0.41	0.40	-2.5	0.40	0.41	1.8	0.42	0.41	-1.4	0.40	0.41	3.2	0.41	0.41	1.1
Jet/Kerosene	0.08	0.07	-5.6	0.09	0.09	-4.3	0.09	0.09	4.5	0.09	0.10	9.5	0.09	0.09	3.3
Diesel	0.38	0.42	12.7	0.39	0.43	12.2	0.33	0.36	8.2	0.39	0.44	13.0	0.37	0.41	11.3
Other Gasoil	0.14	0.11	-26.3	0.15	0.14	-8.6	0.13	0.13	6.5	0.18	0.20	7.8	0.15	0.16	2.1
Residual Fuel Oil	0.42	0.38	-11.0	0.44	0.46	5.9	0.48	0.44	-7.3	0.48	0.49	1.7	0.46	0.46	-0.1
Other Products	0.15	0.17	12.3	0.15	0.19	26.6	0.17	0.19	13.3	0.18	0.14	-19.1	0.16	0.17	5.9
Total	1.81	1.77	-2.0	1.81	1.93	6.2	1.82	1.84	1.2	1.93	2.04	5.8	1.85	1.93	4.4
France															
LPG	0.09	0.10	3.4	0.08	0.08	-3.0	0.08	0.08	-5.6	0.09	0.09	-1.4	0.08	0.08	-3.3
Naphtha	0.20	0.20	0.4	0.20	0.21	0.4	0.21	0.21	0.4	0.18	0.17	-7.9	0.20	0.20	-2.1
Motor Gasoline	0.34	0.32	-5.4	0.35	0.34	-0.5	0.35	0.35	-0.2	0.30	0.31	2.7	0.33	0.34	0.6
Jet/Kerosene	0.14	0.13	-3.2	0.15	0.15	-3.0	0.17	0.14	-15.4	0.15	0.13	-13.0	0.16	0.14	-10.6
Diesel	0.57	0.59	3.5	0.57	0.61	8.4	0.54	0.57	5.4	0.54	0.59	10.2	0.55	0.59	8.0
Other Gasoil	0.28	0.30	9.7	0.30	0.35	16.1	0.35	0.36	4.2	0.21	0.46	120.6	0.29	0.39	35.8
Residual Fuel Oil	0.12	0.10	-9.6	0.11	0.09	-11.5	0.10	0.09	-11.1	0.11	0.11	-0.8	0.10	0.10	-7.7
Other Products	0.19	0.21	12.2	0.21	0.22	6.5	0.18	0.19	7.8	0.22	0.23	5.1	0.20	0.21	6.4
Total	1.92	1.96	2.1	1.96	2.05	4.6	1.97	1.99	0.9	1.80	2.09	15.9	1.91	2.04	6.8
United Kingdom															
LPG	0.13	0.14	8.0	0.09	0.13	38.4	0.14	0.12	-14.2	0.12	0.14	13.0	0.12	0.13	9.1
Naphtha	0.06	0.04	-31.5	0.05	0.06	20.6	0.06	0.06	-1.4	0.06	0.04	-35.1	0.06	0.05	-7.4
Motor Gasoline	0.47	0.47	-0.5	0.50	0.47	-4.7	0.50	0.46	-8.0	0.49	0.49	0.5	0.49	0.47	-4.2
Jet/Kerosene	0.30	0.33	10.3	0.30	0.33	12.1	0.33	0.34	1.8	0.35	0.37	4.2	0.33	0.35	5.8
Diesel	0.31	0.33	5.1	0.30	0.32	7.3	0.31	0.33	4.8	0.32	0.33	2.0	0.31	0.33	4.7
Other Gasoil	0.18	0.15	-13.3	0.17	0.14	-20.8	0.18	0.16	-10.4	0.19	0.15	-17.2	0.18	0.15	-16.1
Residual Fuel Oil	0.08	0.11	36.9	0.08	0.07	-5.4	0.08	0.09	9.4	0.08	0.08	-4.4	0.08	0.08	-0.1
Other Products	0.14	0.14	-0.7	0.14	0.15	5.4	0.16	0.16	5.5	0.17	0.14	-18.0	0.16	0.15	-3.0
Total	1.66	1.70	2.5	1.63	1.68	2.9	1.75	1.71	-2.4	1.79	1.74	-2.8	1.72	1.71	-0.8
Canada															
LPG	0.39	0.25	-36.7	0.31	0.24	-23.3	0.33	0.34	2.1	0.34	0.32	-6.5	0.33	0.30	-8.9
Naphtha	0.07	0.08	14.3	0.09	0.08	-8.0	0.07	0.08	11.6	0.08	0.04	-53.7	0.08	0.07	-16.9
Motor Gasoline	0.66	0.67	1.8	0.70	0.71	1.5	0.72	0.73	1.5	0.66	0.67	0.4	0.70	0.70	1.1
Jet/Kerosene	0.10	0.10	-3.4	0.12	0.11	-10.8	0.13	0.12	-1.6	0.13	0.12	-8.2	0.13	0.12	-6.9
Diesel	0.17	0.18	2.4	0.17	0.18	6.6	0.18	0.17	-1.6	0.20	0.19	-5.9	0.18	0.18	-0.7
Other Gasoil	0.29	0.28	-5.6	0.26	0.26	0.3	0.31	0.31	-1.9	0.31	0.29	-7.8	0.29	0.28	-3.3
Residual Fuel Oil	0.11	0.15	32.3	0.11	0.13	13.3	0.10	0.13	28.6	0.16	0.10	-37.8	0.12	0.12	-3.4
Other Products	0.26	0.27	1.3	0.32	0.31	-2.5	0.31	0.32	6.2	0.30	0.30	-1.3	0.31	0.31	0.8
Total	2.07	1.97	-4.6	2.07	2.00	-3.1	2.15	2.22	3.0	2.18	2.01	-7.9	2.14	2.08	-2.6

¹ Demand, measured as deliveries from refineries and primary stocks, comprises inland deliveries, international bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply. Jet/kerosene comprises jet kerosene and non-aviation kerosene. Gasoil comprises diesel, light heating oil and other gasoils.

² US figures exclude US territories.

³ In Japan, the breakdown between Diesel and Other Gasoil in the latest month is estimated.

Table 4
WORLD OIL PRODUCTION
(million barrels per day)

	2000	2001	2002	2Q01	3Q01	4Q01	1Q02	2Q02	Sep 01	Oct 01	Nov 01
OPEC											
Crude Oil											
Saudi Arabia	8.00			7.68	7.74				7.60	7.45	7.39
Iran	3.69			3.72	3.74				3.62	3.45	3.45
Iraq	2.57			2.23	2.49				2.55	2.82	2.77
UAE	2.24			2.15	2.08				2.02	2.00	2.00
Kuwait	1.77			1.71	1.70				1.65	1.64	1.63
Neutral Zone	0.63			0.62	0.66				0.66	0.63	0.61
Qatar	0.69			0.69	0.68				0.65	0.61	0.61
Nigeria	2.04			2.01	2.05				2.13	2.17	2.08
Libya	1.41			1.38	1.38				1.34	1.31	1.29
Algeria	0.81			0.83	0.85				0.83	0.84	0.82
Venezuela	2.89			2.80	2.77				2.68	2.67	2.67
Indonesia	1.20			1.21	1.19				1.17	1.26	1.19
Total Crude Oil	27.92			27.03	27.32				26.89	26.85	26.51
Total NGLs ¹	2.88	2.95	3.16	2.91	2.95	3.01	3.11	3.15	2.97	3.00	3.00
Total OPEC	30.80			29.94	30.26				29.86	29.85	29.51
NON-OPEC²											
OECD											
North America	14.30	14.36	14.67	14.25	14.42	14.54	14.78	14.65	14.48	14.21	14.70
United States	8.11	8.06	8.08	8.06	8.12	8.21	8.26	8.07	8.16	8.10	8.30
Mexico	3.45	3.55	3.64	3.49	3.62	3.54	3.63	3.65	3.62	3.41	3.61
Canada	2.74	2.74	2.96	2.69	2.68	2.79	2.89	2.93	2.71	2.70	2.80
Europe	6.78	6.70	6.79	6.46	6.54	7.03	7.06	6.80	6.61	7.03	7.01
UK	2.70	2.55	2.53	2.49	2.46	2.69	2.66	2.46	2.47	2.70	2.69
Norway	3.32	3.42	3.50	3.30	3.38	3.56	3.60	3.57	3.39	3.55	3.54
Others	0.75	0.73	0.77	0.67	0.71	0.79	0.80	0.78	0.75	0.79	0.78
Pacific	0.85	0.78	0.71	0.77	0.76	0.77	0.75	0.70	0.73	0.77	0.77
Australia	0.79	0.72	0.66	0.71	0.71	0.71	0.69	0.64	0.67	0.72	0.71
Others	0.06	0.06	0.05	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	21.93	21.84	22.18	21.47	21.72	22.34	22.59	22.15	21.82	22.02	22.48
NON-OECD											
Former USSR	7.92	8.55	9.06	8.47	8.67	8.79	8.87	8.97	8.67	8.72	8.81
Russia	6.50	7.02	7.45	6.92	7.16	7.25	7.29	7.37	7.22	7.23	7.26
Others	1.42	1.53	1.61	1.55	1.52	1.54	1.58	1.60	1.46	1.50	1.55
Asia	5.55	5.67	5.72	5.65	5.68	5.69	5.71	5.71	5.70	5.72	5.68
China	3.23	3.29	3.33	3.31	3.28	3.28	3.30	3.32	3.29	3.31	3.27
Malaysia	0.75	0.75	0.77	0.75	0.75	0.75	0.77	0.77	0.75	0.75	0.75
India	0.73	0.73	0.72	0.70	0.73	0.74	0.74	0.73	0.75	0.74	0.74
Others	0.84	0.90	0.89	0.89	0.91	0.92	0.91	0.90	0.91	0.92	0.92
Europe	0.18	0.18	0.17	0.18	0.18	0.18	0.17	0.17	0.18	0.18	0.18
Latin America	3.80	3.80	3.83	3.75	3.86	3.75	3.81	3.82	3.89	3.66	3.80
Brazil	1.53	1.58	1.71	1.56	1.60	1.57	1.65	1.69	1.61	1.47	1.61
Argentina	0.81	0.82	0.80	0.83	0.83	0.82	0.81	0.80	0.82	0.82	0.82
Colombia	0.70	0.62	0.57	0.58	0.66	0.60	0.59	0.57	0.68	0.60	0.60
Ecuador	0.39	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.41	0.42	0.42
Others	0.36	0.36	0.34	0.36	0.36	0.36	0.35	0.34	0.36	0.36	0.36
Middle East³	1.99	1.99	1.93	2.00	1.98	1.96	1.95	1.94	1.96	1.97	1.96
Oman	0.96	0.97	0.94	0.97	0.96	0.95	0.95	0.95	0.94	0.96	0.95
Syria	0.54	0.52	0.49	0.52	0.51	0.51	0.50	0.50	0.51	0.51	0.51
Yemen	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Africa	2.83	2.83	2.84	2.82	2.82	2.86	2.87	2.85	2.83	2.85	2.85
Egypt	0.81	0.75	0.72	0.74	0.75	0.75	0.74	0.72	0.75	0.76	0.75
Angola	0.75	0.72	0.75	0.72	0.71	0.73	0.75	0.75	0.71	0.72	0.73
Gabon	0.31	0.30	0.29	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.31
Others	0.97	1.05	1.08	1.05	1.06	1.08	1.08	1.08	1.07	1.07	1.07
Total Non-OECD	22.28	23.02	23.55	22.86	23.19	23.23	23.38	23.46	23.23	23.10	23.28
Processing Gains ⁴	1.72	1.76	1.80	1.74	1.74	1.78	1.82	1.78	1.74	1.78	1.78
TOTAL NON-OPEC	45.92	46.62	47.53	46.06	46.65	47.34	47.78	47.38	46.78	46.90	47.53
TOTAL SUPPLY	76.72			76.01	76.91				76.64	76.74	77.04

¹ Includes condensates reported by OPEC countries, oil from non-conventional sources, e.g. Orimulsion, and non-oil inputs to Saudi Arabian MTBE

² Comprises crude oil, condensates, NGLs and oil from non-conventional sources

³ Includes small amounts of production from Israel, Jordan and Bahrain

⁴ Net volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe) and marine transportation losses

Table 4A
OIL SUPPLY IN OECD COUNTRIES¹
(thousand of barrels per day)

	2000	2001	2002	2Q01	3Q01	4Q01	1Q02	2Q02	Sep-01	Oct-01	Nov-01
United States											
Alaska	970	972	973	972	941	971	1015	979	911	904	1042
California	836	801	761	799	800	794	781	768	796	796	795
Texas	1234	1197	1126	1204	1190	1176	1156	1136	1185	1180	1176
Federal Gulf of Mexico ²	1396	1512	1634	1490	1522	1587	1637	1653	1518	1536	1606
Other US Lower 48	1375	1325	1242	1331	1316	1297	1275	1253	1306	1305	1296
NGLs ³	1908	1870	1939	1889	1954	1989	1999	1879	2027	1984	1989
Other Hydrocarbons	389	386	402	376	397	399	400	401	415	398	394
Total	8108	8064	8077	8062	8122	8213	8263	8069	8158	8104	8300
Canada											
Alberta Light/Medium/Heavy	764	720	719	724	711	701	685	729	705	705	702
Alberta Bitumen	271	309	310	319	306	301	294	313	300	304	301
Saskatchewan	416	422	418	412	427	423	413	415	430	423	424
Other Crude	227	224	303	222	225	228	267	291	233	222	221
NGLs	738	715	745	694	686	740	760	730	700	720	740
Synthetic Crudes	322	348	466	321	326	391	470	454	340	325	410
Total	2739	2738	2961	2693	2681	2785	2888	2933	2709	2698	2797
Mexico											
Crude	3012	3118	3185	3059	3179	3109	3180	3195	3177	2993	3165
NGLs	438	436	450	432	441	432	450	450	439	417	440
Total	3450	3554	3635	3492	3620	3541	3630	3645	3616	3410	3605
UK Offshore⁴											
Brent Fields	339	287	237	311	250	283	265	229	226	288	283
Forties Fields	775	767	878	726	746	851	880	875	793	840	852
Ninian Fields	140	124	100	122	121	116	109	96	119	118	116
Flotta Fields	177	136	109	128	130	125	120	105	122	129	125
Other Fields	984	926	887	888	917	996	961	849	908	1010	1001
NGLs	224	255	262	257	230	256	273	251	237	257	258
Total	2639	2494	2474	2432	2396	2628	2608	2405	2405	2642	2635
Norway⁴											
Ekofisk-Ula Area	461	467	474	483	398	497	486	487	460	514	488
Oseberg-Troll Area	731	740	766	701	724	788	786	782	707	797	787
Statfjord-Gullfaks Area	926	948	961	892	1007	956	983	978	993	957	925
Haltenbanken Area	766	769	747	749	785	782	776	766	790	784	779
Sleipner-Frigg Area	316	291	320	275	267	325	334	329	285	291	342
NGLs	121	205	228	200	195	213	230	225	158	207	216
Total	3320	3420	3496	3300	3375	3561	3595	3566	3393	3549	3537
Other OECD Europe											
Other N Sea Crude/NGLs ⁵	403	384	405	335	373	423	419	410	431	424	413
UK Onshore	66	59	51	58	59	57	55	52	62	57	57
Italy	74	71	116	60	60	100	120	117	57	90	100
Turkey	53	51	49	50	54	52	51	50	53	53	52
Other	164	166	152	166	165	160	157	154	157	164	159
NGLs (excl. North Sea)	29	27	20	28	22	21	21	20	22	21	21
Non-Conventional Oils	32	29	28	30	33	30	29	29	26	32	30
Total	820	786	822	726	766	844	852	832	808	842	833
Australia											
Gippsland Basin	178	156	144	156	156	155	149	144	157	155	155
Cooper-Eromanga Basin	28	25	22	25	24	24	23	22	24	24	24
Carnarvon Basin	328	333	319	321	326	339	329	319	310	340	339
Other Crude	188	135	105	136	120	123	116	82	106	124	122
NGLs	70	71	75	67	77	72	75	75	76	72	72
Total	791	720	665	705	705	712	692	643	672	715	711
Other OECD Pacific											
New Zealand	36	34	31	36	34	33	32	32	33	34	33
Japan	7	6	6	6	6	6	6	6	6	6	6
NGLs	16	17	16	17	17	17	16	16	17	17	17
Synthetic Fuels	3	2	2	3	2	2	2	2	2	2	2
Total	62	60	54	61	59	58	56	55	58	58	58
OECD											
Crude Oil	17631	17468	17546	17150	17336	17772	17853	17609	17354	17559	17879
NGLs	3551	3603	3741	3590	3629	3747	3831	3653	3682	3703	3760
Non-Conventional Oils	746	764	898	730	759	823	901	885	783	757	836
Total	21929	21836	22184	21470	21724	22342	22585	22147	21819	22019	22476

¹ Subcategories refer to crude oil only unless otherwise noted

² Only production from Federal waters is included

³ When possible, condensates from natural gas processing plants are included with NGLs, while field condensates are counted as crude oil

⁴ North Sea production is grouped by area including all fields being processed through the named facility, ie, not just the field of that name

⁵ Other North Sea NGLs is included

Table 5
OECD INDUSTRY STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Jun2001	Jul2001	Aug2001	Sep2001	Oct2001*	Oct1998	Oct1999	Oct2000	4Q2000	1Q2001	2Q2001	3Q2001
North America												
Crude	406	416	414	418	422	426	407	382	0.04	0.22	-0.08	0.13
Motor Gasoline	250	238	225	236	238	232	233	217	0.02	0.02	0.24	-0.14
Middle Distillate	190	202	198	205	205	230	218	190	0.08	-0.18	0.13	0.16
Residual Fuel Oil	53	48	44	47	48	51	51	45	-0.01	0.04	0.04	-0.06
Total Products ³	672	673	656	680	671	706	666	624	-0.25	-0.12	0.74	0.10
Total ⁴	1227	1238	1223	1255	1252	1301	1230	1160	-0.37	0.13	0.77	0.32
Europe												
Crude	315	307	310	322	319	335	320	296	-0.03	0.22	-0.15	0.07
Motor Gasoline	121	122	117	117	114	132	123	127	0.00	0.00	-0.01	-0.04
Middle Distillate	225	228	232	219	221	284	254	227	0.07	-0.24	0.11	-0.06
Residual Fuel Oil	82	79	81	77	78	91	83	84	0.09	0.00	-0.04	-0.05
Total Products ³	539	543	549	531	530	598	552	540	0.22	-0.26	0.13	-0.09
Total ⁴	914	911	921	919	916	994	932	905	0.20	-0.09	-0.05	0.05
Pacific												
Crude	183	176	178	174	182	187	183	171	0.04	0.11	0.01	-0.10
Motor Gasoline	26	26	26	26	26	23	26	27	-0.02	0.03	0.00	0.00
Middle Distillate	73	78	83	87	94	93	89	92	0.01	-0.20	0.08	0.15
Residual Fuel Oil	24	24	25	25	25	25	23	25	-0.01	0.02	-0.01	0.00
Total Products ³	194	201	209	211	217	209	211	219	-0.01	-0.21	0.12	0.18
Total ⁴	457	457	467	473	486	482	474	470	0.03	-0.08	0.11	0.18
Total OECD												
Crude	904	899	902	914	924	948	910	849	0.05	0.55	-0.22	0.10
Motor Gasoline	397	385	368	379	378	387	381	371	-0.01	0.04	0.23	-0.19
Middle Distillate	488	508	513	511	521	607	561	509	0.17	-0.62	0.32	0.25
Residual Fuel Oil	159	150	149	148	152	167	157	154	0.08	0.06	-0.01	-0.12
Total Products ³	1405	1416	1413	1421	1418	1513	1429	1383	-0.03	-0.59	1.00	0.19
Total ⁴	2598	2606	2611	2647	2654	2776	2635	2536	-0.15	-0.04	0.83	0.55

OECD GOVERNMENT-CONTROLLED STOCKS^{5,6} AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ²					PRIOR YEARS' STOCKS ²			STOCK CHANGES			
	in Million Barrels					in Million Barrels			in mb/d			
	Jun2001	Jul2001	Aug2001	Sep2001	Oct2001*	Oct1998	Oct1999	Oct2000	4Q2000	1Q2001	2Q2001	3Q2001
North America												
Crude	543	544	544	545	545	564	572	565	-0.32	0.02	0.01	0.02
Products ⁷	2	2	2	2	2	0	0	2	0.01	0.00	0.00	0.00
Europe												
Crude	140	139	137	142	142	144	151	137	-0.01	-0.01	0.03	0.02
Products	207	204	204	201	201	214	196	214	0.03	-0.03	-0.07	-0.06
Pacific												
Crude	314	314	314	313	312	315	315	312	0.01	0.01	0.00	-0.02
Total OECD												
Crude	998	997	995	1000	999	1023	1039	1013	-0.32	0.02	0.04	0.02
Products	209	206	206	203	203	214	196	216	0.03	-0.03	-0.07	-0.06
Total ⁴	1207	1204	1202	1203	1203	1238	1236	1231	-0.29	0.00	-0.03	-0.04

* estimated

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

2 closing stock levels

3 total products includes gasoline, middle distillates, fuel oil and other products

4 total includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

5 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

6 Korean government stocks are excluded for reasons of confidentiality

7 US government-controlled heating oil stocks amount to 2 mb; the difference to North American stock changes is due to rounding.

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED COUNTRIES

(million barrels)

	May			June			July			August			September		
	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%	2000	2001	%
United States²															
Crude	297.9	326.2	9.5	293.8	305.4	3.9	285.7	311.0	8.9	290.7	305.9	5.2	282.0	307.0	8.9
Motor Gasoline	207.6	212.5	2.4	209.5	220.5	5.3	209.4	208.4	-0.5	194.4	193.2	-0.6	196.9	205.6	4.4
Middle Distillate	149.5	152.3	1.9	152.7	160.3	5.0	158.9	171.3	7.8	157.0	167.3	6.6	161.2	174.0	7.9
Residual Fuel Oil	37.3	41.1	10.2	37.0	42.7	15.4	35.4	39.1	10.5	37.1	35.6	-4.0	37.7	37.1	-1.6
Other Products	131.5	143.1	8.8	137.6	151.8	10.3	148.8	156.0	4.8	151.3	160.0	5.8	151.3	162.7	7.5
Total Products	525.9	549.0	4.4	536.8	575.3	7.2	552.5	574.8	4.0	539.8	556.1	3.0	547.1	579.4	5.9
Other ³	128.8	133.4	3.6	130.6	135.0	3.4	135.6	135.2	-0.3	134.2	139.5	3.9	132.8	143.8	8.3
Total	952.6	1008.6	5.9	961.2	1015.7	5.7	973.8	1021.0	4.8	964.7	1001.5	3.8	961.9	1030.2	7.1
Japan															
Crude	130.5	136.1	4.3	134.2	139.0	3.6	132.4	132.6	0.2	122.2	128.5	5.2	116.3	128.3	10.3
Motor Gasoline	15.7	14.6	-7.0	13.9	14.3	2.9	13.5	13.2	-2.2	13.6	13.8	1.5	13.3	13.7	3.0
Middle Distillate	44.0	43.2	-1.8	43.8	42.4	-3.2	47.9	44.8	-6.5	53.9	51.7	-4.1	52.4	54.9	4.8
Residual Fuel Oil	9.9	11.0	11.1	8.7	10.3	18.4	9.4	9.0	-4.3	9.7	9.7	0.0	9.5	10.2	7.4
Other Products	46.9	53.2	13.4	46.2	50.8	10.0	48.6	52.2	7.4	52.6	57.1	8.6	51.2	56.2	9.8
Total Products	116.5	122.0	4.7	112.6	117.8	4.6	119.4	119.2	-0.2	129.8	132.3	1.9	126.4	135.0	6.8
Other ³	72.1	74.9	3.9	70.3	70.4	0.1	73.3	70.0	-4.5	73.3	72.6	-1.0	71.6	77.6	8.4
Total	319.1	333.0	4.4	317.1	327.2	3.2	325.1	321.8	-1.0	325.3	333.4	2.5	314.3	340.9	8.5
Germany															
Crude	21.7	19.5	-10.1	20.4	19.9	-2.5	19.7	22.8	15.7	19.0	21.5	13.2	18.8	19.8	5.3
Motor Gasoline	11.0	11.7	6.4	11.3	12.0	6.2	12.9	13.1	1.6	11.2	11.9	6.3	11.9	10.3	-13.4
Middle Distillate	18.2	20.0	9.9	14.6	15.4	5.5	17.6	15.9	-9.7	14.8	16.7	12.8	17.4	15.8	-9.2
Residual Fuel Oil	8.6	9.6	11.6	9.2	9.4	2.2	10.2	9.1	-10.8	9.7	9.6	-1.0	9.5	9.9	4.2
Other Products	12.2	12.6	3.3	12.7	12.2	-3.9	12.3	12.3	0.0	12.5	13.0	4.0	12.1	13.5	11.6
Total Products	50.0	53.9	7.8	47.8	49.0	2.5	53.0	50.4	-4.9	48.2	51.2	6.2	50.9	49.5	-2.8
Other ³	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	71.7	73.4	2.4	68.2	68.9	1.0	72.7	73.2	0.7	67.2	72.7	8.2	69.7	69.3	-0.6
Italy															
Crude	36.4	41.0	12.6	41.6	38.1	-8.4	37.8	40.2	6.3	39.7	42.5	7.1	41.8	39.8	-4.8
Motor Gasoline	24.6	21.0	-14.6	23.4	21.4	-8.5	23.6	20.3	-14.0	22.8	19.7	-13.6	24.4	19.5	-20.1
Middle Distillate	29.5	29.7	0.7	28.7	28.0	-2.4	31.3	29.2	-6.7	32.0	30.6	-4.4	32.5	29.0	-10.8
Residual Fuel Oil	19.3	20.0	3.6	16.6	17.9	7.8	15.5	15.4	-0.6	16.5	16.3	-1.2	15.0	14.7	-2.0
Other Products	11.7	18.5	58.1	12.4	19.2	54.8	12.8	18.1	41.4	12.7	19.5	53.5	13.0	20.1	54.6
Total Products	85.1	89.2	4.8	81.1	86.5	6.7	83.2	83.0	-0.2	84.0	86.1	2.5	84.9	83.3	-1.9
Other ³	8.5	7.8	-8.2	11.9	6.9	-42.0	11.6	8.0	-31.0	11.5	9.8	-14.8	11.8	11.9	0.8
Total	130.0	138.0	6.2	134.6	131.5	-2.3	132.6	131.2	-1.1	135.2	138.4	2.4	138.5	135.0	-2.5
France															
Crude	43.4	40.8	-6.0	44.0	42.1	-4.3	39.6	35.6	-10.1	36.3	38.1	5.0	36.5	38.1	4.4
Motor Gasoline	13.2	12.3	-6.8	13.1	11.7	-10.7	12.8	11.6	-9.4	13.3	10.8	-18.8	13.3	12.1	-9.0
Middle Distillate	34.4	29.0	-15.7	33.6	28.5	-15.2	34.3	26.9	-21.6	33.7	27.7	-17.8	36.5	25.9	-29.0
Residual Fuel Oil	6.9	7.8	13.0	7.7	7.2	-6.5	7.8	6.6	-15.4	9.0	7.8	-13.3	7.6	6.4	-15.8
Other Products	8.3	9.1	9.6	8.5	10.1	18.8	8.8	9.9	12.5	9.3	10.6	14.0	8.7	9.8	12.6
Total Products	62.8	58.2	-7.3	62.9	57.5	-8.6	63.7	55.0	-13.7	65.3	56.9	-12.9	66.1	54.2	-18.0
Other ³	11.4	11.4	0.0	11.9	10.6	-10.9	12.4	11.9	-4.0	13.0	12.3	-5.4	13.0	13.3	2.3
Total	117.6	110.4	-6.1	118.8	110.2	-7.2	115.7	102.5	-11.4	114.6	107.3	-6.4	115.6	105.6	-8.7
United Kingdom															
Crude	30.8	35.8	16.2	31.8	33.9	6.6	37.7	34.3	-9.0	34.9	32.7	-6.3	33.6	33.1	-1.5
Motor Gasoline	8.9	8.8	-1.1	8.2	8.9	8.5	8.5	8.9	4.7	8.5	10.0	17.6	10.4	10.5	1.0
Middle Distillate	21.9	21.2	-3.2	21.5	23.0	7.0	21.2	23.5	10.8	20.6	22.5	9.2	17.0	18.9	11.2
Residual Fuel Oil	5.6	4.9	-12.5	5.8	5.1	-12.1	5.6	4.9	-12.5	5.6	4.2	-25.0	5.0	4.3	-14.0
Other Products	14.8	16.8	13.5	15.7	18.6	18.5	15.5	20.2	30.3	15.6	19.8	26.9	16.2	19.9	22.8
Total Products	51.2	51.7	1.0	51.2	55.6	8.6	50.8	57.5	13.2	50.3	56.5	12.3	48.6	53.6	10.3
Other ³	12.9	11.1	-14.0	13.5	12.2	-9.6	14.1	11.3	-19.9	12.9	10.3	-20.2	13.4	10.9	-18.7
Total	94.9	98.6	3.9	96.5	101.7	5.4	102.6	103.1	0.5	98.1	99.5	1.4	95.6	97.6	2.1
Canada⁴															
Crude	70.2	79.5	13.2	69.1	74.2	7.4	70.7	74.8	5.8	73.0	74.8	2.5	71.3	74.8	4.9
Motor Gasoline	16.5	15.4	-6.7	16.0	15.9	-0.6	15.6	16.5	5.8	14.6	16.5	13.0	15.1	16.5	9.3
Middle Distillate	18.4	19.0	3.3	19.0	19.9	4.7	20.1	21.0	4.5	18.7	21.0	12.3	18.3	21.0	14.8
Residual Fuel Oil	4.0	4.4	10.0	3.7	4.6	24.3	4.1	4.7	14.6	4.1	4.7	14.6	3.6	4.7	30.6
Other Products	21.2	21.9	3.3	20.8	19.8	-4.8	21.1	21.1	0.0	20.8	21.1	1.4	21.1	21.1	0.0
Total Products	60.1	60.7	1.0	59.5	60.2	1.2	60.9	63.3	3.9	58.2	63.3	8.8	58.1	63.3	9.0
Other ³	11.5	11.7	1.7	14.5	13.9	-4.1	16.1	13.9	-13.7	17.6	13.9	-21.0	19.0	13.9	-26.8
Total	141.8	151.9	7.1	143.1	148.3	3.6	147.7	152.0	2.9	148.8	152.0	2.2	148.4	152.0	2.4

¹ stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entrepot stocks where known) and include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies

² US figures exclude US territories.

³ other includes NGLs, refinery feedstocks, additives/oxygenates and other hydrocarbons

⁴ Due to lack of receipt of data, the following counties are estimated: Canada for August and September 2001.

Table 7
TOTAL STOCKS ON LAND IN OECD COUNTRIES
('millions of barrels' and 'days')

	End September 2000		End December 2000		End March 2001		End June 2001		End September 2001 ³	
	Stock ¹ Level	Days Fwd ² Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand	Stock Level	Days Fwd Demand
North America										
Canada	148.4	68	143.4	70	148.9	76	148.3	71	152.1	-
Mexico	47.2	24	47.6	24	46.0	24	40.8	21	51.0	-
United States	1533.8	77	1474.9	74	1484.1	76	1561.1	79	1576.9	-
Total ⁴	1751.6	72	1688.1	70	1701.1	72	1772.3	74	1802.2	74
Pacific										
Australia	43.9	51	40.9	47	41.0	46	42.4	49	38.9	-
Japan	626.8	111	634.0	104	635.6	128	641.5	126	653.8	-
Korea ⁵	83.0	38	82.5	36	74.8	37	77.0	39	82.3	-
New Zealand	10.5	76	10.0	72	10.1	75	10.5	77	11.4	-
Total	764.2	87	767.5	81	761.5	95	771.4	96	786.4	92
Europe⁶										
Austria	17.6	75	19.0	74	16.7	65	16.9	62	16.9	-
Belgium	27.7	42	26.4	41	26.7	48	27.7	55	30.2	-
Czech Republic	14.9	87	15.2	102	16.9	90	16.7	93	15.9	-
Denmark	17.2	83	17.6	83	17.6	85	19.1	82	18.6	-
Finland	23.4	115	27.0	124	26.4	138	25.2	123	27.9	-
France	168.4	81	169.7	81	166.9	85	167.0	82	163.2	-
Germany	277.7	98	273.6	101	272.8	99	266.6	90	260.0	-
Greece	26.7	65	26.7	64	27.5	77	26.6	74	26.6	-
Hungary	21.5	150	21.6	158	20.8	149	20.6	144	18.8	-
Ireland	8.2	48	9.2	49	9.5	55	8.9	55	8.9	-
Italy	138.6	73	139.9	75	140.3	79	131.4	68	135.0	-
Luxembourg	0.7	15	1.1	20	0.8	16	0.9	17	0.7	-
Netherlands	110.0	127	112.3	126	120.3	135	113.4	130	120.9	-
Norway	25.3	135	31.7	160	24.9	133	31.2	156	29.7	-
Poland	24.5	53	27.8	68	24.6	59	25.7	60	26.5	-
Portugal	23.3	70	23.4	74	21.6	66	25.4	72	24.9	-
Spain	112.7	78	114.1	77	113.9	80	112.8	77	115.0	-
Sweden	37.8	135	34.4	119	32.8	101	34.9	113	36.0	-
Switzerland	39.2	135	37.3	128	37.3	139	38.8	132	38.0	-
Turkey	50.5	71	53.7	87	52.2	90	50.5	74	50.5	-
United Kingdom	95.7	55	100.0	57	100.2	59	101.7	59	97.6	-
Total	1261.6	82	1281.5	84	1270.5	86	1261.9	82	1262.1	84
Total OECD	3777.4	78	3737.0	77	3733.2	80	3805.6	80	3850.6	80
DAYS OF IEA Net Imports⁷	-	112	-	111	-	111	-	113	-	114

1 stocks are primary national territory stocks on land (excluding utility stocks and including pipeline and entropot stocks where known)

they include stocks held by industry to meet IEA, EU and national emergency reserves commitments and are subject to government control in emergencies

2 note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net imports used for the calculation of IEA Emergency Reserves

3 end September 2001 forward demand figures are IEA Secretariat forecasts

4 total includes US territories

5 Korean government stocks are excluded for reasons of confidentiality

6 data not available for Iceland

7 reflects stock levels and prior calendar year's net imports adjusted according to IEA emergency reserve definitions. Net exporting IEA countries are excluded

TOTAL OECD STOCKS

CLOSING STOCKS	Total	Government ^{1,2} controlled <i>Millions of Barrels</i>	Industry	Total	Government ^{1,2} controlled <i>Days of Fwd. Demand³</i>	Industry
3Q1998	4008	1238	2770	83	26	58
4Q1998	3947	1249	2698	81	26	55
1Q1999	3887	1248	2639	85	27	58
2Q1999	3927	1250	2678	83	27	57
3Q1999	3903	1240	2663	80	25	54
4Q1999	3675	1228	2446	76	26	51
1Q2000	3649	1234	2415	78	27	52
2Q2000	3740	1232	2507	78	26	52
3Q2000	3777	1237	2541	78	25	52
4Q2000	3737	1210	2527	77	25	52
1Q2001	3733	1210	2523	80	26	54
2Q2001	3806	1207	2598	80	25	55
3Q2001	3851	1203	2647	80	25	55

1 includes government-owned stocks and stock holding organisation stocks held for emergency purposes

2 Korean government stocks are excluded for reasons of confidentiality

3 days of forward demand calculated using actual demand except in 3Q2001 (when latest forecasts are used)

Table 8
AVERAGE IEA CIF CRUDE COST AND SPOT CRUDE AND PRODUCT PRICES
(\$/bbl)

	1998	1999	2000	4Q00	1Q01	2Q01	3Q01	Jun 01	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01
CRUDE OIL PRICES													
<i>IEA CIF Average Import*</i>													
IEA North America	12.12	17.12	27.67	28.46	24.30	23.91	23.40	24.25	23.17	23.53	23.48		
IEA Europe	12.30	17.32	27.89	29.23	25.32	26.19	24.76	26.89	24.14	25.03	25.16		
IEA Pacific	13.77	17.48	28.89	31.89	25.61	27.01	26.38	28.20	27.21	25.83	26.17		
IEA Total	12.52	17.26	28.00	29.46	25.01	25.43	24.54	26.04	24.30	24.63	24.68		
<i>FOB Spot</i>													
Brent (Dated)	12.72	17.97	28.50	29.67	25.79	27.38	25.30	27.83	24.58	25.74	25.57	20.49	18.98
WTI (1st month)	14.39	19.31	30.37	31.96	28.72	27.88	26.70	27.57	26.43	27.40	26.08	22.08	19.59
Urals (del. Med.)	11.79	17.30	26.63	27.89	23.68	25.39	24.12	25.50	23.09	24.50	24.80	19.74	18.06
Dubai (1st month)	12.16	17.30	26.24	27.68	23.67	25.17	24.03	25.65	23.43	24.53	24.12	19.63	17.67
Tapis (1st month)	13.77	18.99	29.85	31.22	26.92	28.36	25.65	28.13	25.80	25.32	25.86	21.57	20.08
OPEC Basket	12.28	17.47	27.60	28.84	24.42	25.67	24.13	26.04	23.73	24.49	24.17	19.49	17.69
PRODUCT PRICES													
<i>Rotterdam, Barges FOB</i>													
Premium Unleaded	17.55	21.94	36.00	33.31	31.77	36.98	29.63	32.17	28.18	29.74	31.09	23.68	20.66
Unleaded	16.53	20.86	34.41	32.22	30.66	35.44	28.58	30.60	27.17	28.60	30.10	23.25	20.26
Naphtha	14.33	18.34	29.09	30.35	27.54	27.99	22.23	26.96	21.84	21.83	23.10	19.05	15.83
Jet/Kerosene	17.09	22.04	36.98	41.83	32.46	33.55	32.14	33.85	31.72	31.77	33.01	28.21	24.01
Gasoil .2 %	16.17	20.12	34.38	39.06	30.54	31.31	30.50	31.56	29.72	30.54	31.31	27.67	23.38
LSFO 1%	11.96	15.05	23.74	26.40	21.63	20.72	19.30	19.95	17.99	19.34	20.71	17.22	16.10
HSFO 3.5%	10.12	14.37	21.42	22.45	17.73	18.46	19.07	18.77	17.97	19.20	20.15	16.74	15.32
<i>Mediterranean - Cargoes FOB</i>													
Premium .15 g/l	17.86	22.82	37.14	34.55	32.34	37.50	30.28	32.63	28.74	30.37	31.87	24.30	20.88
Premium Unleaded	17.34	22.23	36.43	33.83	31.63	36.78	29.50	31.91	28.02	29.56	31.07	23.60	20.16
Naphtha	13.56	17.76	28.16	28.96	25.40	26.53	21.62	25.89	21.08	21.22	22.65	18.29	15.24
Jet/Kerosene	14.93	20.55	34.82	38.70	28.32	29.89	29.20	30.19	28.58	28.87	30.23	24.94	21.66
Gasoil .2 %	14.82	19.12	33.87	38.89	28.29	28.94	28.97	30.24	28.17	28.87	29.95	26.44	23.16
LSFO 1%	11.16	14.41	23.77	26.16	20.21	19.54	19.53	18.50	19.06	19.39	20.19	16.47	14.28
HSFO 3.5%	8.85	12.78	18.92	20.12	14.66	15.55	16.99	16.22	16.03	17.07	17.96	14.91	13.00
<i>NY Harbour, Barges</i>													
Super Unleaded	19.61	24.53	38.49	37.37	36.52	41.26	34.15	34.06	31.99	36.43	33.70	26.64	23.03
Unleaded	17.80	22.76	36.10	36.52	34.04	36.16	30.82	30.33	28.58	32.46	31.40	25.01	21.66
Jet/Kerosene	18.00	21.78	38.05	42.91	34.66	34.16	31.39	33.01	30.14	32.83	30.97	26.76	23.55
No. 2 (Heating Oil)	16.41	20.50	36.37	41.15	33.11	32.21	30.05	31.73	29.29	30.77	30.02	26.29	22.85
LSFO 1%	12.33	15.51	25.05	27.90	24.01	22.07	19.81	20.21	19.22	20.15	20.08	17.94	16.06
HSFO 6 3%	10.24	13.99	20.68	20.89	18.55	17.56	17.70	17.48	15.70	18.28	19.37	17.02	14.97
<i>Singapore, Cargoes</i>													
Premium Unleaded	17.12	21.17	32.64	31.97	30.43	30.72	26.89	26.87	24.43	26.96	29.50	22.17	20.93
Naphtha	14.77	19.54	28.38	28.54	26.19	27.24	23.26	26.63	22.99	22.92	23.94	19.89	17.35
Jet/Kerosene	16.31	21.59	34.39	38.44	29.46	30.54	29.80	30.86	28.82	29.53	31.19	25.75	22.44
Gasoil .5%	15.40	19.25	32.58	34.59	27.56	30.23	28.85	30.00	28.56	28.70	29.32	25.55	21.89
LSWR Cracked	10.95	15.61	25.83	26.48	22.24	25.67	22.78	25.35	24.28	21.49	22.54	18.28	15.82
HSFO 180 CST	10.60	15.71	24.43	25.02	20.73	22.23	21.79	21.46	20.30	22.04	23.15	19.66	16.50
HSFO 4%	10.34	15.60	24.21	24.78	20.16	21.92	21.63	21.07	20.25	21.89	22.86	19.62	16.39

* IEA CIF Average Import price for September is an estimate

Table 9
END USER PRICES FOR PETROLEUM PRODUCTS
November 2001

	National Currency						US Dollars					
			% ch Prev. Month		% ch Year Ago				% ch Prev. Month		% ch Year Ago	
	Price	Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax	Price	Excl. Tax
GASOLINE¹ (Price per Litre)												
France	6.329	4.801	-3.6	-11.6	-11.9	-33.7	0.857	0.207	-5.6	-13.4	-8.5	-31.2
Germany	1.863	1.417	-2.8	-9.3	-9.5	-33.8	0.846	0.203	-4.7	-11.2	-6.1	-31.3
Italy	1897	1323	-4.3	-11.0	-12.2	-27.6	0.871	0.263	-6.2	-12.8	-8.9	-24.9
Spain	123.4	78.9	-4.3	-9.8	-14.2	-28.4	0.659	0.238	-6.3	-11.6	-11.0	-25.7
UK	0.701	0.562	-5.4	-19.7	-14.5	-33.8	1.010	0.200	-6.2	-20.3	-13.8	-33.3
Japan	106.1	58.9	-0.9	-2.1	-3.8	-7.8	0.871	0.387	-1.5	-2.6	-14.0	-17.6
Canada	0.609	0.292	-5.6	-9.7	-18.6	-28.4	0.382	0.199	-7.2	-11.2	-21.3	-30.8
USA	0.309	0.101	-11.0	-15.4	-22.9	-30.7	0.309	0.208	-11.0	-15.4	-22.9	-30.7
AUTOMOTIVE DIESEL² (Price per Litre)												
France	4.191	2.469	-3.3	-7.7	-16.1	-33.5	0.568	0.233	-5.3	-9.6	-12.9	-31.0
Germany	1.351	0.800	-1.2	-3.0	-10.2	-28.0	0.614	0.250	-3.3	-5.0	-6.8	-25.3
Italy	1338	739	-2.5	-5.4	-14.5	-27.4	0.614	0.275	-4.5	-7.3	-11.2	-24.7
Spain	94.27	44.90	-4.0	-7.4	-15.3	-25.7	0.503	0.264	-6.0	-9.3	-12.2	-22.9
UK	0.646	0.458	-1.2	-4.1	-10.4	-19.3	0.930	0.271	-2.0	-4.9	-9.7	-18.7
Japan	86.1	36.2	0.0	0.0	-3.6	-5.7	0.707	0.410	-0.6	-0.6	-13.8	-15.7
Canada	0.640	0.220	-2.6	-3.7	-14.2	-16.8	0.401	0.263	-4.2	-5.3	-17.0	-19.6
USA	0.333	0.118	-6.5	-9.7	-22.2	-30.6	0.333	0.215	-6.5	-9.7	-22.2	-30.6
DOMESTIC HEATING OIL (Price per 1000 Litres)												
France	2343.7	663.0	-5.0	-5.8	-29.9	-35.1	317.5	227.7	-7.0	-7.7	-27.2	-32.7
Germany	677.4	213.4	-8.6	-10.6	-29.0	-34.0	307.8	210.8	-10.5	-12.4	-26.3	-31.5
Italy	1502000	947731	-4.3	-9.2	-16.0	-30.1	689.3	254.4	-6.2	-11.0	-12.9	-27.5
Spain	61361	21561	-6.1	-8.0	-24.7	-30.4	327.7	212.6	-8.0	-9.8	-21.9	-27.7
UK	174.73	39.62	-8.1	-9.8	-29.7	-34.2	251.7	194.6	-8.9	-10.5	-29.1	-33.7
Japan ³	48405	2305	-2.7	-2.7	-4.4	-4.4	397.4	378.4	-3.3	-3.3	-14.5	-14.5
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-
HFO FOR INDUSTRY^{2,4} (Price per Metric Ton)												
France	987.8	121.8	-8.4	-9.5	-33.2	-36.1	133.8	117.3	-10.2	-11.3	-30.6	-33.7
Germany	279.3	35.0	-9.2	-10.4	-34.4	-37.5	126.9	111.0	-11.0	-12.2	-31.9	-35.1
Italy	331818	60777	-7.6	-9.1	-34.8	-39.5	152.3	124.4	-9.5	-11.0	-32.4	-37.3
Spain	27442	2235	-10.7	-11.5	-28.3	-30.1	146.6	134.6	-12.5	-13.3	-25.6	-27.5
UK	114.48	27.62	-7.6	-9.7	-18.3	-22.7	164.9	125.1	-8.3	-10.5	-17.7	-22.0
Japan	25421	1211	-4.2	-4.2	0.0	0.0	208.7	198.7	-4.7	-4.7	-10.6	-10.6
Canada	-	-	-	-	-	-	-	-	-	-	-	-
USA	-	-	-	-	-	-	-	-	-	-	-	-

¹ Unleaded premium (95 RON) gasoline for France, Germany, Italy, Spain, UK; regular unleaded gasoline for Canada, Japan and USA

² VAT excluded where it is refundable: HFO for Industry, Automotive Diesel for Industry

³ Kerosene

⁴ High sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy

Table 10
Regional OECD Crude Imports by Source
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jul 01	Aug 01	Sep 01	Year Earlier Sep 00	change
OECD North America												
Venezuela	1.57	1.63		1.64	1.74	1.74	1.69	1.88	1.73	1.38	1.45	-0.06
Other Central & South America	0.78	0.61		0.62	0.54	0.51	0.51	0.43	0.60	0.51	0.71	-0.21
North Sea	0.99	1.14		1.31	1.01	1.15	1.09	1.18	0.92	0.97	1.11	-0.14
Other OECD Europe	-	0.00		0.00	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.03	0.01		0.00	0.00	-	-	-	-	-	0.01	-
Saudi Arabia	1.51	1.63		1.65	1.73	1.77	1.76	1.78	1.92	1.49	1.70	-0.21
Kuwait	0.25	0.27		0.34	0.30	0.26	0.24	0.29	0.26	0.23	0.35	-0.12
Iran	-	-		-	-	-	-	-	-	-	-	-
Iraq	0.78	0.70		0.91	0.66	0.52	1.00	0.86	0.67	1.36	0.87	0.49
Oman	-	0.00		-	-	-	0.01	0.10	0.07	-	-	-
United Arab Emirates	-	0.00		0.00	-	0.03	0.03	-	0.02	0.03	-	-
Other Middle East	0.00	0.03		0.03	0.02	0.05	0.01	0.04	0.07	-	-	-
West Africa ²	1.38	1.56		1.65	1.51	1.63	1.52	1.40	1.35	1.55	1.71	-0.16
Other Africa	0.11	0.07		0.05	0.11	0.08	0.13	0.14	0.09	0.15	0.03	0.12
Asia	0.20	0.18		0.16	0.17	0.14	0.16	0.16	0.21	0.12	0.13	-0.01
Other	0.03	0.05		0.04	0.06	0.05	0.02	0.01	0.09	0.02	0.02	0.00
Total	7.62	7.83		8.42	7.87	7.92	8.18	8.26	7.99	7.80	8.09	-0.29
of which Non-OECD	6.63	6.70		7.06	6.83	6.74	7.06	7.03	7.05	6.79	6.96	-0.17
OECD Europe												
Canada	-	0.00		-	-	-	-	-	-	-	-	-
Mexico + USA	0.19	0.20		0.21	0.20	0.18	0.21	0.13	0.21	0.19	0.22	-0.03
Venezuela	0.17	0.14		0.16	0.12	0.12	0.15	0.14	0.20	0.21	0.12	0.09
Other Central & South America	0.00	0.01		0.00	0.02	0.06	0.05	0.00	0.00	0.00	-	-
Non-OECD Europe	0.01	0.01		0.01	0.00	0.01	0.01	-	0.00	0.01	0.01	0.00
Former Soviet Union	2.18	2.40		2.47	2.42	2.47	2.68	2.99	2.87	2.39	2.27	0.13
Saudi Arabia	1.31	1.39		1.45	1.61	1.39	1.21	1.17	1.34	1.32	1.61	-0.30
Kuwait	0.17	0.20		0.26	0.21	0.23	0.12	0.14	0.17	0.21	0.35	-0.14
Iran	0.94	0.79		0.93	0.81	0.88	0.68	0.71	0.83	0.68	0.86	-0.18
Iraq	0.80	0.74		0.74	0.69	0.26	0.52	0.23	0.65	0.63	0.86	-0.23
Oman	-	-		-	-	-	-	-	-	-	-	-
United Arab Emirates	-	0.00		0.00	0.01	0.01	-	-	-	0.00	-	-
Other Middle East	0.35	0.31		0.30	0.32	0.41	0.45	0.42	0.39	0.41	0.28	0.12
West Africa ²	0.59	0.64		0.51	0.79	0.84	0.61	0.51	0.80	0.78	0.59	0.19
Other Africa	1.54	1.58		1.61	1.62	1.54	1.53	1.54	1.32	1.39	1.75	-0.35
Asia	-	-		-	-	-	-	-	-	-	-	-
Other	0.01	0.04		0.10	0.04	0.06	0.11	0.17	0.28	0.00	0.10	-0.10
Total	8.25	8.45		8.75	8.86	8.48	8.31	8.16	9.08	8.22	9.02	-0.79
of which Non-OECD	8.06	8.26		8.54	8.66	8.29	8.11	8.04	8.86	8.03	8.80	-0.77
OECD Pacific												
Canada	-	-		-	-	0.01	0.01	-	-	-	-	-
Mexico + USA	0.10	0.07		0.03	0.03	0.04	0.03	-	-	-	0.06	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.05	0.05		0.05	0.05	0.07	0.04	0.07	0.07	0.09	0.07	0.02
North Sea	0.04	0.02		0.01	-	-	0.02	-	0.06	-	-	-
Other OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Europe	-	-		-	-	-	-	-	-	-	-	-
Former Soviet Union	0.01	0.03		0.06	0.05	-	0.03	0.12	0.11	0.06	0.08	-0.01
Saudi Arabia	1.65	1.83		1.76	1.92	2.08	1.77	1.67	1.56	1.81	1.57	0.24
Kuwait	0.56	0.60		0.55	0.71	0.76	0.56	0.62	0.52	0.55	0.54	0.01
Iran	0.73	0.72		0.70	0.72	0.83	0.76	0.65	0.78	0.81	0.73	0.08
Iraq	0.13	0.13		0.13	0.23	0.01	0.02	-	-	-	0.13	-
Oman	0.45	0.36		0.38	0.31	0.42	0.43	0.33	0.44	0.38	0.28	0.10
United Arab Emirates	1.39	1.46		1.42	1.54	1.67	1.33	1.24	1.43	1.43	1.40	0.03
Other Middle East	0.57	0.59		0.58	0.64	0.72	0.61	0.49	0.59	0.53	0.62	-0.09
West Africa ²	0.28	0.17		0.13	0.17	0.07	0.09	0.09	0.18	0.10	0.16	-0.06
Other Africa	0.07	0.06		0.06	0.04	0.04	0.04	0.05	0.06	-	0.02	-
Non-OECD Asia	1.03	0.87		0.85	0.81	1.02	0.83	0.80	0.90	0.80	0.79	0.01
Other	-	-		-	-	-	-	-	-	-	-	-
Total	7.06	6.96		6.71	7.22	7.71	6.58	6.14	6.72	6.55	6.43	0.12
of which Non-OECD	6.93	6.87		6.67	7.19	7.67	6.53	6.14	6.66	6.55	6.37	0.18
Total OECD Trade												
of which Non-OECD	22.93	23.25		23.88	23.95	24.12	23.08	22.56	23.79	22.57	23.53	-0.96
	21.62	21.82		22.27	22.69	22.71	21.70	21.20	22.57	21.37	22.13	-0.76

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes, and converted to barrels at 7.37 barrels per tonne. Data will differ from Table 11 which is based on submissions in barrels.

2. West Africa includes Angola, Nigeria, Gabon, Congo and Democratic Republic of Congo.

Table 11
IEA Member Country Destinations of Selected Crude Streams¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jul 01	Aug 01	Sep 01	Year Earlier Sep 00	change
Saudi Light & Extra Light												
North America	0.42	0.45		0.33	0.57	0.59	0.73	0.89	0.83	0.59	0.39	0.20
Europe	1.01	1.01		1.04	1.12	1.01	0.87	0.95	0.92	0.98	1.08	-0.10
Pacific	0.53	0.64		0.60	0.70	0.88	0.71	0.65	0.71	0.73	0.47	0.26
Saudi Medium												
North America	0.65	0.68		0.65	0.83	0.73	0.80	0.66	0.80	0.65	0.83	-0.19
Europe	0.21	0.23		0.25	0.25	0.18	0.14	0.19	0.20	0.09	0.30	-0.21
Pacific	0.15	0.13		0.11	0.11	0.08	0.07	0.09	0.03	0.08	0.06	0.03
Saudi Heavy												
North America	0.31	0.31		0.34	0.25	0.27	0.19	0.17	0.23	0.17	0.25	-0.08
Europe	0.09	0.14		0.14	0.23	0.17	0.16	0.17	0.18	0.10	0.20	-0.11
Pacific	0.09	0.12		0.13	0.13	0.12	0.08	0.12	0.06	0.08	0.10	-0.02
Iraqi Basrah Light²												
North America	0.71	0.61		0.75	0.57	0.34	0.76	0.63	0.30	0.94	0.75	0.19
Europe	0.15	0.16		0.21	0.10	0.14	0.15	0.13	0.11	0.07	0.19	-0.12
Pacific	0.11	0.08		0.06	0.17	-	-	-	-	-	0.06	-
Iraqi Kirkuk												
North America	0.01	-		-	-	-	0.11	-	0.26	0.11	-	-
Europe	0.65	0.55		0.53	0.58	0.22	0.38	0.05	0.38	0.47	0.70	-0.23
Pacific	0.01	-		-	-	-	-	-	-	-	-	-
Iranian Light												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.31	0.26		0.29	0.17	0.20	0.15	0.15	0.15	0.14	0.19	-0.05
Pacific	0.12	0.13		0.12	0.11	0.15	0.13	0.07	0.12	0.16	0.09	0.07
Iranian Heavy³												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.58	0.49		0.58	0.55	0.62	0.47	0.54	0.57	0.39	0.63	-0.24
Pacific	0.38	0.37		0.36	0.38	0.44	0.38	0.41	0.44	0.45	0.38	0.06
Venezuelan Light & Medium												
North America	0.76	0.72		0.68	0.73	0.69	0.61	0.53	0.55	0.54	0.57	-0.04
Europe	0.08	0.04		0.03	0.05	0.03	0.04	0.00	0.07	0.10	0.03	0.07
Pacific	-	-		-	-	-	-	-	-	-	-	-
Venezuelan 22 API and heavier												
North America	0.38	0.50		0.49	0.62	0.70	0.66	0.77	0.68	0.51	0.51	0.00
Europe	0.05	0.06		0.09	0.05	0.05	0.08	0.10	0.09	0.06	0.06	0.00
Pacific	-	-		-	-	-	-	-	-	-	-	-
Mexican Maya												
North America	0.53	0.66		0.76	0.69	0.76	0.72	0.68	0.77	0.85	0.82	0.03
Europe	0.14	0.17		0.19	0.16	0.09	0.15	0.15	0.18	0.17	0.20	-0.02
Pacific	0.02	0.02		0.02	0.02	0.02	0.01	-	-	-	0.03	-
Mexican Isthmus												
North America	0.11	0.07		0.05	0.04	0.08	0.03	0.02	0.01	0.01	0.06	-0.05
Europe	0.04	0.01		0.02	0.01	0.08	0.02	0.01	0.03	-	0.01	-
Pacific	0.01	0.02		0.01	0.01	0.02	0.01	-	-	-	0.03	-
Russian Urals												
North America	-	-		-	-	-	-	-	-	-	-	-
Europe	0.73	0.75		0.77	0.61	0.83	1.10	1.28	1.16	0.86	0.54	0.32
Pacific	-	-		-	-	-	-	-	-	-	-	-
Nigerian Light⁴												
North America	0.40	0.65		0.81	0.53	0.55	0.63	0.43	0.27	0.61	0.64	-0.03
Europe	0.32	0.38		0.33	0.49	0.40	0.29	0.36	0.40	0.22	0.36	-0.14
Pacific	0.03	0.01		0.00	0.03	-	-	-	0.06	-	-	-
Nigerian Medium												
North America	0.06	0.01		0.01	0.01	0.03	-	-	-	-	0.03	-
Europe	0.08	0.06		0.01	0.15	0.07	0.06	-	0.05	0.21	-	-
Pacific	-	0.00		-	0.01	-	-	-	-	-	-	-

1 Data based on monthly submissions from IEA countries to the crude oil import register (in '000 bbl), subject to availability. May differ from Table 10 of the Report.

IEA North America includes United States and Canada.

IEA Europe includes all countries in OECD Europe except Hungary and Poland.

IEA Pacific includes Australia, New Zealand and Japan.

2 Iraqi Total minus Kirkuk.

3 Iranian Total minus Iranian Light.

4 33 API and lighter (e.g., Bonny Light, Escravos, Qua Iboe and Oso Condensate).

Table 12a
Regional OECD Gasoline Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jul 01	Aug 01	Sep 01	Year Earlier Sep 00	change
OECD North America												
Venezuela	0.13	0.13		0.12	0.14	0.09	0.12	0.11	0.09	0.10	0.12	-0.02
Other Central & South America	0.05	0.09		0.11	0.08	0.08	0.11	0.09	0.11	0.16	0.09	0.07
ARA (Belgium Germany Netherlands)	0.06	0.05		0.04	0.06	0.07	0.10	0.04	0.08	0.07	0.07	0.00
Other Europe	0.15	0.14		0.12	0.15	0.20	0.16	0.13	0.19	0.22	0.13	0.08
FSU	0.02	0.04		0.05	0.02	0.05	0.05	0.02	0.04	0.02	0.05	-0.03
Saudi Arabia	0.11	0.06		0.07	0.06	0.05	0.06	0.05	0.04	0.07	0.04	0.02
Algeria	0.00	-		-	-	-	0.00	-	0.01	0.01	-	-
Other Middle East & Africa	0.00	0.03		0.03	0.04	0.02	0.05	0.01	0.04	0.07	0.04	0.03
Singapore	0.01	0.01		0.01	0.01	0.01	0.01	0.01	0.00	0.02	0.00	0.02
OECD Pacific	0.02	0.01		0.00	0.01	0.01	0.02	0.04	0.01	0.01	0.00	0.01
Non-OECD Asia (excl. Singapore)	0.01	0.02		0.01	0.00	0.02	0.02	0.01	0.04	0.03	0.01	0.02
Other	-	-		-	-	-	-	-	-	-	-	-
Total²	0.56	0.56		0.55	0.57	0.61	0.71	0.53	0.66	0.77	0.57	0.20
of which Non-OECD	0.35	0.37		0.40	0.36	0.33	0.46	0.33	0.41	0.50	0.36	0.14
OECD Europe												
OECD North America	0.00	0.00		0.01	0.00	0.00	0.00	-	0.00	0.00	0.01	-0.01
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	0.00	0.00		0.01	0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.00
Non-OECD Europe	0.02	0.02		0.02	0.02	0.02	0.01	0.00	0.02	0.01	0.02	-0.01
FSU	0.01	0.02		0.03	0.02	0.01	0.02	0.03	0.06	0.01	0.06	-0.04
Saudi Arabia	0.00	0.00		0.01	0.00	0.00	0.00	0.02	0.00	0.01	0.01	0.00
Algeria	0.01	0.01		0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Middle East & Africa	0.00	0.01		0.01	0.00	0.01	0.00	0.01	0.02	0.02	0.02	0.00
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	0.00	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	-	-		-	-	-	0.00	-	-	-	-	-
Other	0.07	0.08		0.07	0.05	0.12	0.11	0.15	-0.08	0.09	-0.07	0.16
Total²	0.11	0.14		0.16	0.10	0.16	0.15	0.21	0.03	0.16	0.06	0.10
of which Non-OECD	0.11	0.14		0.15	0.11	0.16	0.17	0.23	0.04	0.17	0.05	0.12
OECD Pacific												
OECD North America	0.00	0.00		-	-	0.01	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		0.00	-	-	-	-	-	-	0.01	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	-	-		-	-	0.00	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.01	0.00	0.01	-	-	0.01	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	-	0.00		0.01	-	-	-	-	-	-	0.02	-
Singapore	0.02	0.02		0.02	0.01	0.02	0.03	0.02	0.03	0.01	0.02	-0.01
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.01	0.00	0.01	0.00	0.00	0.00	0.00	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.03	0.04		0.04	0.02	0.04	0.04	0.02	0.04	0.02	0.05	-0.02
of which Non-OECD	0.03	0.04		0.04	0.02	0.03	0.04	0.02	0.04	0.02	0.05	-0.02
Total OECD Trade²	0.70	0.74		0.75	0.70	0.81	0.90	0.76	0.72	0.95	0.68	0.28
of which Non-OECD	0.49	0.55		0.59	0.48	0.52	0.67	0.59	0.49	0.69	0.45	0.24

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12b
Regional OECD Gasoil/Diesel Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jul 01	Aug 01	Sep 01	Year Earlier Sep 00	change
OECD North America												
Venezuela	0.06	0.06		0.05	0.07	0.08	0.04	0.03	0.04	0.06	0.06	-0.01
Other Central & South America	0.01	0.01		0.00	0.03	0.07	0.02	0.01	0.01	0.01	0.01	0.00
ARA (Belgium Germany Netherlands)	0.00	0.01		0.00	0.00	0.01	0.01	-	-	0.00	-	-
Other Europe	0.00	0.01		-	0.00	0.05	0.02	0.01	-	0.01	-	-
FSU	0.02	0.03		0.01	0.03	0.11	0.02	0.01	-	0.02	0.02	0.00
Saudi Arabia	0.01	0.00		-	-	0.01	-	-	-	-	-	-
Algeria	0.00	0.00		-	0.00	0.00	0.01	-	0.00	0.02	-	-
Other Middle East & Africa	-	0.00		-	0.00	0.02	0.01	0.02	0.01	0.02	-	-
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.01	0.00		0.00	0.01	0.01	0.01	0.01	0.02	0.02	0.01	0.01
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.01	0.02	0.01	-	-	0.01	-	-
Other	0.00	-		-	-	-	-	-	-	-	-	-
Total²	0.11	0.14		0.08	0.17	0.39	0.16	0.09	0.08	0.16	0.11	0.05
of which Non-OECD	0.10	0.11		0.07	0.15	0.32	0.13	0.08	0.06	0.13	0.09	0.04
OECD Europe												
OECD North America	0.01	0.02		0.02	0.02	0.00	0.01	0.02	0.03	0.02	0.03	-0.01
Venezuela	0.00	0.00		-	-	0.00	0.00	0.00	-	0.00	-	-
Other Central & South America	0.00	0.00		-	0.00	0.00	0.01	0.00	0.00	0.01	-	-
Non-OECD Europe	0.04	0.05		0.05	0.05	0.04	0.03	0.02	0.02	0.04	0.06	-0.02
FSU	0.32	0.29		0.29	0.24	0.36	0.32	0.34	0.43	0.36	0.37	0.00
Saudi Arabia	0.01	0.00		0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
Algeria	0.04	0.03		0.03	0.02	0.03	0.03	0.04	0.07	0.04	0.04	0.01
Other Middle East & Africa	0.03	0.02		0.03	0.02	0.01	0.02	0.02	0.01	0.03	0.04	-0.01
Singapore	-	0.00		-	0.00	-	-	0.00	-	-	-	-
OECD Pacific	0.00	0.00		-	-	-	0.00	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.01	0.00	0.00	-	-	-	0.00	-	-
Other	0.07	0.08		0.09	0.08	0.13	0.08	0.10	-0.01	0.09	-0.07	0.16
Total²	0.52	0.50		0.51	0.44	0.58	0.50	0.55	0.56	0.60	0.46	0.14
of which Non-OECD	0.51	0.48		0.49	0.43	0.58	0.52	0.57	0.55	0.61	0.44	0.17
OECD Pacific												
OECD North America	-	-		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	0.00		0.00	-	-	-	-	-	-	0.00	-
ARA (Belgium Germany Netherlands)	-	0.00		0.00	-	0.00	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	0.00		0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00
Saudi Arabia	0.00	0.00		0.00	0.00	-	0.00	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.02	0.01		0.02	0.01	0.01	0.02	0.03	0.01	0.02	0.02	0.00
Non-OECD Asia (excl. Singapore)	0.00	0.00		0.00	0.00	0.01	0.01	0.00	0.01	0.02	-	-
Other	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Total²	0.03	0.02		0.02	0.02	0.02	0.03	0.04	0.03	0.04	0.02	0.02
of which Non-OECD	0.03	0.02		0.02	0.02	0.02	0.03	0.04	0.03	0.04	0.02	0.02
Total OECD Trade²	0.67	0.66		0.61	0.63	0.99	0.69	0.68	0.67	0.80	0.59	0.21
of which Non-OECD	0.64	0.62		0.59	0.60	0.93	0.68	0.69	0.64	0.78	0.55	0.23

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12c
Regional OECD Jet and Kerosene Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jul 01	Aug 01	Sep 01	Year Earlier Sep 00	change
OECD North America												
Venezuela	0.03	0.03		0.01	0.04	0.03	0.03	0.01	0.01	0.04	0.02	0.02
Other Central & South America	0.02	0.02		0.02	0.03	0.03	0.02	0.02	0.01	0.01	0.00	0.01
ARA (Belgium Germany Netherlands)	0.00	0.00		-	-	0.00	-	-	-	-	-	-
Other Europe	-	0.00		-	0.00	0.00	-	-	-	-	-	-
FSU	0.00	-		-	-	0.00	-	-	-	-	-	-
Saudi Arabia	0.00	0.01		0.01	0.00	0.02	-	-	-	0.01	-	-
Algeria	0.00	0.00		0.00	0.00	0.00	0.00	-	-	0.01	0.01	0.00
Other Middle East & Africa	0.00	0.01		-	0.01	0.03	0.01	0.01	-	0.05	-	-
Singapore	0.02	0.01		0.00	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00
OECD Pacific	0.03	0.06		0.09	0.06	0.02	0.09	0.07	0.08	0.05	0.07	-0.03
Non-OECD Asia (excl. Singapore)	0.00	0.01		0.00	0.01	0.02	0.01	-	-	0.00	0.01	0.00
Other	-	-		-	-	0.00	-	-	-	-	-	-
Total²	0.11	0.14		0.16	0.16	0.18	0.18	0.10	0.11	0.17	0.12	0.05
of which Non-OECD	0.08	0.08		0.06	0.10	0.16	0.09	0.03	0.03	0.12	0.04	0.08
OECD Europe												
OECD North America	0.00	0.00		0.00	0.00	-	-	-	0.00	-	-	-
Venezuela	0.01	0.01		0.02	0.01	-	-	0.01	0.02	0.00	0.00	0.00
Other Central & South America	-	0.00		0.00	0.00	0.00	0.01	0.01	0.01	0.00	0.01	-0.01
Non-OECD Europe	0.00	0.00		0.00	0.00	0.00	-	-	-	-	0.00	-
FSU	0.03	0.02		0.03	0.02	0.02	0.02	0.03	0.02	0.02	0.03	-0.01
Saudi Arabia	0.01	0.02		0.01	0.01	0.02	0.03	0.05	0.04	0.04	-	-
Algeria	0.01	0.01		0.02	0.01	0.01	0.01	0.02	0.00	0.01	0.03	-0.02
Other Middle East & Africa	0.03	0.07		0.08	0.07	0.09	0.15	0.14	0.22	0.12	0.07	0.05
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	-	-	-	-	-	-	-	-
Other	0.02	0.04		0.05	0.05	0.03	0.03	0.03	0.04	0.03	0.02	0.01
Total²	0.12	0.17		0.22	0.18	0.17	0.25	0.28	0.36	0.22	0.17	0.05
of which Non-OECD	0.11	0.17		0.22	0.18	0.17	0.25	0.30	0.37	0.23	0.17	0.07
OECD Pacific												
OECD North America	-	0.00		-	-	-	-	-	-	-	-	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	0.01	0.00		-	0.00	0.00	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.02	0.01		0.00	0.01	0.02	-	-	-	-	0.01	-
Singapore	0.03	0.01		0.01	0.00	0.01	0.01	0.00	0.00	0.00	0.01	0.00
Non-OECD Asia (excl. Singapore)	0.02	0.02		0.00	0.03	0.05	0.00	0.01	-	0.00	0.00	0.00
Other	-	0.03		0.03	0.05	0.06	0.03	0.02	0.03	0.02	0.02	0.01
Total²	0.07	0.07		0.04	0.10	0.15	0.04	0.03	0.03	0.03	0.04	-0.01
of which Non-OECD	0.07	0.07		0.04	0.10	0.15	0.04	0.03	0.03	0.03	0.04	-0.01
Total OECD Trade²	0.30	0.38		0.42	0.45	0.50	0.46	0.42	0.50	0.41	0.32	0.09
of which Non-OECD	0.26	0.32		0.32	0.38	0.48	0.37	0.36	0.43	0.38	0.25	0.13

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

Table 12d
Regional OECD Residual Fuel Oil Imports by Source¹
(million barrels per day)

	1999	2000	2001	3Q00	4Q00	1Q01	2Q01	Jul 01	Aug 01	Sep 01	Year Earlier Sep 00	change
OECD North America												
Venezuela	0.06	0.08		0.05	0.10	0.07	0.09	0.09	0.06	0.05	0.04	0.01
Other Central & South America	0.05	0.08		0.08	0.11	0.10	0.12	0.10	0.14	0.13	0.09	0.04
ARA (Belgium Germany Netherlands)	0.01	0.02		0.01	0.04	0.04	0.06	0.02	0.04	0.02	0.01	0.01
Other Europe	0.01	0.06		0.06	0.09	0.06	0.06	0.04	0.01	0.02	0.09	-0.07
FSU	0.02	0.02		0.04	0.03	0.01	0.01	0.03	0.04	0.04	0.04	0.00
Saudi Arabia	0.00	-		-	-	0.01	-	-	-	-	-	-
Algeria	0.04	0.05		0.06	0.05	0.05	0.06	0.07	0.06	0.04	0.05	-0.01
Other Middle East & Africa	0.01	0.02		0.03	0.03	0.03	0.01	0.01	0.01	0.05	0.00	0.04
Singapore	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	-0.01
OECD Pacific	-	0.00		-	-	-	-	0.01	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.01	0.01		0.00	0.02	0.02	0.01	0.00	0.00	0.00	-	-
Other	0.00	-		-	-	-	0.01	-	-	-	-	-
Total²	0.21	0.35		0.33	0.47	0.40	0.42	0.37	0.37	0.35	0.33	0.02
of which Non-OECD	0.19	0.29		0.27	0.35	0.32	0.35	0.34	0.34	0.36	0.24	0.12
OECD Europe												
OECD North America	0.02	0.01		0.01	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.00
Venezuela	0.01	0.01		0.00	0.02	0.02	0.01	0.00	-	0.01	-	-
Other Central & South America	0.01	0.02		0.01	0.01	0.02	0.00	0.00	0.01	0.01	0.02	-0.01
Non-OECD Europe	0.02	0.01		0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.01	-0.01
FSU	0.17	0.19		0.24	0.17	0.18	0.22	0.33	0.29	0.23	0.21	0.02
Saudi Arabia	0.00	0.00		-	0.00	0.01	-	-	-	-	-	-
Algeria	0.00	0.00		0.00	0.00	-	-	-	-	-	0.01	-
Other Middle East & Africa	0.08	0.07		0.07	0.08	0.07	0.05	0.05	0.06	0.08	0.06	0.02
Singapore	-	-		-	-	-	-	-	-	-	-	-
OECD Pacific	-	-		-	-	-	-	-	-	-	-	-
Non-OECD Asia (excl. Singapore)	0.00	0.00		-	0.00	-	-	-	-	-	-	-
Other	0.02	0.08		0.09	0.07	0.11	0.03	0.06	0.03	0.05	0.10	-0.06
Total²	0.32	0.39		0.44	0.37	0.43	0.33	0.47	0.42	0.39	0.43	-0.04
of which Non-OECD	0.31	0.38		0.43	0.35	0.41	0.32	0.46	0.41	0.38	0.41	-0.03
OECD Pacific												
OECD North America	0.00	0.00		0.00	0.00	0.00	0.00	-	0.01	-	0.00	-
Venezuela	-	-		-	-	-	-	-	-	-	-	-
Other Central & South America	-	-		-	-	-	-	-	-	-	-	-
ARA (Belgium Germany Netherlands)	-	-		-	-	-	-	-	-	-	-	-
Other Europe	-	-		-	-	-	-	-	-	-	-	-
FSU	0.00	-		-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-		-	-	-	-	-	-	-	-	-
Algeria	-	-		-	-	-	-	-	-	-	-	-
Other Middle East & Africa	0.00	0.00		-	-	-	-	-	-	-	-	-
Singapore	0.01	0.01		0.01	0.00	0.01	0.01	0.02	0.03	-	0.03	-
Non-OECD Asia (excl. Singapore)	0.06	0.06		0.06	0.04	0.04	0.06	0.07	0.06	0.04	0.05	-0.01
Other	0.01	0.01		0.01	0.02	0.01	0.01	0.02	0.00	0.03	0.00	0.03
Total²	0.08	0.09		0.09	0.07	0.07	0.08	0.11	0.10	0.07	0.08	-0.02
of which Non-OECD	0.08	0.09		0.09	0.06	0.07	0.08	0.11	0.09	0.07	0.08	-0.02
Total OECD Trade²	0.61	0.83		0.86	0.90	0.90	0.84	0.96	0.88	0.81	0.84	-0.03
of which Non-OECD	0.57	0.76		0.79	0.77	0.81	0.75	0.91	0.84	0.80	0.73	0.07

1. Based on Monthly Oil Questionnaire data submitted by OECD countries in tonnes

2. Total figure excludes intra-regional trade

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