6 October 1994

HIGHLIGHTS

- OECD oil demand in 3Q94 is now projected to be 0.1 mb/d higher than in last month's Report at 39.6 mb/d, with an upward revision of 0.2 mb/d in Japanese demand more than offsetting a minor downward revision to North American demand. Global oil demand for 4Q94 remains unchanged from last month's Report, giving a demand in 1994 of 68.2 mb/d, an increase of 1.1 mb/d or 1.6% compared with 1993.

- In September, OPEC crude production is estimated to have increased by 0.4 mb/d to 25.0 mb/d following the ending of the Nigerian oil workers' strike. Global oil supply is estimated at 68.1 mb/d in 3Q94 reflecting upward revisions of 0.1 mb/d to both OECD and FSU production.

- In 4Q94 total non-OPEC oil supply is projected to be 42.0 mb/d, 1.1 mb/d higher than in 3Q94, primarily reflecting increases in North Sea and, to a lesser extent, Alaskan production. This represents an upward revision of 0.3 mb/d, consistent with higher than previously projected North Sea and FSU production. It should be recognised that 4Q94 estimates are particularly sensitive to developments related to the Brazilian oil workers' strike and continuing uncertainties surrounding Russian production.

- Preliminary estimates indicate that OECD inventories increased by 0.4 mb/d in August. In all three regions, distillate stocks continued to increase seasonally while crude oil stocks declined. At the end of August, total industry stocks were 47 mb lower than the historically high level reached a year earlier but 26 mb higher than at the end of August 1992. Compared with August 1992, the greatest difference was a 27 mb increase in distillate stocks, with higher stocks in all three regions.

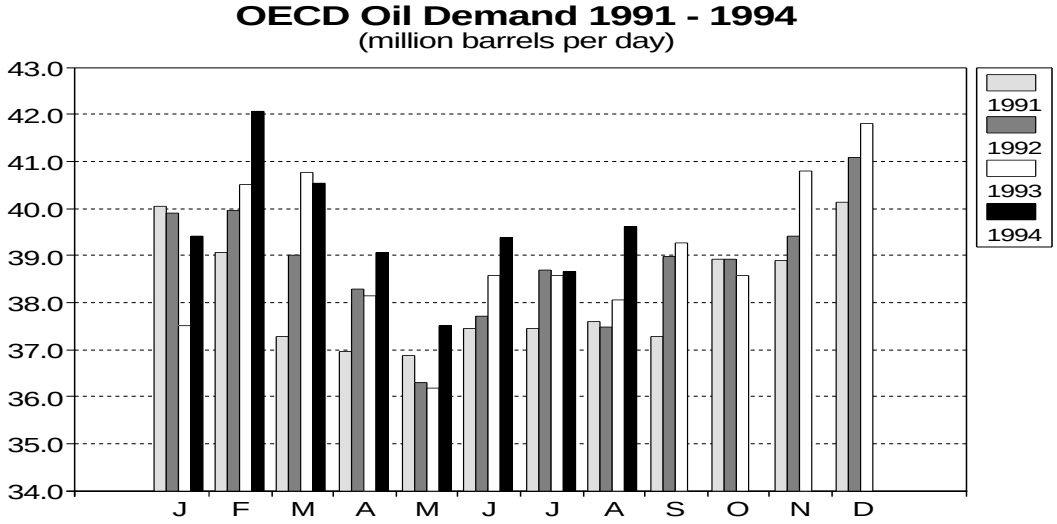
- Benchmark crude prices decreased slightly in mid-September but increased in the second half, in part reflecting an increase in throughputs as refineries return from autumn maintenance and the approach of the higher demand season. The Brazilian oil workers' strike also indirectly contributed to the higher crude prices towards the end of the month. In the product market, gasoline prices decreased sharply in September in all three markets. Fuel oil prices also decreased with the largest decline being for low sulphur residue in Singapore as the period of high Japanese demand ended.

- In September, monthly average refining margins decreased in all three markets. Margins decreased during most of the month and both US cracking margins and the Singapore hydroskimming margin fell to particularly low levels. In July, the aggregate refinery throughputs in Europe, Japan and the US increased from 30.3 mb/d to 31.1 mb/d in August with throughputs in all three regions increasing. Preliminary indications for September suggest lower throughputs in all three regions, in part reflecting seasonal refinery maintenance.

DEMAND

Summary

- In August, Japanese oil demand increased by 20% primarily due to continuing abnormally hot, dry weather which led to increased use of crude and fuel oil for power generation. (As in all other references to changes in the Demand section, the 20% is a year-on-year comparison.) With indications that the hot weather continued into early September, projected 3Q94 OECD Pacific oil demand has been increased by 0.2 mb/d to 6.3 mb/d. In August, North American demand increased by 2.5%, with a continuing loss of market share of residual fuel oil in the power generation sector outweighed by, amongst other factors, strong growth in gasoil and jet/kerosene. However, preliminary indications for September indicate demand weakness in North America. This, coupled with the weak demand in July, has led to a minor downward revision of 3Q94 demand by 0.1 mb/d to 19.7 mb/d. Average oil demand in the four largest oil consuming countries in Europe increased by 1.3% in August but there was a decline of 2.5% in the UK. With one additional working day in Europe in August responsible in part for some of the demand growth, overall European demand appears to be weak and although the 3Q94 demand estimate has not been changed, it still remains subject to downward revision.
- Due to minor changes to OECD demand data on a quarterly basis, OECD oil demand for 1994 has been revised upwards by 0.1 mb/d to 39.9 mb/d. This result is attributable more to rounding effects than a fundamental increase in the overall estimate. Small downward revisions to North American and European demand have been slightly outweighed by increased demand in the Pacific in the third quarter of 1994.
- FSU apparent oil demand in 2Q94 has been revised downwards by 0.2 mb/d to 4.4 mb/d. However, preliminary information for 3Q94 suggests a recovery and the estimate for 3Q94 demand has been left unchanged at 4.6 mb/d.
- A review of 1H94 OECD oil demand for public electricity generation indicates marked declines in Europe and the Pacific which more than offset a weather-related, sharp increase in North America. Oil use in power generation is coming under increasing pressure due to unfavourable price differentials with natural gas, particularly in North America, increased nuclear capacity in Japan and more stringent emission limits.

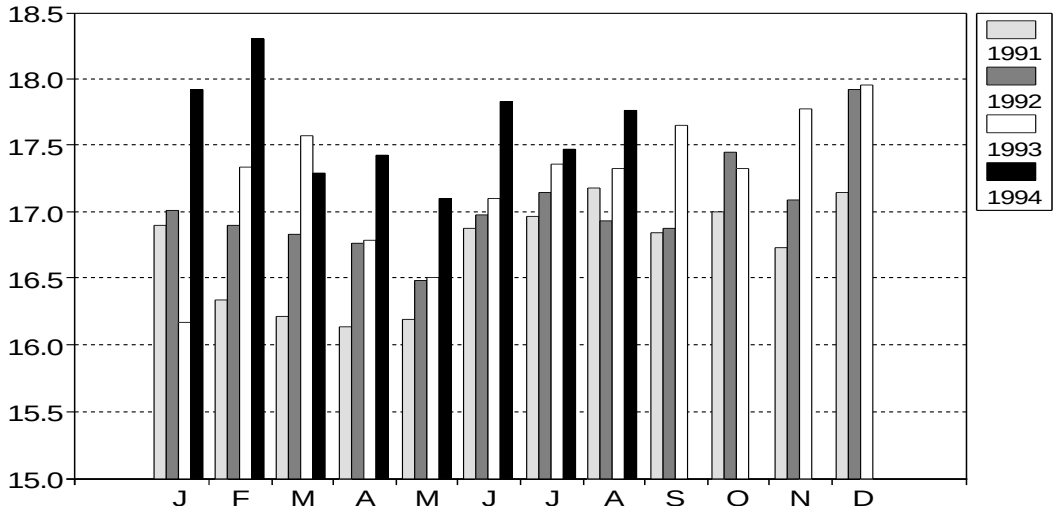


OECD

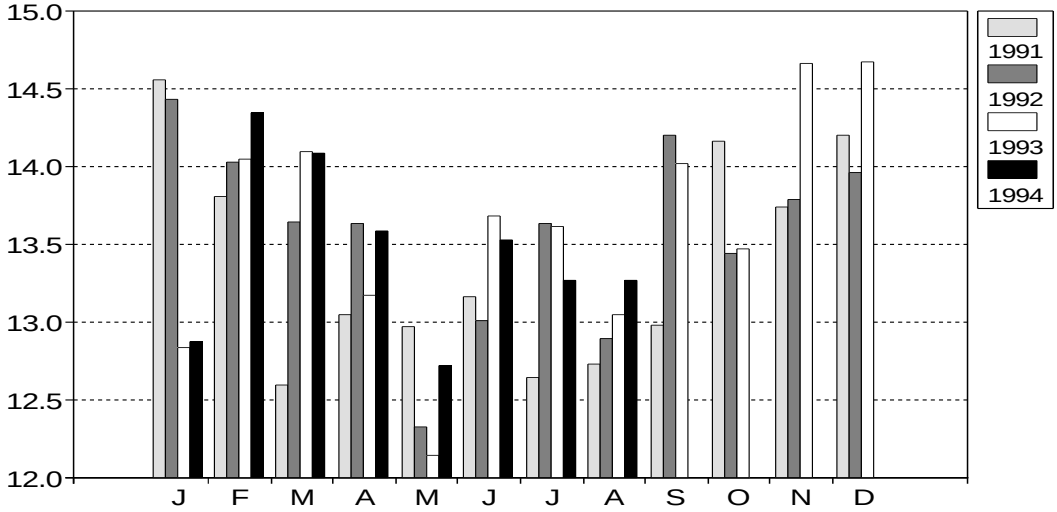
The Third Quarter of 1994

In the third quarter of 1994, OECD oil demand is estimated to have increased by 0.1 mb/d or 2.6% to 39.6 mb/d. This is an upward revision from last month's report resulting from stronger than expected demand in Japan. Although the hot weather came to an end during September, OECD Pacific oil demand has been increased by 0.2 mb/d from last month's report. Oil demand in the OECD Pacific is now estimated to have increased by 0.6 mb/d or 10.5% to 6.3 mb/d, an upward revision reflecting, unlike in the first half of 1994, exceptionally strong demand for oil for electricity generation in Japan. North American demand is estimated to have risen 0.3 mb/d or 1.6% to 19.7 mb/d, a downward revision of 0.1 mb/d from last month's Report.

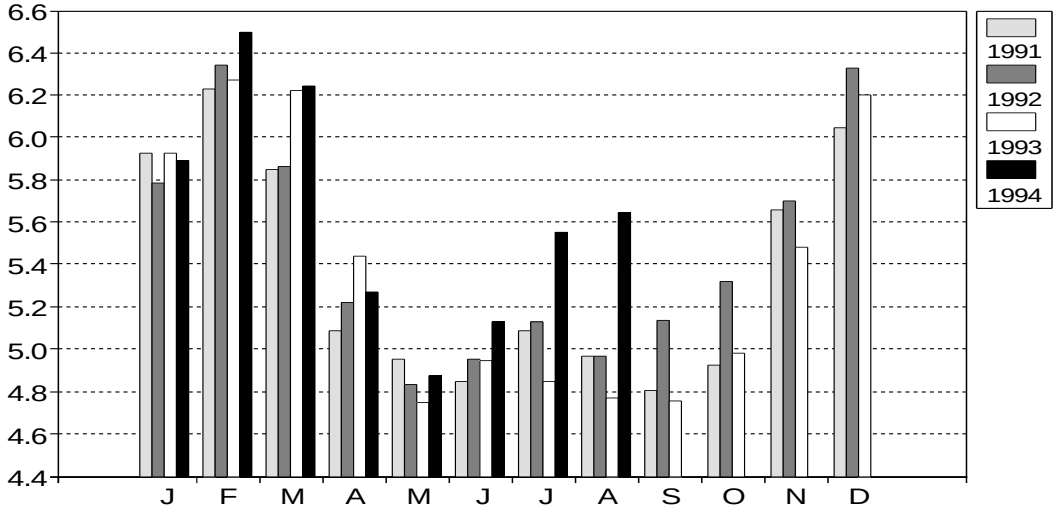
US Oil Demand 1991 - 1994
(million barrels per day)



European Oil Demand 1991 - 1994
(million barrels per day)



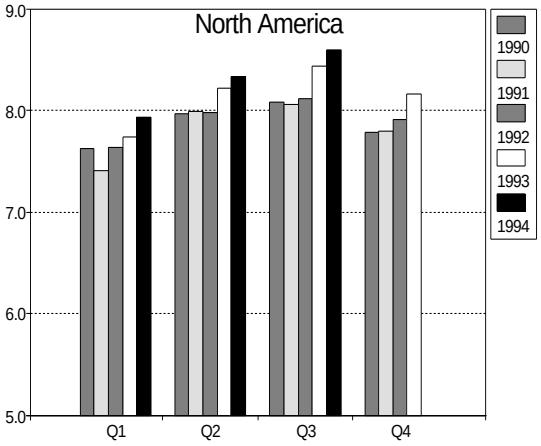
Japanese Oil Demand 1991 - 1994
(million barrels per day)

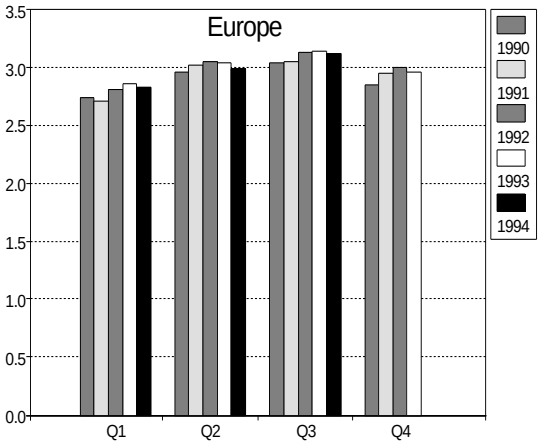


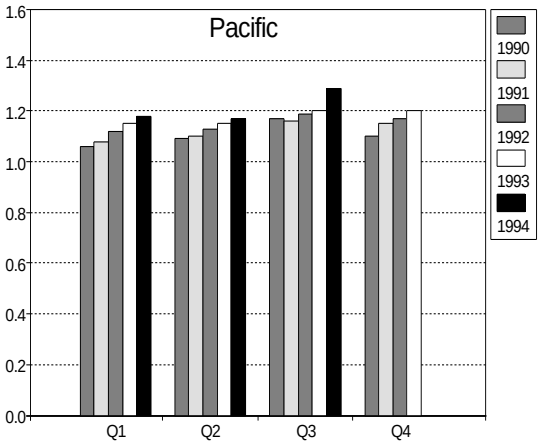
OECD Quarterly Oil Demand

(million barrels per day)

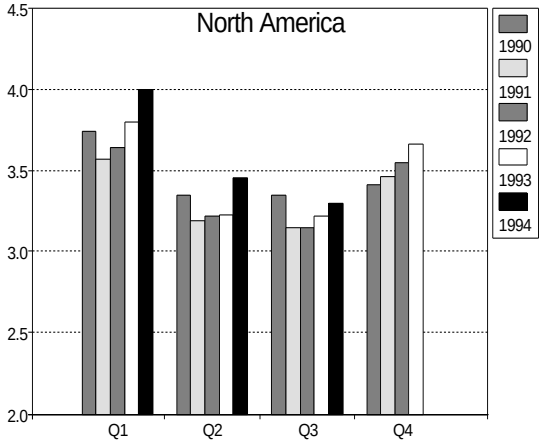
Gasoline

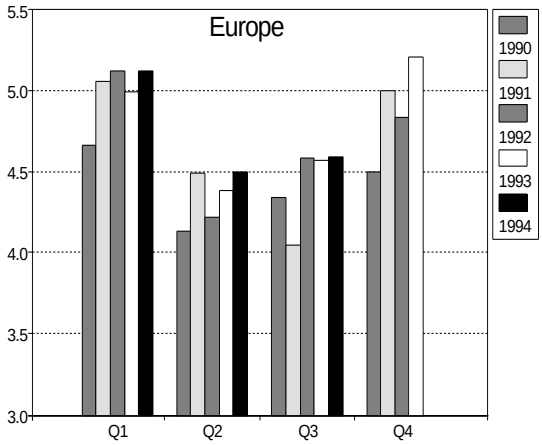


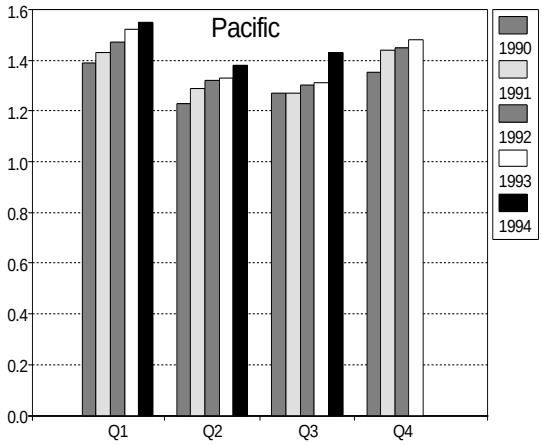




Gas Diesel Oil







July demand in North America was particularly weak and although demand in August is estimated to have been 2.5% higher than a year earlier, preliminary information indicates lower than anticipated demand during the first three weeks of September. Oil demand for Europe is estimated to have increased by 0.1 mb/d or 0.7% to 13.7 mb/d. This demand estimate is unchanged from last month's report but continuing weakness in the European market suggests that this figure may be subject to downward revision.

Third Quarter OECD Oil Demand by Region
(mb/d)

			Change	
	3Q93	3Q94	mb/d	%
North America	19.4	19.7[r]	+0.3	+1.6
Europe	13.6	13.7	+0.1	+0.7
Pacific	5.7	6.3[r]	+0.6	+10.5
OECD Total	38.6	39.6[r]	+1.0	+2.6

r revised since last Oil Market Report
Totals may not add due to rounding

Preliminary Data for August 1994

In August, **US** oil demand is estimated to have risen by 0.3 mb/d or 2.5% to average 17.8 mb/d, reversing the reduction seen in July. Gasoil demand increased by 12.9%, consistent with strong growth in year-to-date demand of about 6%. The strong growth in gasoil can be related to strong economic growth which has impacted upon diesel use on road and rail. Jet/kerosene demand increased by 1.5% in August, a significantly lower growth rate than in recent months but nonetheless reaching the highest monthly level since IEA monthly records began in 1984, due to strong commercial airline demand and the continuing conversion of military demand from naphtha based fuel to jet/kerosene. This conversion process, which has contributed to the strength of jet/kerosene demand, will soon be completed. Residual fuel oil demand fell for the third successive month, decreasing by 20.0% to 0.8 mb/d. Residual fuel oil demand has been adversely affected by the unfavourable price differential with natural gas. In addition, cool weather on the East Coast depressed electricity demand for air conditioning purposes. Motor gasoline demand fell by 0.4% in August, contrasting with strong growth over the year-to-date. This decline contrasts, however, with API statistics which suggest a 0.5% increase in deliveries of gasoline and subsequent revision of the data may occur. The weakness of gasoline demand may in part be due to secondary stock drawdown ahead of the switch, first to winter grade gasoline and then, for about a third of US gasoline, to reformulated gasoline.

Preliminary Inland Deliveries[1] August 1994

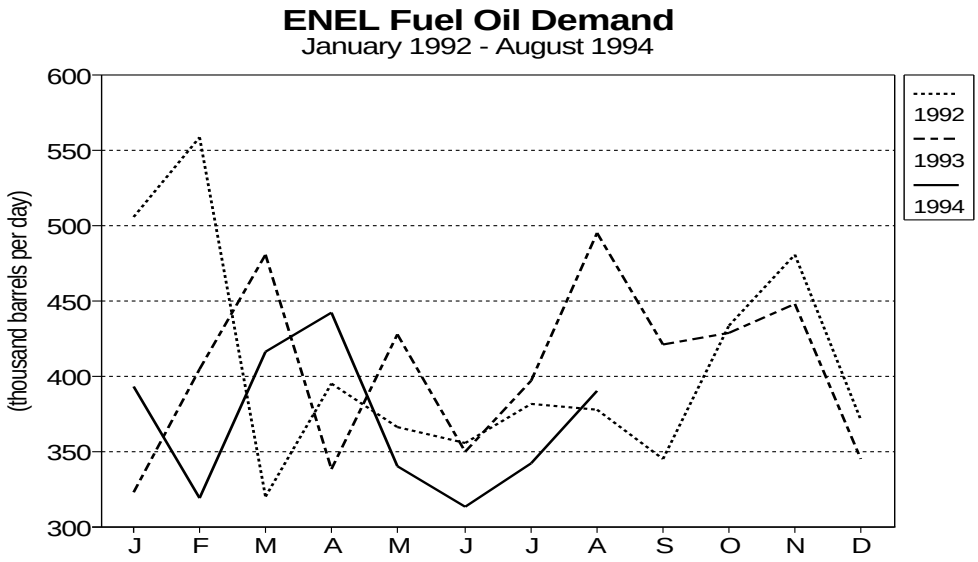
	Motor Gasoline		Gasoil/Diesel		Residual Fuel Oil		Total Products[2]	
	mb/d	% change	mb/d	% change	mb/d	% change	mb/d	% change
USA[3]	7.83	-0.4	3.18	12.9	0.76	-20.0	17.77	2.5
Canada	0.66	3.0	0.39	12.4	0.08	-36.4	1.48	1.8
Japan	1.01	11.1	1.11	9.0	0.89	53.7	5.19	20.2
France	0.42	-1.4	0.67	14.5	0.05	-1.9	1.64	6.7
Germany	0.74	0.1	1.28	-0.9	0.11	-9.8	2.76	0.9
Italy	0.42	16.8	0.35	10.4	0.45	-15.4	1.59	1.0
UK	0.54	1.0	0.40	5.5	0.12	-27.7	1.54	-2.3
European Four	2.12	3.0	2.70	4.9	0.73	-16.1	7.54	1.3
Total	11.62	1.3	7.39	9.2	2.47	-2.6	31.98	4.7

Sources: US EIA, Japan MITI, France CPDP, Germany MWV, UK PIA, Italy Ministry of Industry, Statistics Canada
1 excludes refinery fuel and bunkers (except for US)
2 includes other products not shown and direct use of crude oil
3 50 states only
Percentage change is calculated versus August 1993

In **Europe**, oil demand growth in August in the four largest oil consuming countries was higher than in recent months, increasing by 1.3%. Demand growth was supported by an extra working day compared with the same month last year. Oil demand growth was particularly marked in **France** where it increased by 6.7%. Growth in France was seen in most products other than motor gasoline which declined by 1.4%. Gasoil demand increased by 14.5% with growth concentrated in the heating oil market where demand grew

by 42.3%. This growth may, in part, have been due to consumer stockbuilding as recent consumer stock levels have reportedly been seasonally low. Moreover, last year's demand for heating fuels was unusually weak. Naphtha and "other products" demand increased by over 6%, reflecting increased petrochemical activity.

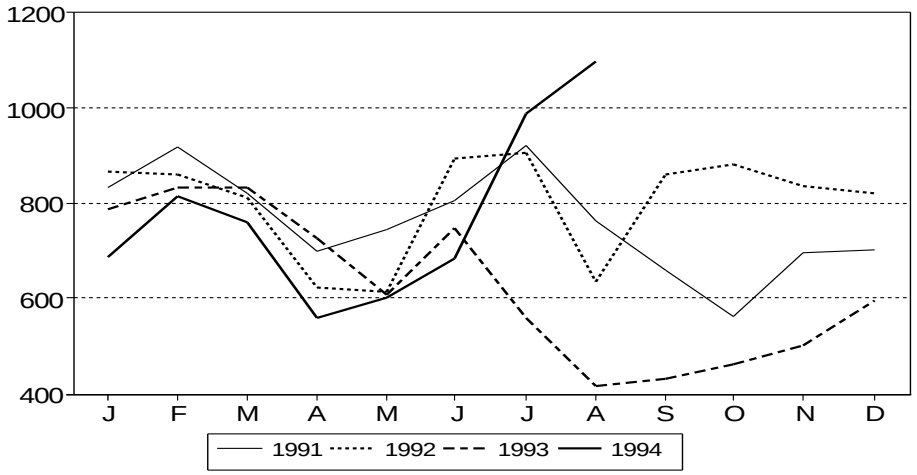
In **Germany**, demand increased by 0.9% with strong growth occurring in LPG and jet/kerosene. However, demand weakness was prevalent in the heating oil and residual fuel oil markets which declined by 4.2% and 9.8% respectively. Although consumer stocks' levels for heating oil are reported to have been at a higher level than last year, the rate of build-up in August was similar to last year. The negligible growth in motor gasoline demand (0.1%) in August reflects the continuing effect of January tax increases on demand and the resulting increase in purchases of motor gasoline in neighbouring countries with lower pump prices such as Luxembourg and Denmark.



In **Italy**, oil demand increased by 1.0% with growth concentrated in the transport sector. Demand for motor gasoline increased by 16.8% and diesel by 11.1%. Residual fuel deliveries remained weak, declining by 15.4%, primarily due to lower liftings by ENEL which met an increase in consumption by increased stock drawdown. In the **UK**, overall oil demand fell in August by 2.3% with marked declines in residual fuel oil and jet/kerosene demand of 27.7% and 3.6% respectively. The continuing decline of residual fuel oil demand is due to fuel substitution by gas in the power generation sector. Although the introduction of Gas Combined Cycle (GCC) plants in the UK has impacted particularly on coal demand, a secondary effect on fuel oil use has occurred. In addition, commercial use of fuel oil is falling due to an increasing price premium versus natural gas. In contrast, motor gasoline and diesel demand increased by 1.0% and 12.5% respectively. The strong growth of diesel demand reflects increased economic activity and the increased market share of diesel cars in the private car fleet.

In **Japan**, oil demand increased by 0.87 mb/d or 20.2% to reach 5.2 mb/d in August. Demand for crude oil increased by 152.5% to 0.61 mb/d whilst residual fuel oil increased by 53.7% to reach 0.89 mb/d. The continuing hot weather increased the demand for electricity for air conditioning and oil's share of the generation mix continued at high levels due to water shortages at hydroelectric plant. Nuclear output increased and the utilisation rate was higher than last year. It appears that nuclear output has not been adversely affected by water shortages which often hinder nuclear output. The marked increase in demand for oil in the generation sector came to a halt in September as the unseasonally hot weather ended. Demand for motor gasoline and diesel both increased by over 11%. A small part of this increase in gasoline demand may be due to increased use of car air conditioning which can reduce the fuel efficiency of a vehicle by up to 10%. Moreover, the increased transport fuel demand reflects strengthening economic growth.

Japanese Oil Deliveries in Electricity Generation*
(thousand barrels per day)



*comprises crude oil, fuel oil, naphtha, LPG and NGLs.

The Fourth Quarter of 1994

In the fourth quarter of 1994, OECD demand is projected to increase by 0.3 mb/d or 0.6% to 40.6 mb/d. This forecast is unchanged from last month's Report. Oil demand growth in North America is estimated to be 0.3 mb/d or 1.2% higher at 19.9 mb/d. Oil demand in Europe is forecast to decline by 0.1 mb/d or by 0.9% to 14.1 mb/d despite indications that economic growth is accelerating. This decline reflects the fact that 4Q93 demand was particularly strong due to marked consumer stockbuilds in Germany, France and the Netherlands in advance of consumer tax increases and also somewhat colder than normal weather. Oil demand in the OECD Pacific region is expected to increase by 0.1 mb/d or 2.1% to 6.6 mb/d due to continued strengthening of economic growth and expenditure on infrastructure programmes leading to stronger diesel fuel use.

Fourth Quarter OECD Oil Demand by Region
(mb/d)

			Change	
	4Q93	4Q94	mb/d	%
North America	19.7	19.9	+0.3	+1.2
Europe	14.3	14.1	-0.1	-0.9
Pacific	6.5	6.6	+0.1	+2.1
OECD Total	40.4	40.6	+0.3	+0.6

r revised since last Oil Market Report
Totals may not add due to rounding

Revisions to Demand Projections for 1994

Although the only change in quarterly total OECD demand data shown in Table 1 is a 0.1 mb/d increase in 3Q94, oil demand for 1994 has been revised upwards by 0.1 mb/d to 39.9 mb/d. This is due to rounding effects, notably in 2Q94 where European demand has been revised upwards by 0.1 mb/d due to stronger than expected demand in some smaller European countries.

1994 OECD Oil Demand by Region
(mb/d)

	1993	1994	Change mb/d	Change %
North America	19.2	19.7	+0.5	+2.8
Europe	13.6	13.7	+0.1	+0.6
Pacific	6.3	6.5[r]	+0.2	+3.5
OECD Total	39.0	39.9[r]	+0.8	+2.1

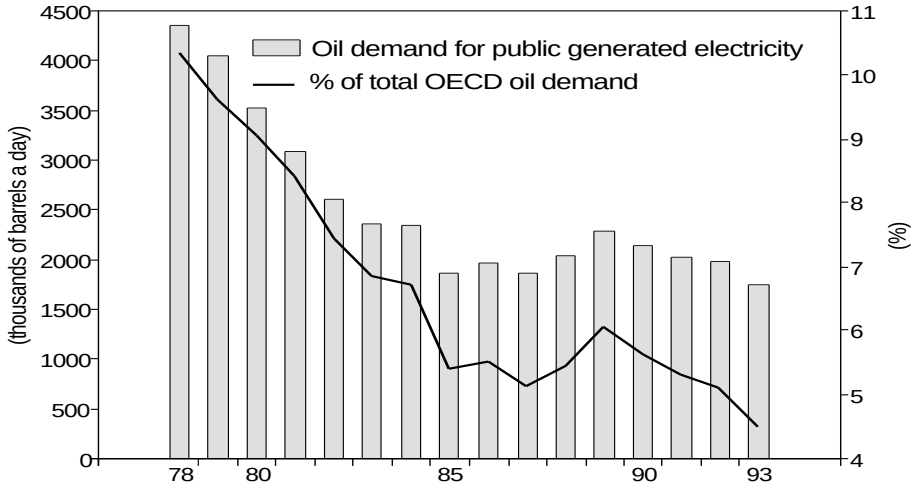
r revised since last Oil Market Report
Totals may not add due to rounding

OECD Oil Demand for Public Electricity Generation

In the first half of 1994 OECD oil demand for the public electricity generation sector declined at a time of increased electricity output. The progressive loss of market share over the last year is a continuation of a series of effects which were triggered by the 1974 oil price crisis and which was accelerated by the 1979/80 oil price shock. Substitution of oil in the generation mix has been accomplished firstly by base load coal in the immediate aftermath of the 1974 oil crisis, secondly by additional nuclear capacity and more recently by increased market penetration of gas for power generation. Although following the 1985/86 oil price decline there was a minor resurgence in oil use in electricity demand, recent fluctuations in oil demand have tended to reflect short term variations in hydro availability, nuclear plant maintenance programmes, abnormal weather patterns and, particularly in North America, changes in the relative prices of fuel oil and natural gas. For most countries, oil use in the generation sector is largely restricted to the margin but there is still base load use in Japan, Italy, Greece and Portugal.

Oil use in electricity generation is expected to come under increasing pressure by the implementation of more stringent emission standards. The general pressure to reduce SO_2 emissions in Europe is adding further momentum to the shift to natural gas. For example, in Italy, which represents about half of European oil demand for public electricity generation, ENEL has been obliged to increase its purchases of low sulphur oil at the expense of high sulphur oil to comply with SO_2 emission reduction targets set out in the EU's Large Combustion Plant Directive. The direct burning of low sulphur crude oil for electricity generation in Japan is a unique phenomenon in the OECD and has taken place due to regional availabilities of such crude, stringent emissions limits in Tokyo and lower tariffs for crude imported for direct burning than for fuel oil. The use of crude for power generation in Japan has declined over recent years due to recent additions to nuclear capacity and this decline is expected to continue as even tougher environmental standards are progressively introduced and non-oil generating capacity continues to grow.

Oil Deliveries for Public Electricity in the OECD
1978-1993



In the first half of 1994, total OECD oil demand for public electricity generation fell by 0.01 mb/d or 0.6% to 1.82 mb/d with marked declines in Europe and the Pacific more than offsetting a sharp increase in North America. In Europe, demand for oil in electricity generation fell due to a mild first quarter whilst in Japan, oil was increasingly substituted by LNG, coal and nuclear, particularly in the second quarter.

In North America, oil demand for public electricity generation increased by 0.13 mb/d or 29.2% to 0.57 mb/d. This was caused by the exceptionally cold weather in the first two months of the year in the North East Seaboard where a large part of the weather sensitive oil demand is located. Electricity demand was higher and oil met a greater proportion of the fuel inputs as gas prices rose relative to fuel oil, limiting the share of gas in power generation. Moreover, nuclear availability on the East Coast was lower in February and coal use was limited by low stock levels, frozen stocks and transport difficulties. Lastly, extremely hot weather in June in the East Central and Eastern US increased electricity demand for air conditioning and fuel oil took a share of the incremental generation.

Oil for Public Electricity Generation
(mb/d)

	1H93	1H94	% Difference
North America	0.44	0.57	+29.2
Europe	0.63	0.56	-10.2
Pacific	0.76	0.68	-10.0
OECD Total	1.83	1.82	-0.6
Japan	0.76	0.70	-7.8
Italy	0.40	0.38	-6.4
US	0.39	0.52	+33.3
UK	0.08	0.07	-5.4
Canada	0.05	0.05	-0.8
Portugal	0.04	0.04	-13.3
Spain	0.04	0.03	-14.9
Greece	0.03	0.03	+4.6
Germany	0.03	0.02	-10.0

Totals may not add due to rounding

Non-OECD

Former Soviet Union

As discussed in the Supply section of this Report, there has been a 0.2 mb/d upward revision to FSU net exports in 2Q94 which leads to a 0.2 mb/d reduction in apparent demand to 4.4 mb/d. This represents a year-on-year decline of 1.3 mb/d or 22%. Preliminary indications of oil demand and export levels for 3Q94 suggest a recovery in demand to 4.6 mb/d, unchanged from last month's Report. It should, however, be noted that there is the possibility of a downward revision to this demand estimate when firmer net export data become available. FSU apparent oil demand for 1994 has been revised downwards by 0.1 mb/d to 4.8 mb/d. This annual figure represents a year-on-year decline of 0.8 mb/d or 14.4%. This decline in demand reflects the continuing decrease in economic activity coupled with the incentive to export oil to earn much needed foreign currencies rather than supply the internal market, particularly in the non-Russian independent states.

Second Quarter 1994 Inland Deliveries in Selected Asian Countries
(kb/d)

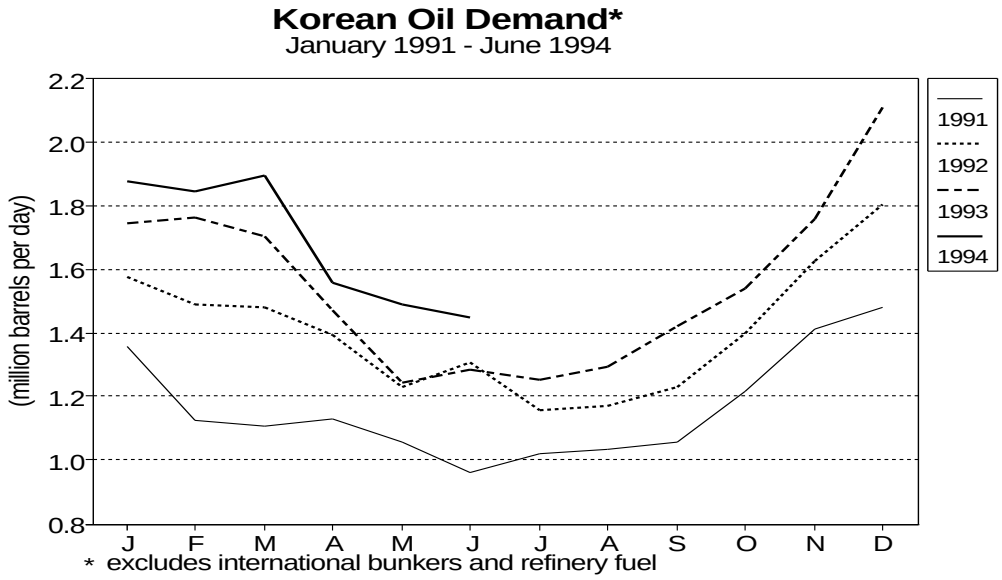
			Change	
	2Q93	2Q94	kb/d	%
Hong Kong	112	105	-7	-6.3
Korea	1330	1501	+172	+12.9
Malaysia	199	238	+38	+19.3
Pakistan	277	301	+24	+8.7
Philippines	305	262	-43	-14.1
Singapore	109	133	+24	+22.1
Thailand	511	543	+31	+6.1
Total	2844	3082	+239	+8.4

Note: excludes international bunkers and refinery fuel

Asia

Preliminary inland oil demand data for the second quarter of 1994 for selected Asian countries is illustrated in the above table. International bunkers and refinery fuel, which can represent a significant proportion of oil in the region, are excluded from the table. The Asian region continues to be the fastest growing oil

market in the world, with oil demand in the countries shown in the table growing at an average rate of 8.4%. Fuelled by strong economic growth, oil demand in the region has grown rapidly due, in part, to increased car ownership and oil use in electricity generation. Attempts to substitute oil by other fuels in the electricity generation mix have helped to dampen the strong oil demand growth but this has been outweighed in many countries by the absolute electricity growth. However, Philippine oil demand fell by 14.1% primarily due to a 36.3% decline in residual fuel oil following a rapid expansion of non-oil generation capacity which has displaced oil in the generation mix. In contrast, Malaysian oil demand increased by 19.3% in 2Q94 with gasoil and motor gasoline demand growing by 24.4% and 19.8% respectively.



Looking at Korean oil demand in 2Q94 in more detail, according to preliminary government data, inland product deliveries increased by 12.9% year-on-year, compared to 9.8% annual growth recorded last year and the much higher growth in earlier years (see table). Demand growth was marked in motor gasoline which increased by 20.6% and residual fuel oil which grew by 19.9%. The increased use of residual fuel oil reverses a recent trend of oil substitution in the power generation sector by imported coal and LNG. By contrast, inland deliveries of gasoil increased by only 8.2% due, in part, to milder weather in the second quarter. Naphtha deliveries increased by 15.2% to 0.30 mb/d, continuing high growth in the first quarter of 1994.

Korean Oil Demand 1990 - 2Q94

(thousand barrels per day)

	1990	1991	1992	1993	2Q93	2Q94	kb/d	%
NGL/LPG	98	118	148	163	139	150	+11	+8.2
Naphtha	130	180	266	296	256	295	+39	+15.2
Motor Gasoline	65	79	97	116	112	135	+23	+20.6
Aviation Fuels	34	35	31	36	35	39	+3	+9.5
Kerosene	74	70	94	119	61	60	-1	-1.6
Gas Diesel	266	314	349	378	337	365	+28	+8.2
Residual Fuel	279	336	384	399	345	414	+69	+19.9
Other Products	27	32	40	39	44	44	0	-0.8
Total Inland Demand	972	1163	1410	1547	1330	1501	+172	+12.9
Annual Growth (%)	23.6	19.7	21.2	9.8				

Note: excludes international bunkers and refinery fuels

Revisions to Global Oil Demand

As discussed above, FSU apparent oil demand has been decreased by 0.2 mb/d in 2Q94 leading to a reduction of 0.1 mb/d in demand for 1994. However, due to rounding, there is no change in total non-OECD demand and global oil demand is increased by only the 0.1 mb/d increase in OECD demand. 1994 global demand is now projected to be 68.2 mb/d, 1.1 mb/d or 1.6% higher than in 1993.

SUPPLY

Summary

- A significant rebound in Nigerian output following the ending of the oil workers' strike in late August contributed to an increase in OPEC output to slightly above 25.0 mb/d from 24.6 mb/d in August.
- OECD oil production rebounded by more than 0.5 mb/d in September, with the completion of extensive August maintenance programmes in the North Sea, primarily in Norway and small estimated seasonal increases for US and Canadian NGL supplies.
- Non-OECD, non-OPEC production is estimated to have declined in September by almost as much as the OECD increase, due to the impact of an oil workers' strike in Brazil late in the month and a slight decline in Russian production in September.
- Recently revised data on net FSU exports in June indicate a substantially higher than expected level, over 2.9 mb/d, raising the estimated 2Q94 level to 2.6-2.7 mb/d from an earlier 2.4 mb/d based on preliminary data. Higher exportable production by joint ventures, due to weaker FSU demand and additional export licenses, probably has played a role. Second quarter FSU production appears to have been near the predicted 7.1 mb/d but, as stated in the Demand section, 2Q94 FSU demand has been revised down by 0.2 mb/d. Preliminary data indicate a return to lower levels of exports in 3Q94, particularly for September, but there is a possibility that the 3Q94 estimate will be revised upwards.

Non-OPEC Oil Supply

(million barrels per day)

	1992	1993	1994[e]	1995[e]	3Q93	4Q93	1Q94	2Q94	3Q94[p]
Crude Oil									
North America	8.53	8.27	8.11	7.89	8.19	8.30	8.21	8.07	8.00
United States	7.17	6.84	6.66	6.54	6.72	6.86	6.76	6.61	6.56
Canada	1.36	1.43	1.45	1.35	1.47	1.44	1.45	1.46	1.44
Europe	4.52	4.80	5.54	5.63	4.81	5.31	5.40	5.50	5.30
North Sea	4.08	4.38	5.13	5.20	4.38	4.89	4.98	5.09	4.88
UK*	1.76	1.92	2.40	2.37	1.93	2.23	2.27	2.32	2.32
Norway	2.12	2.26	2.49	2.59	2.25	2.44	2.47	2.52	2.32
Other North Sea**	0.20	0.20	0.24	0.24	0.20	0.23	0.24	0.25	0.24
Other Europe	0.44	0.42	0.42	0.43	0.43	0.42	0.42	0.41	0.41
Pacific	0.59	0.55	0.60	0.62	0.56	0.51	0.57	0.58	0.62
Australia	0.53	0.50	0.54	0.57	0.50	0.45	0.52	0.52	0.56
Other Pacific	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total OECD	13.64	13.62	14.25	14.14	13.55	14.12	14.19	14.14	13.92
Latin America	4.93	5.02	5.18	5.51	4.99	5.15	5.12	5.10	5.21
Asia (incl. China)	7.38	7.55	7.74	8.04	7.48	7.64	7.78	7.61	7.75
Africa	1.87	1.86	1.86	1.96	1.83	1.87	1.86	1.83	1.86
Other Middle East	1.48	1.60	1.76	1.83	1.60	1.70	1.72	1.76	1.76
Central and East Europe	0.25	0.25	0.24	0.24	0.25	0.24	0.24	0.24	0.24
Total Non-OECD (ex. FSU)	15.90	16.27	16.78	17.58	16.15	16.60	16.72	16.54	16.82
Russia	7.70	6.66	5.99	5.25	6.49	6.32	6.01	6.05	6.03
Other Republics	0.88	0.81	0.75	0.88	0.82	0.80	0.75	0.74	0.75
Total FSU	8.58	7.47	6.74	6.13	7.30	7.12	6.75	6.78	6.78
NGLs & Other									
United States	1.83	1.97	2.00	2.02	1.97	1.93	1.94	1.92	2.04
Canada	0.70	0.75	0.80	0.82	0.78	0.80	0.80	0.73	0.82
North Sea	0.26	0.31	0.43	0.48	0.29	0.39	0.44	0.42	0.39
Russia	0.22	0.20	0.17	0.18	0.20	0.19	0.21	0.15	0.16
Other Non-OPEC	1.33	1.39	1.42	1.46	1.39	1.42	1.40	1.39	1.43
Total NGLs & Other	4.34	4.63	4.82	4.96	4.62	4.73	4.79	4.60	4.85
Processing Gains	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total Non-OPEC Supply	**41.12**	**40.58**	**41.13**	**41.26**	**40.24**	**41.12**	**40.95**	**40.63**	**40.90**

e estimated
p preliminary
* excluding on-shore production
** Denmark, off-shore Netherlands and off-shore Germany

Revisions

Non-OPEC supply estimates have been revised upward by 0.1 mb/d to 40.9 mb/d in 3Q94 and for 4Q94 by 0.3 mb/d to 42.0 mb/d as a result of changes to both OECD and non-OECD estimates. The OECD increases reflect greater optimism about Canadian and North Sea supplies in both quarters, the former due to pipeline debottlenecking and the latter as a result of the rapid increase to higher than expected levels in three new offshore oil fields. The non-OECD revisions are centred on the FSU. Although the revision in 2Q94 net FSU exports led to a change in the quarterly FSU oil demand estimate, rather than supply, there are indications of higher production in 3Q94. In addition, it appears likely that production from Kazakhstan's Tenghiz field will be somewhat higher than previously assumed in 4Q94. On this basis, net FSU production has been tentatively increased by 0.1 mb/d in 3Q94, 4Q94 and 1Q95. It should be recognised that 4Q94 projections are sensitive to continuing uncertainties surrounding Russian exports and production and also to developments related to the Brazilian oil workers' strike.

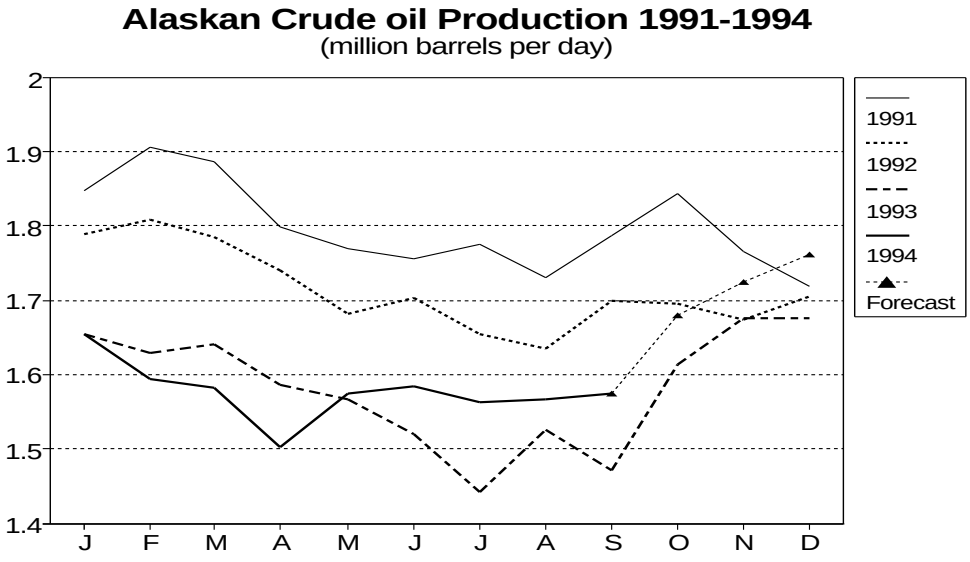
OECD

OECD oil production in September is estimated to have increased by 505 kb/d, with the gain almost entirely the result of the recovery in European production. North American production is thought to have been essentially unchanged as a small increase in the US offset a small decline in Canada and the OECD Pacific is judged to have remained near August levels. The increase in Europe was about two-thirds in Norway, where coincident maintenance activities at most major fields had sharply reduced August output and about one-third in the UK. The UK increase resulted from a combination of July maintenance reductions that continued into August and higher than expected production from a few new fields in August and this increase is expected to continue in September.

The September increase raises the 3Q94 level to 17.3 mb/d from the 17.2 mb/d estimated previously and results in a decline of only 60 kb/d from 2Q94, despite the large impact of North Sea maintenance during the quarter. Total OECD production in 4Q94 is now projected to increase by 970 kb/d versus 3Q94 due to the end of North Sea maintenance, increasing output from new North Sea fields and higher Alaskan North Slope production following the installation of new gas-handling equipment at Prudhoe Bay. Smaller quarter-on-quarter increases are also projected for Canada and Australia.

North America

September oil output in the **US** appears to have registered an increase of around 15 kb/d based on weekly data from the US DOE for the first three weeks of the month. More than half of the gain occurred in Alaska, despite the impact of the installation activities for the GHX 2 project. In the Lower 48 states, higher estimated NGL and other hydrocarbon output is seen as more than compensating for a decline in crude production. Including the September estimates, 3Q94 US production now appears to have increased by about 65 kb/d over 2Q94 or about 25 kb/d less than expected. However, total US oil output in 4Q94 is now projected to increase by more than 200 kb/d. The increase is primarily in Alaskan North Slope production but seasonally higher NGL output and an increase in the non-oil derived components of gasoline additives, such as MTBE, are also expected to add to 4Q94 US supplies.



Alaskan production through the first 28 days of September increased by around 10 kb/d according to the State Oil & Gas Audit Division. The increase occurred despite a small decline in Prudhoe Bay production related to work being done to install additional gas-handling equipment. However, the impact of the GHX 2 work was substantially reduced by improved operating performance of the existing gas-handling facilities on the North Slope, as temperatures returned to more normal levels following two months of very hot weather. Further, a new well brought onstream in August at Point McIntyre added 15 kb/d. The combination of the GHX 2 project, better operating conditions and the new Point McIntyre well is projected to add 155 kb/d to 4Q94 production versus 3Q94 but as with the GHX 1 project, Prudhoe Bay is likely to begin declining again by the middle of next year.

The direction of Lower 48 production reflects the interplay of a continuing trend of lower output from mature onshore fields in Texas and elsewhere in the Southwest and Midwest, competing with sporadic increases from offshore California and the Gulf of Mexico, as new fields are brought on. Production at the Santa Ynez unit off Central California has been increasing as new wells have been drilled and output from the Point Arguello area has mostly recovered from the transportation difficulties caused by January's earthquake. In the Gulf of Mexico, the offshore Louisiana Augur field began production earlier this year and the Pompano platform is expected to begin production in the next few months, both with targeted first phase capacity in the 40-50 kb/d range. The net result has been a quarterly decline in Lower 48 crude oil production of 65-70 kb/d in each of the last two quarters, as Gulf of Mexico production increased by 30-35 kb/d and onshore Lower 48 decreased by 95-105 kb/d. In 4Q94, onshore production is expected to be seasonally stronger, declining by only about 10 kb/d, while offshore Gulf of Mexico and California production are expected to increase by a combined 20 kb/d.

Preliminary data for July show **Canadian** crude oil production up by about 65 kb/d from June, with most of the increase coming from Alberta. As noted in last month's Report, synthetic crude output was also reported to be higher in July at 290 kb/d versus 245 kb/d in June. NGL production is estimated to have increased in June and July as well, bringing total Canadian oil output to 2.20 mb/d in June and 2.34 mb/d in July. Estimates for August and September of just over 2.20 mb/d result in a 3Q94 average for total Canadian oil production of 2.26 mb/d, compared with 2.19 mb/d in 2Q94.

Canadian oil production in 4Q94 is projected to increase by about 35 kb/d to 2.29 mb/d, as pipeline bottlenecks on the Interprovincial Pipeline (IPL) system are alleviated by capacity additions and looping. Stringent pipeline apportionment on the IPL system has resulted in varying degrees of shut-in supplies in Alberta and Saskatchewan. However, the full positive impact of the IPL project is not expected to be felt until well into next year, as line-packing and hydrostatic testing are likely to cause irregularities in throughput over the next several months. According to industry sources, the total IPL capacity addition of around 170 kb/d and greater use of the US Wood River Line could substantially increase the flow of Canadian crude oil into the US Midwest during 1995.

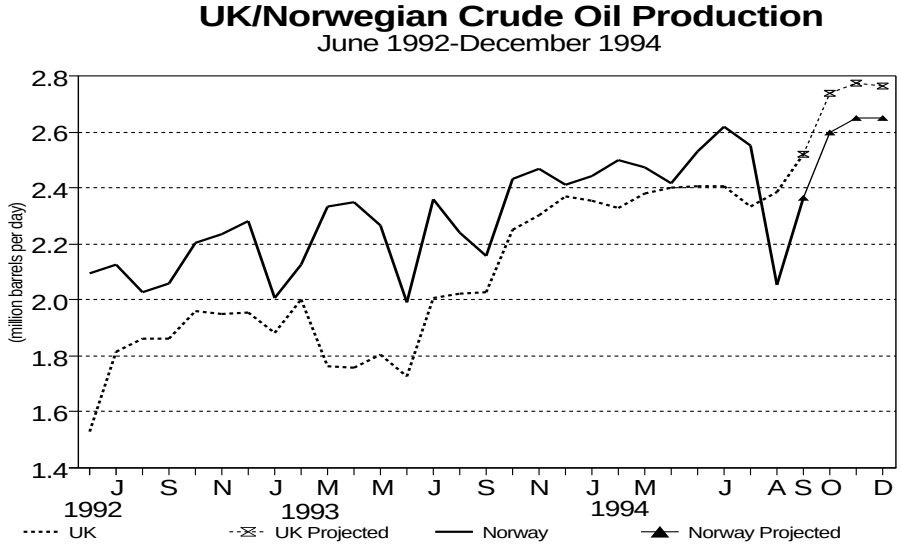
North Sea

North Sea production dropped an additional 0.45 mb/d in August to under 5 mb/d versus 5.41 mb/d in July, as unusually large maintenance reductions occurred in the Norwegian sector and maintenance activities continued at several UK platforms in the early part of the month. Even so, the Norwegian decline was less sharp than expected and the UK production increased during August, despite the continuing maintenance, in each case by virtue of better production rates at a few of the new North Sea fields, primarily Norway's northern Draugen field and the UK Nelson and Alba fields. September North Sea production is estimated to have been 5.46 mb/d, which includes about 0.4 mb/d of lighter NGLs and plant condensates. Total North Sea production in 4Q94 has been revised upward by about 0.1 mb/d to 6.0 mb/d due to the faster rise in Draugen and Nelson production.

UK offshore production increased by approximately 75 kb/d in August to 2.52 mb/d versus 2.45 mb/d in July, despite continuation of maintenance programmes begun in July at some Brent system fields (North Cormorant, Osprey and Dunlin) and the beginning of maintenance programmes at the Scott, Forties, Beryl and Fulmar platforms. The return of the Brent Charlie and Delta platforms added more than 70 kb/d and Nelson field production increased by 35 kb/d to over 170 kb/d, well above the peak of 150 kb/d expected late this year. Smaller increases of 10-30 kb/d occurred at Miller and Bruce fields in the Forties system and at the Magnus field, each due to the return from maintenance shutdowns. Production from the new Alba and Gryphon fields also reached record levels for the month, of 60 kb/d and 40 kb/d respectively.

Maintenance reductions in September are thought to have amounted to 100-120 kb/d mainly in the Forties and Brent system fields but were more than compensated for by the return of other fields. The Forties system fields are estimated to have increased production by a combined 65 kb/d for the month, with the Brent system production rising by around 80 kb/d. Continuing maintenance at Fulmar and North Alwyn

is believed to have led to a net monthly decrease of about 15 kb/d for September elsewhere in the UK sector. Adding on an estimated increase in NGL production of 20 kb/d for the month results in an increase of just over 150 kb/d in total UK offshore oil production in September to 2.67 mb/d versus 2.52 mb/d in August. The higher than expected August and September production levels result in an upward revision in 3Q94 UK output to 2.54 mb/d, down less than 10 kb/d from 2Q94 and about 50 kb/d better than expected.



The absence of maintenance, attainment of peak levels by several of the new fields and small contributions from the Stirling and Dunbar fields expected onstream in the next few months are projected to combine to add around 390 kb/d to UK production in 4Q94 versus 3Q94. Nearly half of the increase is expected to come from the Forties system fields, particularly the new Nelson, Brae East and Tiffany fields as well as the slightly older Bruce and Scott fields.

The August maintenance-related declines in the **Norwegian** sector were not quite as severe as anticipated, reducing crude oil output by about 530 kb/d to just under 2 mb/d, a decline of 50 kb/d less than expected. The Gullfaks field and the three large western fields tied to the Ekofisk system (Ula, Gyda and Valhall) were down by 50%, while production from the Ekofisk field was down by a more typical 33%. Oseberg production remained at over 500 kb/d for the month and the new Draugen field averaged over 100 kb/d for the first time in August, a level not previously expected to be achieved until next year.

Total Norwegian crude oil production is thought to have recovered to over 2.7 mb/d in September and is projected to reach 2.9 mb/d by virtue of the end of summer maintenance, the unexpectedly rapid pace of growth in Draugen production and increases in the other new fields; Tordis, Gyda South and Gullfaks West. Condensate and NGL production was also affected by the maintenance and is also expected to increase in 4Q94, from 150 kb/d in 3Q94 to 175 kb/d in 4Q94.

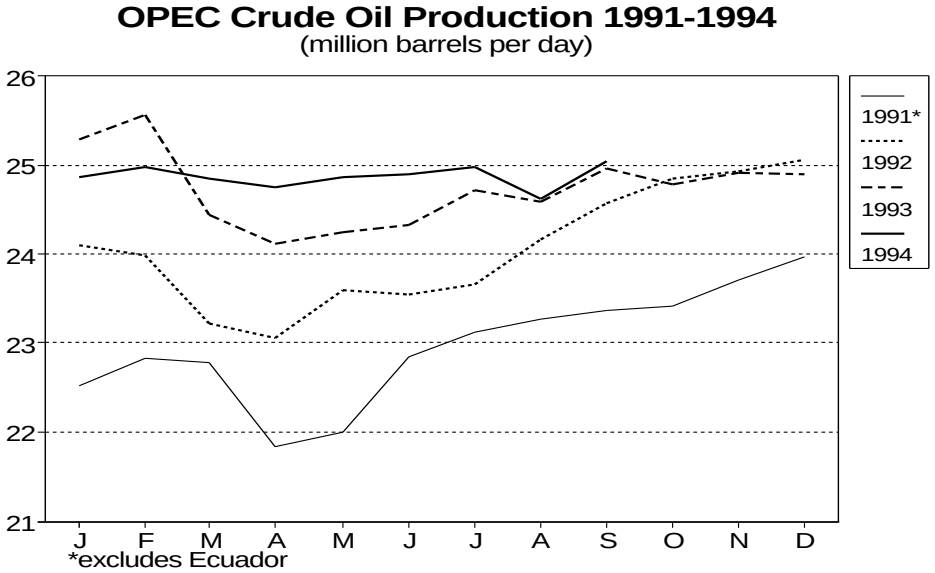
Danish production dropped by nearly 10 kb/d to around 170 kb/d in August, as all four of the largest Danish fields registered small declines. Production is judged to have partially recovered in September but is expected to remain below the record highs reached in 2Q94. **Dutch** production also is reported to have dropped unexpectedly to its lowest level of the year. The F3-FB field accounted for most of the monthly decline of nearly 15 kb/d or nearly 25%.

Australia

Australian production in July appears to have increased less than anticipated from June's level of 600 kb/d. Total oil output was just under 625 kb/d, or about 40 kb/d below the prior estimate. A stronger recovery in Gippslands Basin production had been expected following two months of decline and the rise in Carnarvon Basin production from new fields at Thevenard Island was only 20 kb/d or about two-thirds of what was expected. Australian oil production is estimated to have remained in the 625-630 kb/d range in August and September but is projected to increase by about 15 kb/d between 3Q94 and 4Q94 to around 640 kb/d.

OPEC

OPEC production is estimated to have increased by 0.42 mb/d between August and September to just over 25 mb/d, due to the rapid return of Nigerian production and smaller increases in Iran and Qatar. The estimated 360 kb/d Nigerian increase accounted for about 85% of the gain. Small declines are thought to have occurred in the Neutral Zone and Libya.



The end of the oil workers' strike in **Nigeria** at the beginning of September led to an almost immediate recovery in output, reaching nearly 2 mb/d by the last week of the month. As was commented in last month's Report, it was clear that such a quick recovery was possible since damage to facilities was temporary. Although production activities are now essentially back to normal, the Nigerian political situation remains unresolved.

Saudi Arabian production may have been up slightly in September, in addition to the initial production of the ultra-light crude oil from the central plateau region south of Riyadh, which has been used so far solely to fill field storage tanks and the new pipeline connecting to the Yanbu pipeline. Exports of the ultra-light are not expected until at least November. **Kuwaiti** production is estimated to have remained at around 1.85 mb/d excluding the **Neutral Zone**, where lower production from the Khafji field is thought to have brought production down from near 420 kb/d to just under 400 kb/d. Production in the **UAE** is reported to have decreased over the last two months due to reduced output from other fields following a major capacity expansion at the Upper Zakum field from around 340 kb/d to over 450 kb/d in February and production of over 400 kb/d from the field since then.

Production in **Libya** appears to have dropped by an additional 20 kb/d in September to 1370 kb/d, as equipment problems continue to inhibit production. **Iranian** output is estimated to have increased in September to 3.65 mb/d versus 3.60 mb/d in August, temporarily breaking the up and down pattern of the last five months.

Former Soviet Union (FSU)

Production

Russian crude oil production in August is estimated to have declined by about 90 kb/d to 6.05 mb/d from 6.14 mb/d in July, reflecting lower reported output from most of the state-owned oil companies and production associations and slightly lower estimated joint venture output. Nearly two-thirds of the production associations reported declines in output between July and August, with the largest drops of about 25 kb/d each in Chechua and in the Western Siberian Nizhnevartovsk production association, the operations of which include production at the aging Samotlor field. Total production by joint ventures is reported to have dropped by more than 100 kb/d in July after peaking in June at just over 390 kb/d, although a progressively larger share of the output may have been allocated to "own-production" (i.e., that portion of joint venture output not dedicated to domestic use and assigned to the foreign partner of the joint venture) and some of the own-production appears to have been routed through the Transneft pipeline

system to the Black Sea for export, in spite of the bureaucratic complications involved in arranging such a movement.

Production of condensates, which are thought to be generally extracted from gas plants and thus are classified as NGLs, are estimated to have risen slightly throughout 3Q94. Production from Kazakhstan is also estimated to have increased during the quarter and is projected to increase further following the completion of a mercaptan removal train at Tenghiz in August. The net result is a decline of about 0.08 mb/d between July and August and another 0.14 mb/d between August and September to 6.97 mb/d versus a production level in June of over 7.2 mb/d. However, because of the depressing effect of the low production levels in the first two months of 2Q94, estimated FSU production increased slightly in 3Q94 to 7.08 mb/d from 7.06 mb/d in 2Q94. Production in 4Q94 is projected to decline by 0.05 mb/d to 7.03 mb/d.

Exports

Net FSU exports in June may have been substantially higher than was indicated by preliminary weekly data on Black Sea and Baltic exports. Exports from the three main Black Sea ports were initially estimated to have been just over 1 mb/d and exports from Ventspils at only 0.4 mb/d. More complete data suggest levels of 1.35 mb/d for the Black Sea and 0.87 mb/d for Ventspils. Even with a small downward revision in estimated Druzhba pipeline throughput in June, total net FSU exports appear to have reached 2.95 mb/d, increasing the 2Q94 average to 2.64 mb/d from 2.43 mb/d estimated in last month's Report. Preliminary data for 3Q94 show slightly higher July and August exports but a moderate decline in September, leaving the average for the quarter at 2.44 mb/d. Continuing difficulties in the Russian economy, the need for hard currency exports and an anticipated greater success by joint venture producers in getting export licenses are expected to keep 4Q94 exports slightly above 2.0 mb/d, or 0.1 mb/d above the prior estimate.

Net FSU Exports January-September 1994
(million barrels per day)

	Q1	April	May	June[r]	Q2[r]	July[e]	August[e]	Sept[a]	Q3
Black Sea Exports[*]	0.70	1.03	1.28	1.35	1.22	†	†	†	†
Baltic Exports	0.36	0.63	0.60	0.87	0.70	†	†	†	†
Total Seaborne	**1.06**	**1.66**	**1.89**	**2.22**	**1.91**	**1.75**	**1.78**	**1.39**	**1.64**
Druzhba Pipeline[**]	0.79	0.81	0.78	0.75	0.77	0.80	0.84	0.84	0.83
Total Exports	**1.85**	**2.46**	**2.66**	**2.97**	**2.67**	**2.55**	**2.62**	**2.23**	**2.44**
Imports	0.03	0.02	0.02	0.02	0.02	0.03	0.03	0.02	0.02
Net FSU Exports	1.82	2.44	2.64	2.95	2.64	2.52	2.59	2.20	2.42
NB: Crude Oil	1.56	2.09	2.13	2.21	2.12	1.76	1.99	1.70	1.81
Oil Products	0.26	0.35	0.51	0.74	0.52	0.76	0.60	0.50	0.61

* Includes a small amount of non-Russian crude oil exports
† Data not available
e estimated
** Crude oil only
r revised
a assumed

Other Non-OPEC

Latin America

A strike by oil workers in **Brazil** at the end of September has substantially reduced crude oil production. Campos Basin output is reported to have dropped from a record 490 kb/d to 70 kb/d in the last few days of the month as workers left the platforms and production activities had to be cut back to operational minimums. Production in the rest of the country, which had been a little less than half of the Campos Basin output, appears to have dropped by about 25% at the end of the month, leaving total Brazilian crude oil production at under 200 kb/d. The impact of the strike on September production is estimated to have been about 120 kb/d, lowering it from 740 kb/d to around 620 kb/d versus production of about 735 kb/d in August. A new one-day record of just under 743 kb/d had been achieved on 4 September as new wells brought on in July and August reached full potential.

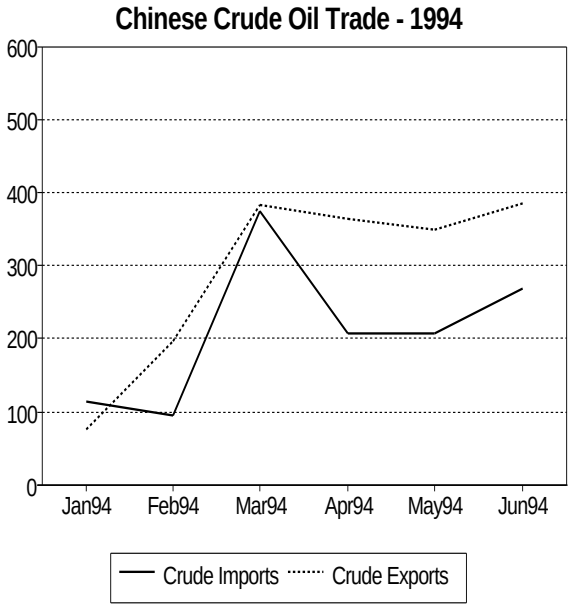
July crude oil production in **Mexico** is reported by PEMEX at 2672 kb/d, almost unchanged from the June level but NGL output rose an additional 23 kb/d, all in ethane production, to 457 kb/d following a small gain in June. The 5% increase in NGLs was associated with a 7% gain in natural gas production, the highest gas production level in a year. Mexican exports increased slightly in July to 1.31 mb/d as exports to the US recovered to above 1 mb/d, more than offsetting a 30 kb/d drop in exports to Europe. The mix

of exports was heavier for the month with nearly 40 kb/d of Maya crude replacing a similar amount of Isthmus exports. Exports of Olmeca were also up about 10 kb/d.

Other Non-OECD

Indian crude oil production increased by nearly 65 kb/d in July versus June to over 600 kb/d. Most of the increase came from the Bombay High offshore region, which reached a record 410 kb/d including an estimated 45 kb/d of NGLs. Onshore production was up by about 10 kb/d but remained at 240-250 kb/d, limited by environmental restrictions in Assam and loading problems in the southern Tamil Nadu region. Production is expected to continue to increase over the next few months as onshore facilities come back to full utilisation and the new Bombay High fields are brought onstream.

Chinese crude oil production fell back in August to 2.94 mb/d from 2.99 mb/d in July. The major eastern onshore fields showed monthly declines, with the largest, Daqing, down nearly 20 kb/d to its lowest production level since March 1993. Shengli field production continued the slow rate of decline that has characterised the last two years since the field's apparent peak in 1992. Production increases of about 10 kb/d were registered in the Chinese offshore and the Tarim Basin in western Xinjiang but output was down by 20 kb/d in other Xinjiang areas, probably the Junggar and Turpan-Hami Basins. The monthly declines in Daqing and the other eastern fields (except Shengli) are thought to be temporary. However, transportation constraints in western China may account for the declines in other Xinjiang fields to make room for incremental Tarim Basin production and could become a chronic problem until a major oil pipeline is built from the area.



Trade data for July show China continuing as a net crude oil exporter and a net oil product importer. However, declining imports of products and a small rise in oil product exports in July resulted in China being a net total oil exporter for the month. Product imports have declined steadily from almost 500 kb/d in April to just over 130 kb/d in July. Net crude oil exports have generally stayed in the 100-150 kb/d range after dropping to nearly nil in April.

Omani production appears to have declined in September to 815 kb/d from 820 kb/d in August, after four months of small increases. The decline is thought to have been seasonal and Oman's oil production is expected to resume its slow growth in 4Q94.

OECD STOCKS

Industry Stock Changes in August

Preliminary estimates suggest that total OECD industry stocks increased by only 0.4 mb/d during August. The stock increase mostly occurred in North America. It should be noted that API stock data indicate a 0.3 mb/d greater stockbuild in August than the US DOE data on which this Report's estimates are based. The stockbuild in Japan was the lowest August stock increase since the Gulf crisis and was partly due to the strong growth in demand while the reduction in European stocks was in part due to the sharply lower level of North Sea production. In all three regions, distillate stocks increased seasonally while crude oil stock levels declined.

Preliminary Industry Stock Changes in August
(mb/d)

	North America	Europe	Pacific	Total
Crude Oil	-0.1	-0.2	-0.4	-0.8
Gasoline	-0.1	-0.1	0.0	-0.3
Distillates	0.3	0.1	0.3	0.7
Fuel Oil	0.1	0.0	0.1	0.1
Other Oil*	0.4	0.1	0.2	0.6
Total Oil	0.4	-0.2	0.1	0.4

* includes other products, feedstocks, NGLs and other hydrocarbons

Industry Stock Levels at the End of August

As shown in Table 5, total industry stock levels are preliminarily estimated to have been 2587 mb at the end of August. This was 47 mb lower than the historically high level reached a year earlier but 26 mb higher than at the end of August 1992. Compared with August 1992, the main difference was the high level of distillate stocks which were up by 27 mb.

Regional Stock Developments in August

North American crude oil stocks fell by 0.1 mb/d in August, consistent with higher refinery throughputs and a reduction from the high levels of imports seen in July. Stocks at the end of the month were at 9 mb below last year's level but this should be seen in the context of the unusually high level of autumn refinery maintenance which began in September. Gasoline stocks continued to fall seasonally, decreasing by 0.1 mb/d. At the end of the month, they were at typical end of August levels. The seasonal rise in distillate stocks at 0.3 mb/d was slower than in July, with the effect of significantly stronger demand more than offsetting the smaller increase in refinery production and imports. At the end of August, stocks were well above end of August levels in recent years. Fuel oil stocks rose slightly as demand reached the lowest level this year but, in spite of the increase, stocks continued to be at historically low levels. Weekly US DOE data indicate that during the first 23 days of September, total oil stocks rose by 0.7 mb/d with increases of 0.3 mb/d for crude oil and distillate and a 0.1 mb/d increase in gasoline stocks.

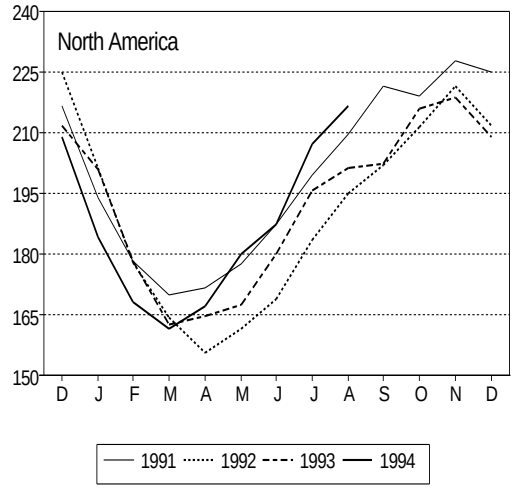
In **Europe** crude oil stocks decreased by 0.2 mb/d, consistent with lower North Sea production and somewhat higher refinery throughputs. Stocks at the end of August were below the high level reached a year earlier but well above typical end of August levels. Gasoline stocks declined only slightly and ended the month at normal levels for the time of year. Middle distillate stocks continued the seasonal build which began in April, increasing by 0.1 mb/d to reach the historically high level of 262 mb at the end of the month. Fuel oil stocks were little changed, continuing to be at low levels.

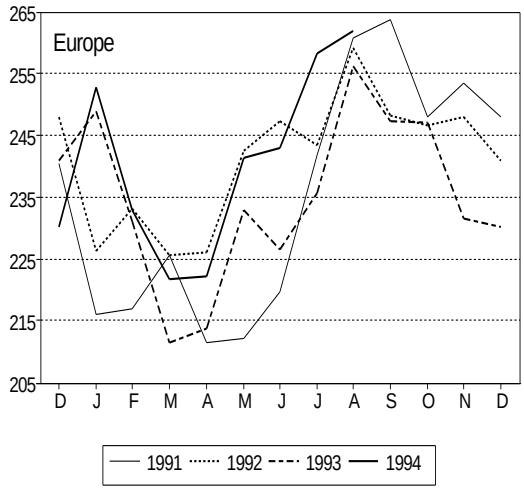
In the **Pacific** the large increase in refinery throughputs discussed in the last section of this Report, coupled with the surge in crude for direct burning, more than offset the increase in crude imports, leading to a sharp decline in crude oil stocks. It should be noted that IEA stock data include tankers which have crossed the national boundary but have not necessarily been cleared by customs. At the beginning of August, this volume was exceptionally high and the return to more normal levels by the end of the month contributed to the sharp decline in reported crude stocks. Total crude oil stocks including those held by the Japanese government continued to be above the level of a year earlier. Gasoline stocks continued to decline slightly with high demand partly offset by higher refinery production. Distillate stocks increased by 0.3 mb/d, reflecting sharply higher production and somewhat lower demand than in July. At the end of August, as in the other two regions, distillate stocks were at historically high levels while fuel oil stocks were lower than normal.

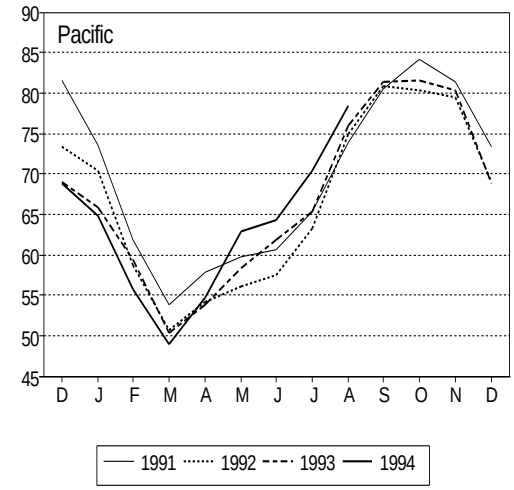
OECD Industry End Month Stocks

(million barrels)

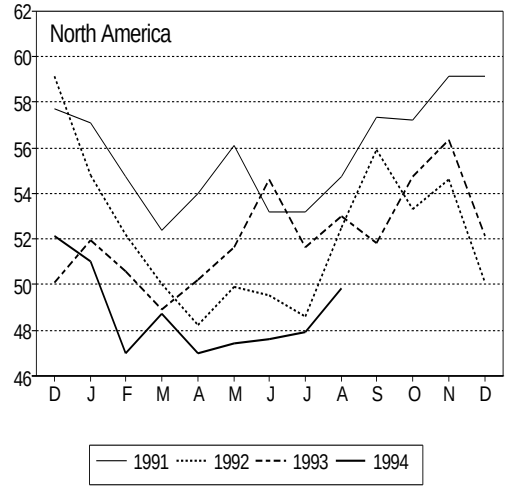
Middle Distillates

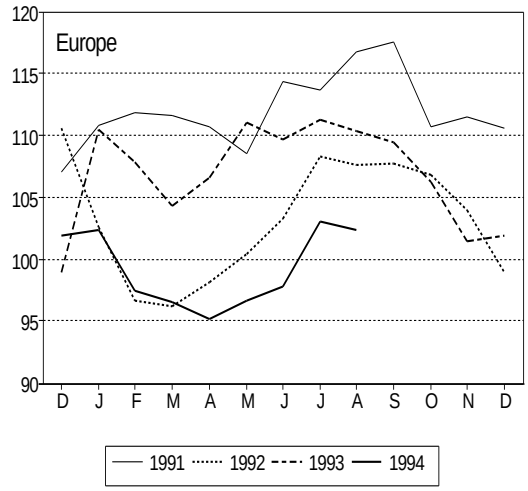


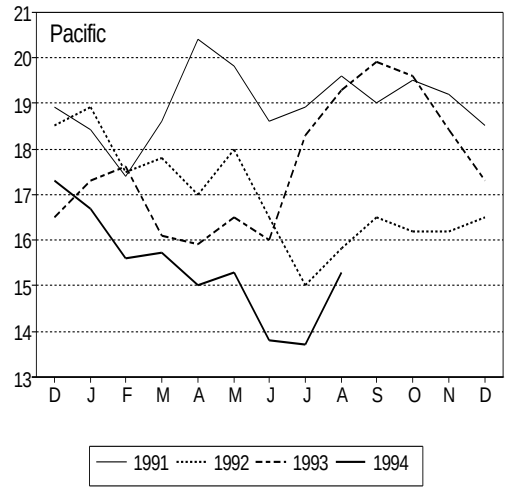




Residual Fuel Oil



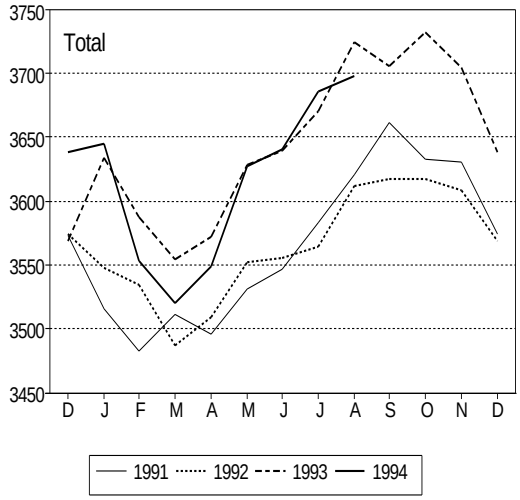


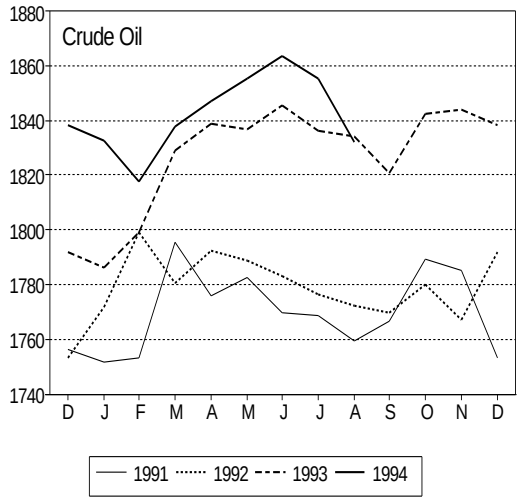


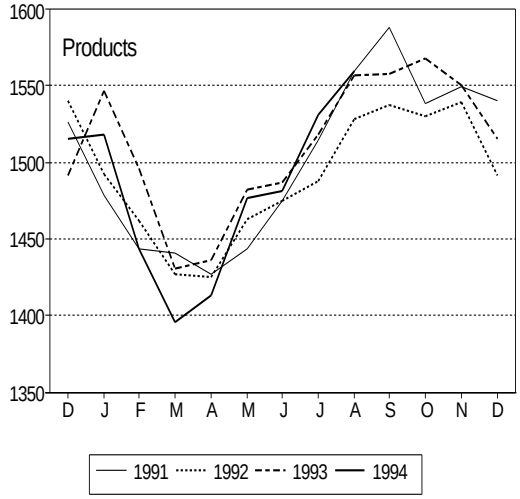
OECD End Month Stocks

(million barrels)

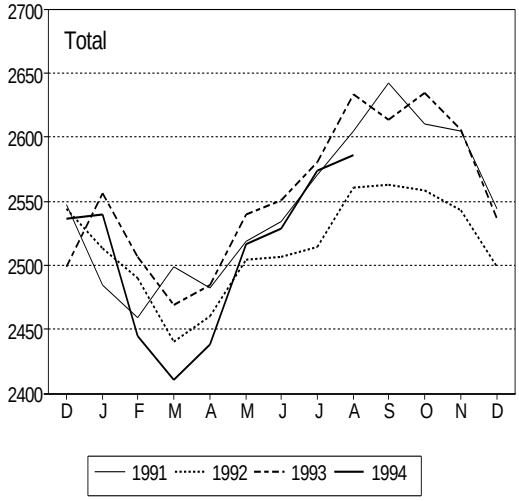
Total Stocks

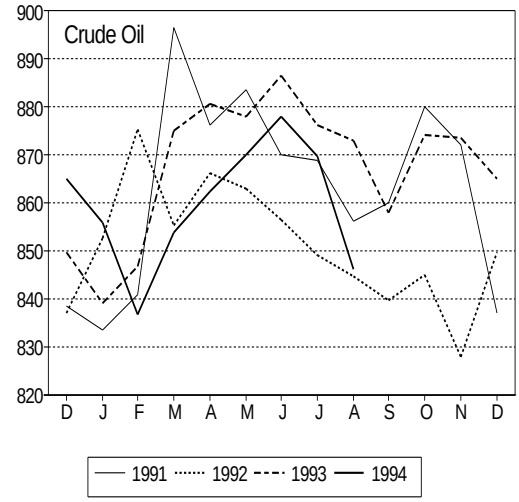


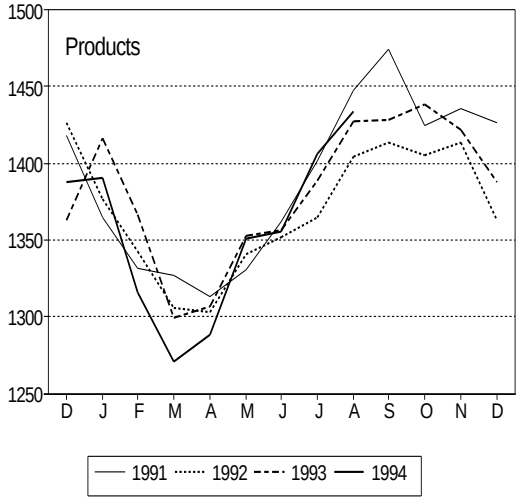




Industry Stocks







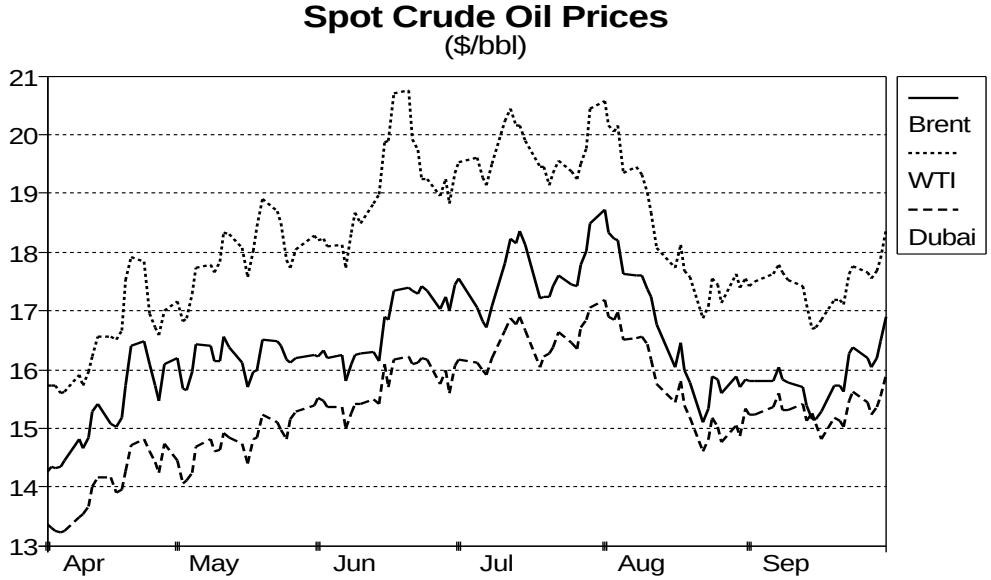
OIL PRICES AND REFINERY ACTIVITY

Summary

- Benchmark crude prices remained relatively stable in the first half of September, slightly decreasing in the middle of the month. However, the prices increased in the second half, in part reflecting the approach of the higher demand season and an anticipated increase in throughputs following the end of the refinery maintenance. The Brazilian oil workers' strike also indirectly contributed to the higher crude prices towards the end of the month. The differential between Brent and Dubai narrowed sharply in the first half of the month. Both WTI and Brent markets remained in contango consistent with the overhang of prompt crude supply, although the contango decreased over the month as demand for prompt cargoes strengthened.
- Gasoline prices decreased sharply in September in all three markets. Decreases in the US and Europe reflected the end of the summer driving season and secondary stock drawdown associated with the change from summer grade to winter grade in the US and the approach of the introduction of reformulated gasoline in the US. The gasoline/naphtha differential narrowed sharply in both Europe and Singapore while the jet/kerosene premium over gasoil increased significantly in Singapore. The low sulphur waxy residue price in Singapore decreased markedly in Singapore reflecting the end of the unusually hot summer season in Japan.
- Monthly average refining margins decreased in September in all three markets as gasoline and fuel oil prices fell much more steeply than crude oil prices. Margins decreased during most of the month and both US cracking margins and the Singapore hydroskimming margin became substantially lower than break-even.
- The aggregate refinery throughputs in Europe, Japan and the US increased from 30.3 mb/d in July to 31.1 mb/d in August with throughputs in all three regions increasing. Preliminary indications for September suggest lower throughputs in all three regions, in part reflecting seasonal refinery maintenance.

CIF Crude Import Costs

Table 8 shows that the weighted average CIF cost for crude imported into IEA countries in July was $17.23/bbl, $0.84/bbl higher than the June figure. The weighted average CIF prices are estimated to have been $17.10/bbl in August and $16.40/bbl in September.



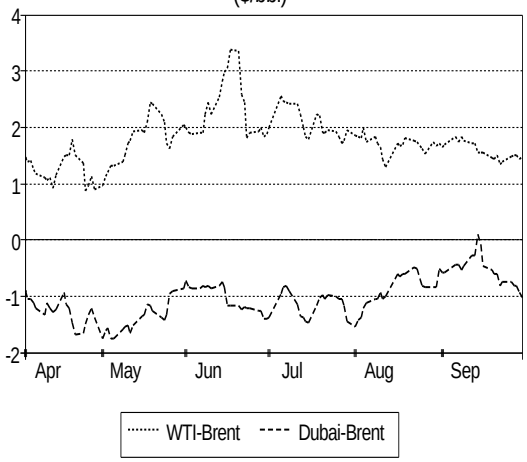
Spot Crude Oil Prices

Benchmark crude prices, which had sharply declined in August, remained relatively stable in the first half of September, slightly decreasing in the middle of the month. However, the prices increased in the second half, in part reflecting higher demand by some refiners which were coming back from seasonal refinery maintenance and the anticipation of higher demand as more refineries came out of turnaround and the

season of higher demand approaches. The Brazilian oil workers' strike also indirectly contributed to the strengthening of prices towards the end of the month. The Brent crude price recovered by about $1.80/bbl in the second half of the month, reaching $16.91/bbl at the end. In September, dated Brent averaged $15.84/bbl, $0.84/bbl lower than in August.

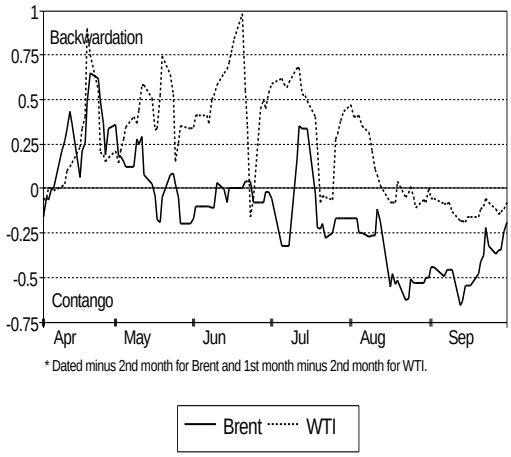
WTI/Brent/Dubai Differentials

($/bbl)



Forward Brent and WTI Differentials

($/bbl)



* Dated minus 2nd month for Brent and 1st month minus 2nd month for WTI.

The WTI/dated Brent differential remained within a range of $1.34-1.83/bbl in September, providing an arbitrage opportunity to move North Sea crudes to the US. Many cargoes were reported to have been traded into the US. The dated Brent/Dubai differential, which had narrowed at the end of August, further narrowed in the first half of September reflecting general tightness of sour crude as well as overhang of prompt Brent supply. The Dubai price briefly became higher than the dated Brent price in the middle of the month. The narrow differential made Brent linked crudes more attractive than Dubai linked crudes to refiners in Asia and West African crude was reported to have been traded into the Far East. However, the Dubai crude value relative to Brent in Europe remained more stable as shown by the differential between Dubai and the second month Brent, which remained at about $1/bbl for most of the month. (It takes significantly longer for Dubai cargoes to reach European ports than Brent.) In Europe, the Brent/Urals differential decreased from $0.80/bbl to $0.43/bbl during September reflecting the strong sour crude demand. In the Far East, the Minas crude price, which had decreased towards the end of August, decreased by more than $2/bbl relative to the benchmark Brent crude price, reflecting the end of the period of higher demand for sweet crude for direct burning in utilities due to the hot, dry summer weather.

In August, the prompt prices of both Brent and WTI remained lower than the prices for forward delivery (contango) throughout the month consistent with the overhang of prompt crude supply, although the contango decreased over the month as demand for prompt cargoes strengthened. The Brent contango reached the highest level since last November. The contango in the WTI market was consistent with low demand for crude in the US, reflecting refinery maintenance and low refining margins. The Dubai price for prompt delivery, on the other hand, remained higher than for forward delivery (backwardation) for most of the month. The Dubai market has been mostly in backwardation since April, consistent with the general tightness in the sour crude market.

Spot Crude Oil Prices and Differentials

Monthly and Weekly Averages

($/bbl)

					Week ending:					
	July	Aug	Sept	Change	26 Aug	02 Sept	09 Sept	16 Sept	23 Sept	30 Sept
Brent Dated	17.59	16.69	15.84	-0.84	15.55	15.80	15.86	15.34	15.84	16.36
Dubai	16.46	15.79	15.30	-0.49	14.88	15.13	15.39	15.14	15.21	15.49
WTI	19.66	18.39	17.43	-0.96	17.22	17.49	17.65	16.96	17.27	17.84
Brent over Dubai	1.13	0.90	0.54		0.67	0.67	0.47	0.20	0.63	0.87
WTI over Brent	2.07	1.70	1.59		1.66	1.69	1.79	1.62	1.43	1.48
Brent Dated minus 2nd month	-0.09	-0.39	-0.43		-0.56	-0.48	-0.47	-0.59	-0.38	-0.30

Spot Product Prices

Monthly average prices of gasoline decreased sharply in September in all three major markets, with the US premium gasoline price declining by more than $5/bbl. Prices of heavy fuel oils and low sulphur waxy residue also decreased sharply in all three major markets with the prices in Singapore declining most steeply. The only two prices of major products which increased substantially in September were those of jet/kerosene in Europe and Singapore.

The **gasoline** price in Europe and the US, which had decreased sharply in August, continued to decrease in the first half of September reflecting the end of the summer driving season. The change from summer grade to winter grade in the US also contributed to the price decline as secondary stocks were run down. The decline also reflected the upcoming introduction of reformulated gasoline for about one-third of total US deliveries under the 1990 Clean Air Act Amendments. Sales of reformulated gasoline will be required from 1 December of this year at the wholesale level and from 1 January next year at the retail level and refiners and distributors are making room for its storage by disposing of non-reformulated grades of gasoline. The prices decreased sharply in the middle of the month in part reflecting market concerns that Venezuelan gasoline imports would increase in advance of the introduction of the more restrictive gasoline specification following the US Congress decision on imports from offshore refineries. The Congress decision will make it more difficult for Venezuela to export gasoline to the US after the introduction of reformulated gasoline. Prices, however, recovered somewhat towards the end of the month reflecting refinery closures due to a strike in Brazil, which is a large gasoline exporter to the US. Gasoline prices also declined in Singapore reflecting inflows of cargoes from outside the region which resulted from the wide price differentials with other markets in the second half of August.

The **naphtha** price in Europe remained relatively stable in September in spite of falling prices of gasoline. Despite the sharper decline in the gasoline price, the naphtha price in Singapore slightly increased in September reflecting increased demand for petrochemical feedstocks in Japan where economic activity is recovering. The gasoline/naphtha differential in Singapore decreased from a peak of $6.95/bbl on 22 August to $1/bbl on 21 September while the differential in Europe decreased from $4.22/bbl on 22 August to minus $0.15/bbl on 15 September.

Gasoil prices were relatively stable in September in all three markets. As a result, gasoil prices became higher than gasoline prices in both the US and Singapore for the first time since the end of this April and March respectively following typical seasonal patterns. In Europe, the gasoil/gasoline price differential, which had been positive in volumetric terms since August, increased further reaching the highest level since February. The **jet/kerosene** premium over gasoil increased sharply in Singapore in September (see graph) despite high stock levels in Japan, which usually imports a large amount of kerosene around this time of the year for domestic heating in winter. The premium reached the highest level since the end of the Gulf crisis. The high premium reflected strong regional demand, notably by India as well as Indonesia, where a 302 kb/d Cilacap refinery was planned to be shut down at the end of September for maintenance.

The price of **low sulphur waxy residue** (LSWR) decreased sharply in Singapore in early September, reflecting the end of the unusually hot summer season in Japan. The price declined to the lowest level since April despite low stock levels in Japan as Japanese buyers waited for the price to come back to more normal levels. Prices of heavy fuel oils also decreased in the US in the middle of September, in part reflecting seasonally lower demand.

Spot Product Prices
(Monthly and Weekly Averages, $/bbl)

	Gasoline*			Gasoil			Low Sulphur Residual Fuel Oil*		
	Rotterdam	NY Harbour	Singapore	Rotterdam	NY Harbour	Singapore	Rotterdam	NY Harbour	Singapore
July	20.51	22.88	22.62	20.35	20.97	20.52	15.15	16.67	18.54
Aug	21.68	23.37	23.74	20.41	20.79	20.49	14.57	15.66	18.73
Sept	18.19	19.46	19.98	20.16	20.01	20.64	12.96	13.05	13.24
Change over month	-3.49	-3.91	-3.76	-0.25	-0.78	0.15	-1.61	-2.61	-5.49
Week ending:									
26 Aug	20.47	21.34	23.99	19.89	20.25	20.64	13.48	14.14	17.01
02 Sept	19.82	21.14	22.71	20.26	20.54	20.65	13.47	13.95	15.65
09 Sept	18.99	20.37	21.19	20.35	20.61	20.62	13.04	13.65	13.60
16 Sept	17.87	19.02	20.17	19.93	19.48	20.54	12.84	12.83	13.18
23 Sept	17.64	19.25	19.01	20.01	19.71	20.47	12.85	12.63	12.95
30 Sept	17.70	18.84	18.72	20.29	20.07	20.91	12.96	12.79	12.48

* Gasolines are unleaded regular in Rotterdam and New York Harbour and leaded regular in Singapore. The specification of gasoline in New York Harbour changed from 9.0 RVP to 13.5 RVP as of 7 September 1994. Low Sulphur Residual Fuel Oils are 1.0% LSFO in Rotterdam and New York Harbour and low sulphur waxy residue in Singapore.

End-User Product Prices

In September, end-user prices of heavy fuel oil for industry decreased in Europe consistent with lower international spot prices, with prices in Spain, France and Germany declining most sharply. Prices of most other major products also decreased somewhat in Europe while the price of domestic heating oil in Germany increased. The gasoline price in Canada also decreased sharply consistent with lower spot cargo prices.

Table 8 shows average IEA CIF crude costs, spot crude and product prices and Table 9 shows end-user prices.

Refining Margins

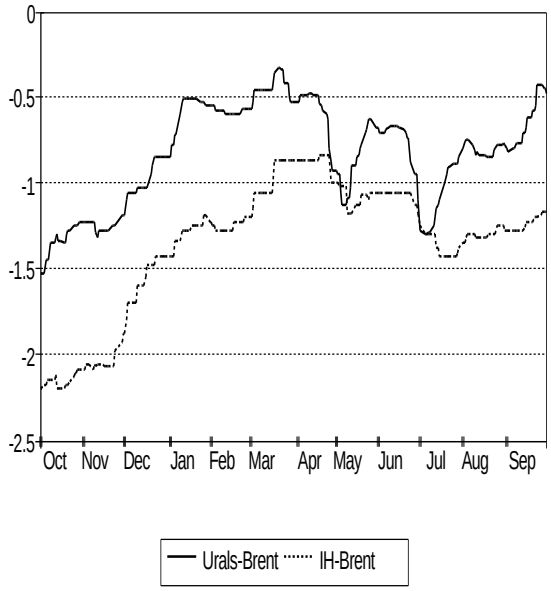
Monthly average refining margins decreased sharply in September in all three markets with the greatest declines occurring in the US. The declines occurred due to the fact that gasoline and fuel oil prices fell much more steeply than crude oil prices. With the gasoline yield and the fall in gasoline prices being largest in the US, the reduction in refining margins was also greater than in the other two regions. The monthly average Dubai margin in Singapore was $0.51/bbl, the lowest level since October 1991.

Refining margins decreased during most of September in all three markets and both US catalytic cracking margins and the Singapore Dubai hydroskimming margin became substantially lower than break-even. The Brent cracking margin in the US reached the lowest level since last December. The US ANS margin and the Dubai margin in Singapore reached the lowest levels for at least more than two years.

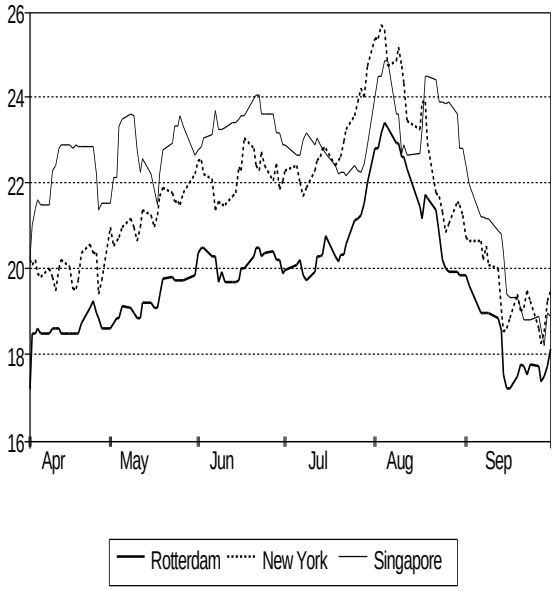
Refining Margins in Major Refining Centres
($/bbl)

					Week ending:					
	July	Aug	Sept	Change	26 Aug	02 Sept	09 Sept	16 Sept	23 Sept	30 Sept
NW Europe										
Brent (Hydroskimming)	-0.64	0.49	-0.01	-0.50	0.77	0.44	0.32	0.42	-0.22	-0.72
Brent (Cracking)	0.94	2.24	1.75	-0.50	2.54	2.22	2.16	2.16	1.62	1.02
US Gulf Coast										
Brent (Cracking)	1.67	2.29	0.22	-2.07	1.67	1.36	0.84	0.22	-0.12	-0.41
WTI (Cracking)	0.65	1.69	-0.35	-2.04	1.08	0.73	0.09	-0.39	-0.53	-0.88
ANS (Cracking)	1.68	1.84	0.04	-1.80	1.03	0.74	0.24	-0.09	-0.16	-0.06
Singapore										
Dubai(Hydroskimming)	0.60	1.21	-0.51	-1.71	1.07	0.48	-0.27	-0.40	-0.48	-0.85

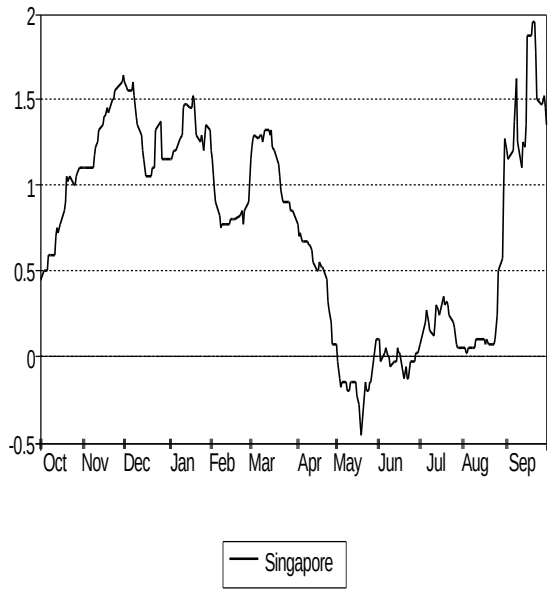
Urals and Iranian Heavy versus Brent
($/bbl)



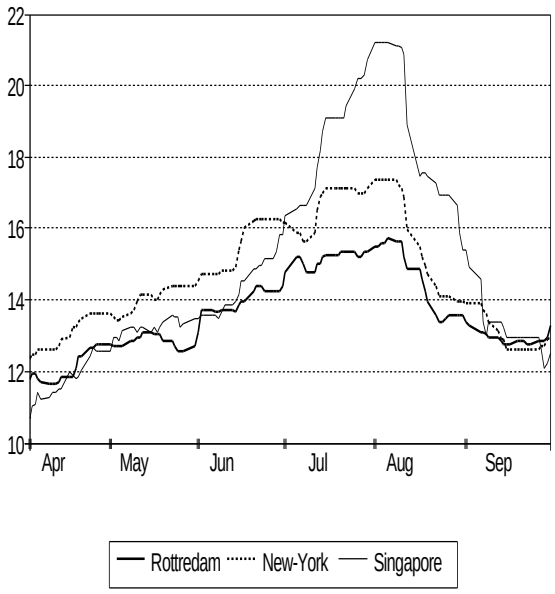
Gasoline Prices
($/bbl)



Jet/Gasoil Price Differentials
($/bbl)



LSFO Prices
($/bbl)



Refinery Crude Throughputs

The aggregate refinery throughputs in Europe, Japan and the US increased from 30.3 mb/d in July to 31.1 mb/d in August, with throughputs in all three regions increasing. The aggregate level was 0.7 mb/d higher than the level in August 1993, reflecting significantly higher throughputs in the US and Japan.

Total crude inputs to distillation units in European countries increased from 12.1 mb/d in July to 12.2 mb/d in August, consistent with higher refining margins. Throughputs in France and Italy increased sharply while throughputs in the UK decreased. Average crude throughputs in European countries for the first eight months of this year were 2.4% higher than for the same period last year.

Crude throughputs in the US, which had decreased slightly in July, increased in August consistent with higher refining margins and reached 14.5 mb/d. August throughputs were 0.5 mb/d or 3.4% higher than the level a year earlier (see graph). Utilisation of operating capacity in the US (excluding idle plant but including capacity temporarily out of service for maintenance) was 96% in August. Average crude throughputs in the US for the first eight months of this year were 1.4% higher than for the same period last year.

Japanese crude throughputs increased from 3.9 mb/d in July to 4.4 mb/d in August as many refineries came back from seasonal maintenance. Utilisation of operating capacity increased to 96%. The throughput level in August was 6.8% higher than the level a year earlier, consistent with strong product demand. Average crude throughputs for the first eight months of this year were 4.6% higher than for the same period last year.

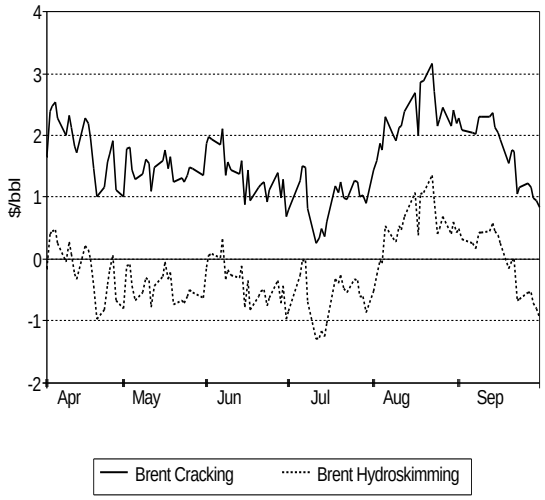
Preliminary indications for September suggest a decrease in European throughput levels consistent with lower refining margins and the beginning of seasonal refinery maintenance. Weekly US statistics suggest that the throughput level in September decreased by more than 0.2 mb/d for the same reasons as in Europe. Japanese crude throughputs in September are believed to have decreased sharply to somewhat above 14.0 mb/d following the normal seasonal pattern.

Refinery Crude Throughputs in OECD Countries

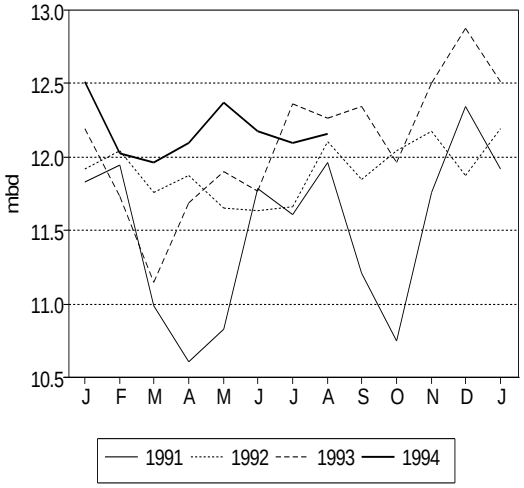
	million barrels per day						% change from previous year	
	Apr	May	June	July*	Aug*	Jan-Aug 94	Aug	Jan-Aug 94
OECD Europe	12.09	12.37	12.17	12.09	12.16	12.17	-0.8	2.4
France	1.62	1.59	1.32	1.38	1.59	1.53	1.1	0.6
Germany	2.13	2.22	2.22	2.22	2.21	2.18	3.9	5.6
Italy	1.66	1.56	1.57	1.57	1.67	1.60	3.0	-1.0
Netherlands	0.96	1.11	1.08	1.13	1.14	1.09	-3.0	-0.2
UK	1.67	1.81	1.79	1.69	1.49	1.67	-14.8	-3.5
US	13.87	14.28	14.39	14.30	14.49	13.84	3.4	1.4
Japan	4.12	3.67	3.49	3.86	4.40	4.13	6.8	4.6

* estimated

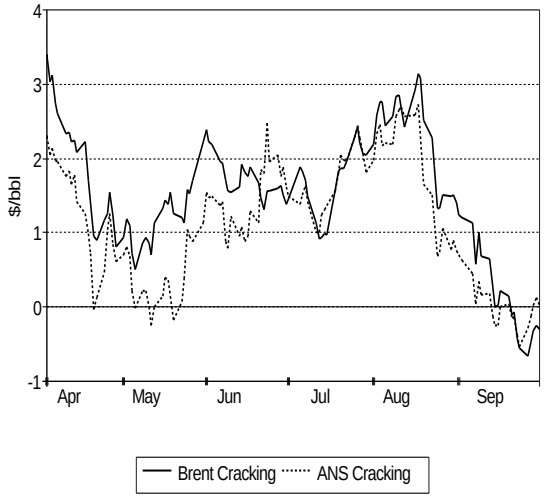
Rotterdam Refining Margins



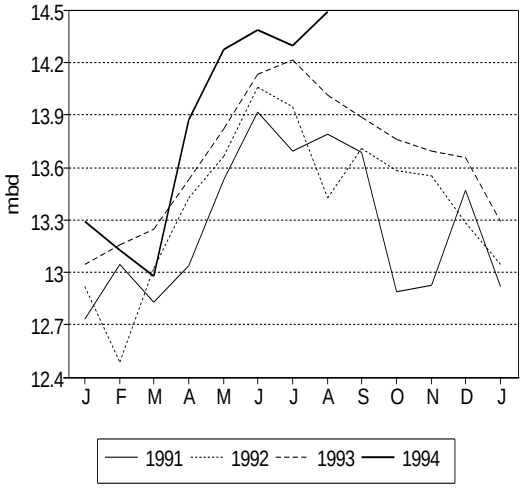
OECD Europe Crude Throughputs



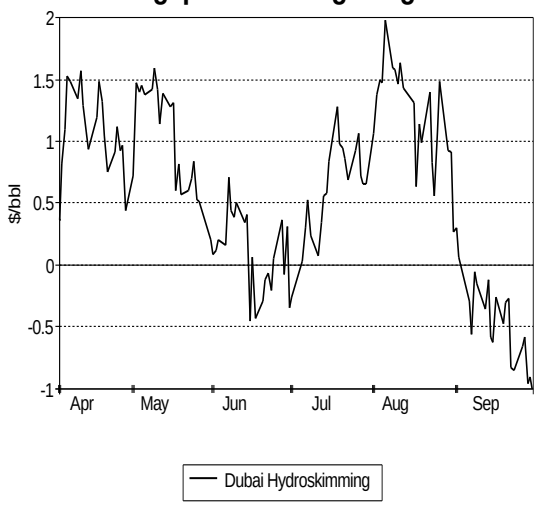
US Gulf Refining Margins



US Crude Throughputs



Singapore Refining Margins



Japan Crude Throughputs

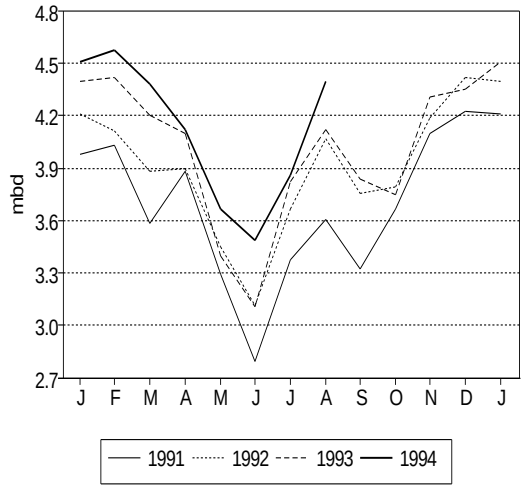


Table 1

WORLD OIL SUPPLY AND DEMAND

(million barrels per day)

	1991	1Q92	2Q92	3Q92	4Q92	1992	1Q93	2Q93	3Q93	4Q93	1993	1Q94	2Q94	3Q94	4Q94	1994	1Q95	1995
DEMAND																		
OECD																		
North America	18.6	18.7	18.6	18.9	19.4	18.9	18.9	18.7	19.4	19.7	19.2	19.8	19.4	19.7	19.9	19.7	19.8	19.9
Europe	13.4	14.0	13.0	13.6	13.7	13.6	13.6	13.0	13.6	14.3	13.6	13.7	13.3	13.7	14.1	13.7	14.1	13.9
Pacific	6.2	6.8	5.9	5.9	6.7	6.3	7.0	5.9	5.7	6.5	6.3	7.1	6.0	6.3	6.6	6.5	7.2	6.4
TOTAL OECD	38.2	39.6	37.4	38.4	39.8	38.8	39.6	37.6	38.6	40.4	39.0	40.6	38.6	39.6	40.6	39.9	41.1	40.3
NON-OECD																		
FSU[1]	8.3	8.0	7.0	6.4	6.2	6.9	6.2	5.6	5.1	5.6	5.6	5.3	4.4	4.6	4.9	4.8	4.8	4.5
Europe	1.4	1.4	1.3	1.2	1.3	1.3	1.4	1.3	1.2	1.3	1.3	1.4	1.3	1.3	1.4	1.4	1.4	1.4
China[2]	2.5	2.6	2.6	2.7	2.7	2.7	2.7	2.9	3.1	3.1	3.0	3.1	3.1	3.2	3.3	3.2	3.2	3.4
Other Asia	5.9	6.5	6.4	6.0	6.8	6.4	6.8	6.5	6.5	7.3	6.8	7.3	7.0	6.8	7.7	7.2	7.7	7.6
Latin America	5.3	5.4	5.5	5.5	5.6	5.5	5.5	5.6	5.6	5.6	5.6	5.6	5.7	5.8	5.8	5.7	5.7	5.8
Middle East	3.4	3.6	3.6	3.6	3.6	3.6	3.8	3.8	3.8	3.8	3.8	3.9	3.9	4.0	4.0	3.9	4.1	4.2
Africa	2.0	2.0	1.9	2.0	2.1	2.0	2.1	2.1	2.0	2.1	2.1	2.1	2.1	2.0	2.1	2.1	2.2	2.2
TOTAL NON-OECD	28.8	29.5	28.4	27.5	28.3	28.4	28.5	27.8	27.2	28.8	28.1	28.7	27.6	27.7	29.2	28.3	29.1	29.0
TOTAL DEMAND[3]	66.9	69.1	65.8	65.9	68.1	67.2	68.1	65.4	65.8	69.2	67.1	69.3	66.2	67.3	69.8	68.2	70.2	69.3
SUPPLY																		
OECD																		
North America	11.1	11.2	11.0	10.9	11.1	11.1	11.1	10.9	10.9	11.0	11.0	11.0	10.7	10.9	11.1	10.9	11.0	10.7
Europe	4.5	4.9	4.6	4.7	5.1	4.8	4.9	4.8	5.1	5.8	5.2	5.9	6.0	5.7	6.5	6.0	6.5	6.2
Pacific	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.7	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7
TOTAL OECD	16.3	16.8	16.3	16.3	16.9	16.6	16.6	16.4	16.7	17.4	16.8	17.5	17.4	17.3	18.3	17.6	18.2	17.6
NON-OECD																		
FSU	10.4	9.5	9.2	8.8	8.4	9.0	8.2	8.0	7.7	7.5	7.8	7.1	7.1	7.1	6.9	7.1	6.7	6.5
Europe	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
China	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	3.0	2.9	3.0	2.9	3.0	3.0	3.0	3.0	3.1
Other Asia	1.7	1.8	1.7	1.8	1.8	1.8	1.9	1.8	1.8	1.8	1.8	1.9	1.9	1.9	2.0	1.9	2.0	2.1
Latin America	5.6	5.7	5.7	5.7	5.7	5.7	5.7	5.8	5.8	5.9	5.8	5.9	5.9	6.0	6.1	6.0	6.2	6.3
Middle East	1.4	1.5	1.5	1.5	1.6	1.5	1.6	1.6	1.6	1.7	1.6	1.8	1.8	1.8	1.8	1.8	1.8	1.9
Africa	2.0	2.0	2.0	2.0	2.1	2.0	2.1	2.1	2.0	2.1	2.0	2.0	2.0	2.0	2.1	2.0	2.1	2.1
Processing Gains[4]	1.4	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
TOTAL NON-OPEC	41.9	41.7	40.9	40.8	41.0	41.1	40.6	40.4	40.2	41.1	40.6	40.9	40.6	40.9	42.0	41.1	42.1	41.3
OPEC																		
Crude	23.0	23.8	23.4	24.1	24.9	24.1	25.1	24.2	24.7	24.9	24.7	24.9	24.8	24.9				
NGLs	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.4				
TOTAL OPEC	25.0	25.8	25.5	26.2	27.1	26.2	27.3	26.4	27.0	27.1	27.0	27.2	27.1	27.2				
TOTAL SUPPLY[5]	66.9	67.5	66.4	67.0	68.0	67.3	67.9	66.8	67.2	68.2	67.5	68.1	67.8	68.1				
STOCK CHANGE AND MISCELLANEOUS																		
REPORTED OECD																		
Industry	0.0	-1.2	0.7	0.6	-0.7	-0.2	-0.4	0.9	0.7	-0.8	0.1	-1.4	1.3	0.8				
Government	0.0	0.2	0.0	0.1	0.2	0.1	0.2	0.0	0.0	0.1	0.1	0.1	0.0	0.0				
TOTAL OECD	0.0	-1.1	0.8	0.7	-0.5	0.0	-0.2	0.9	0.7	-0.7	0.2	-1.3	1.3	0.8				
Floating Storage/Oil in Transit	-0.1	0.0	-0.2	0.2	0.0	0.0	-0.2	0.1	0.1	0.2	0.1	-0.1	0.1	0.2				
Other & Misc. to balance[6]	0.1	-0.5	0.0	0.2	0.4	0.1	0.2	0.4	0.6	-0.5	0.2	0.2	0.2	-0.2				
TOTAL STOCK CH. & MISC.	0.0	-1.6	0.6	1.1	-0.1	0.1	-0.2	1.4	1.4	-1.0	0.4	-1.2	1.6	0.8				
Memo item:																		
FSU Net Exports	2.1	1.5	2.2	2.4	2.2	2.1	2.0	2.4	2.6	1.9	2.2	1.8	2.6	2.4	2.0	2.3	1.9	2.0

1 Figures for FSU are estimates of apparent domestic demand derived from official production figures and quarterly trade data.
2 Annual Chinese demand is estimated from production and (adjusted) trade data; quarterly figures represent estimates of domestic oil deliveries and are not derived from trade data.
3 Measured as deliveries from refineries and primary stocks, comprises inland deliveries, international marine bunkers and refinery fuel. It includes crude for direct burning, oil from non-conventional sources and other sources of supply.
4 Net of volumetric gains and losses in refining process (excludes net gain/loss in former USSR, China and non-OECD Europe).
5 Comprises crude oil, condensates, NGLs, oil from non-conventional sources and other sources of supply.
6 Includes changes in non-reported stocks in OECD and non-OECD areas and crude oil ocean losses.

Table 2

OECD REGIONAL OIL DEMAND

(million barrels per day)

	First Quarter			April			May			June			Second Quarter		
	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%
North America															
LPG	2.13	2.30	7.5	1.78	1.87	5.2	1.65	1.73	5.1	1.68	1.81	7.6	1.70	1.80	6.0
Naphtha	0.23	0.24	6.5	0.22	0.29	31.5	0.24	0.27	15.2	0.26	0.26	0.3	0.24	0.27	14.9
Motor Gasoline	7.63	7.81	2.3	8.05	8.14	1.1	8.22	8.25	0.4	8.38	8.63	3.0	8.22	8.34	1.5
Jet/Kerosene	1.52	1.63	7.1	1.42	1.61	12.9	1.40	1.52	8.2	1.45	1.62	12.1	1.42	1.58	11.1
Gasoil	3.81	4.05	6.5	3.33	3.54	6.2	3.10	3.35	8.1	3.26	3.47	6.7	3.23	3.45	7.0
Residual Fuel Oil	1.30	1.45	11.7	1.28	1.25	-2.7	1.23	1.20	-2.5	1.06	1.05	-1.2	1.19	1.16	-2.2
Other Products	2.28	2.30	0.8	2.56	2.62	2.3	2.56	2.70	5.4	2.95	2.94	-0.4	2.69	2.75	2.3
Total	**18.91**	**19.78**	**4.6**	**18.64**	**19.31**	**3.6**	**18.40**	**19.03**	**3.4**	**19.02**	**19.77**	**4.0**	**18.68**	**19.37**	**3.6**
Europe															
LPG	0.91	0.94	3.5	0.78	0.86	10.0	0.68	0.79	15.2	0.70	0.81	15.3	0.72	0.82	13.4
Naphtha	0.85	0.85	0	0.74	0.83	12.0	0.81	0.75	-7.3	0.79	0.73	-7.9	0.78	0.77	-1.4
Motor Gasoline	2.79	2.79	-0.1	3.10	2.96	-4.7	2.86	2.93	2.7	3.15	3.08	-2.4	3.04	2.99	-1.5
Jet/Kerosene	0.72	0.77	6.3	0.73	0.78	6.8	0.75	0.80	6.4	0.78	0.85	9.1	0.75	0.81	7.5
Gasoil	4.94	5.00	1.3	4.52	4.72	4.3	3.83	4.16	8.7	4.80	4.63	-3.6	4.38	4.50	2.8
Residual Fuel Oil	2.30	2.23	-3.2	2.02	2.13	5.7	1.96	1.96	0.1	1.98	1.97	-0.6	1.98	2.02	1.8
Other Products	1.13	1.17	3.4	1.28	1.31	2.2	1.26	1.35	6.6	1.48	1.47	-0.7	1.34	1.37	2.6
Total	**13.64**	**13.74**	**0.8**	**13.17**	**13.58**	**3.1**	**12.14**	**12.73**	**4.9**	**13.68**	**13.53**	**-1.1**	**12.99**	**13.27**	**2.2**
Pacific															
LPG	0.80	0.78	-2.9	0.76	0.69	-8.3	0.63	0.63	0	0.68	0.65	-3.7	0.69	0.66	-4.2
Naphtha	0.54	0.55	2.4	0.52	0.51	-0.2	0.42	0.51	22.6	0.44	0.53	21.3	0.46	0.52	13.7
Motor Gasoline	1.12	1.15	2.7	1.16	1.17	0.4	1.15	1.17	2.2	1.15	1.18	3.1	1.15	1.17	1.9
Jet/Kerosene	1.06	1.11	4.9	0.65	0.60	-8.4	0.51	0.54	4.7	0.47	0.48	2.1	0.55	0.54	-1.2
Gasoil	1.50	1.55	2.9	1.37	1.43	4.1	1.27	1.30	2.7	1.34	1.42	6.4	1.32	1.38	4.4
Residual Fuel Oil	0.99	0.97	-1.6	0.93	0.88	-4.9	0.79	0.80	0.9	0.84	0.92	9.6	0.85	0.87	1.7
Other Products	1.00	0.98	-2.3	0.94	0.88	-7.0	0.85	0.82	-3.8	0.95	0.89	-6.4	0.92	0.86	-5.8
Total	**7.02**	**7.09**	**1.1**	**6.32**	**6.15**	**-2.7**	**5.62**	**5.78**	**2.7**	**5.87**	**6.09**	**3.7**	**5.93**	**6.00**	**1.2**
OECD															
LPG	3.84	4.01	4.4	3.31	3.42	3.3	2.96	3.15	6.3	3.05	3.26	6.9	3.11	3.28	5.4
Naphtha	1.62	1.65	1.7	1.48	1.64	10.7	1.46	1.53	4.9	1.49	1.52	2.1	1.47	1.56	5.9
Motor Gasoline	11.54	11.74	1.8	12.32	12.26	-0.4	12.22	12.35	1.1	12.68	12.89	1.7	12.40	12.50	0.8
Jet/Kerosene	3.31	3.51	6.2	2.81	2.99	6.4	2.66	2.85	7.0	2.70	2.96	9.5	2.72	2.93	7.6
Gasoil	10.25	10.60	3.5	9.22	9.68	5.0	8.20	8.82	7.5	9.39	9.52	1.4	8.93	9.34	4.5
Residual Fuel Oil	4.59	4.65	1.4	4.22	4.26	0.8	3.98	3.96	-0.5	3.88	3.94	1.5	4.03	4.05	0.6
Other Products	4.42	4.45	0.8	4.78	4.80	0.4	4.68	4.87	4.1	5.38	5.30	-1.5	4.94	4.99	0.9
Total	**39.56**	**40.62**	**2.7**	**38.14**	**39.04**	**2.4**	**36.16**	**37.53**	**3.8**	**38.57**	**39.39**	**2.1**	**37.61**	**38.64**	**2.8**

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 grades. Gasoil comprises diesel, light heating oil and other gasoils.
North America comprises US 50 States, territories and Canada.

Table 3

OIL DEMAND IN SELECTED OECD COUNTRIES

(million barrels per day)

	April			May			June			Second Quarter			July		
	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%
United States															
LPG	1.54	1.62	5.4	1.42	1.50	5.6	1.48	1.60	8.3	1.48	1.57	6.4	1.61	1.76	9.2
Naphtha	0.16	0.22	35.5	0.18	0.22	24.8	0.19	0.20	5.7	0.18	0.21	21.4	0.21	0.21	0.3
Motor Gasoline	7.43	7.53	1.3	7.59	7.59	0.1	7.70	7.93	2.9	7.57	7.68	1.4	7.78	7.85	0.8
Jet/Kerosene	1.33	1.51	14.0	1.30	1.41	8.6	1.35	1.51	12.3	1.32	1.48	11.6	1.36	1.47	7.9
Gasoil	2.94	3.12	6.1	2.69	2.92	8.6	2.86	3.06	6.9	2.83	3.03	7.2	2.67	2.69	0.8
Residual Fuel Oil	1.07	1.06	-1.4	1.03	1.02	-1.8	0.87	0.88	1.1	0.99	0.98	-0.8	1.08	0.93	-13.5
Other Products	2.30	2.36	2.6	2.30	2.43	5.7	2.65	2.66	0.1	2.42	2.48	2.7	2.64	2.56	-2.8
Total	**16.78**	**17.43**	**3.9**	**16.51**	**17.09**	**3.6**	**17.10**	**17.83**	**4.3**	**16.79**	**17.45**	**3.9**	**17.36**	**17.47**	**0.7**
Japan															
LPG	0.68	0.62	-9.7	0.56	0.56	-0.5	0.60	0.57	-5.0	0.61	0.58	-5.3	0.58	0.59	0.6
Naphtha	0.51	0.51	-0.2	0.41	0.51	22.8	0.43	0.53	21.4	0.45	0.52	13.8	0.42	0.52	23.9
Motor Gasoline	0.81	0.84	3.2	0.81	0.84	4.0	0.80	0.83	4.2	0.81	0.84	3.8	0.86	0.91	6.4
Jet/Kerosene	0.57	0.52	-10.0	0.43	0.45	4.2	0.39	0.40	2.1	0.46	0.45	-2.1	0.42	0.38	-10.9
Gasoil	1.16	1.21	4.9	1.05	1.07	2.1	1.10	1.17	6.3	1.10	1.15	4.4	1.13	1.19	5.2
Residual Fuel Oil	0.89	0.84	-5.6	0.76	0.75	-0.7	0.80	0.88	10.0	0.81	0.82	1.0	0.75	0.98	31.8
Other Products	0.81	0.73	-9.3	0.73	0.69	-5.3	0.82	0.76	-8.0	0.79	0.73	-7.6	0.69	0.99	43.9
Total	**5.43**	**5.27**	**-3.1**	**4.75**	**4.87**	**2.5**	**4.94**	**5.13**	**3.8**	**5.04**	**5.09**	**1.0**	**4.84**	**5.55**	**14.6**
Germany															
LPG	0.09	0.12	24.7	0.09	0.11	29.5	0.09	0.12	41.0	0.09	0.12	31.5	0.09	0.10	9.5
Naphtha	0.22	0.22	-1.1	0.23	0.18	-21.2	0.23	0.22	-5.7	0.23	0.20	-9.5	0.20	0.21	3.5
Motor Gasoline	0.76	0.70	-7.9	0.73	0.73	0.2	0.75	0.72	-3.7	0.75	0.72	-3.8	0.77	0.70	-8.8
Jet/Kerosene	0.11	0.12	9.3	0.11	0.13	16.4	0.12	0.14	16.0	0.11	0.13	14.0	0.13	0.14	8.3
Gasoil	1.21	1.31	8.5	1.02	1.16	14.0	1.39	1.36	-2.3	1.20	1.27	6.0	1.35	1.22	-9.9
Residual Fuel Oil	0.19	0.19	0.9	0.17	0.17	-0.1	0.19	0.17	-11.6	0.18	0.18	-3.8	0.17	0.18	7.3
Other Products	0.24	0.27	9.2	0.25	0.27	8.1	0.28	0.28	-0.8	0.26	0.27	5.3	0.26	0.27	4.3
Total	**2.82**	**2.92**	**3.4**	**2.59**	**2.76**	**6.2**	**3.05**	**3.01**	**-1.4**	**2.82**	**2.89**	**2.6**	**2.97**	**2.82**	**-5.1**
Italy															
LPG	0.10	0.10	0.8	0.08	0.09	13.2	0.08	0.08	1.4	0.09	0.09	4.9	0.08	0.08	0.5
Naphtha	0.05	0.09	83.6	0.07	0.09	21.4	0.09	0.09	0.7	0.07	0.09	27.6	0.09	0.10	9.5
Motor Gasoline	0.41	0.41	-0.5	0.37	0.39	5.8	0.41	0.42	0.9	0.40	0.41	2.0	0.46	0.41	-10.4
Jet/Kerosene	0.07	0.08	15.5	0.06	0.07	9.3	0.07	0.08	17.5	0.07	0.08	14.2	0.08	0.08	-1.3
Gasoil	0.45	0.47	4.6	0.39	0.42	6.5	0.47	0.46	-2.1	0.44	0.45	2.8	0.45	0.45	-2.0
Residual Fuel Oil	0.46	0.55	18.8	0.53	0.50	-7.3	0.46	0.44	-3.7	0.49	0.50	2.0	0.50	0.47	-5.8
Other Products	0.16	0.13	-16.1	0.16	0.14	-17.6	0.15	0.14	-10.7	0.16	0.13	-14.9	0.13	0.14	6.2
Total	**1.70**	**1.84**	**8.0**	**1.68**	**1.69**	**0.7**	**1.73**	**1.70**	**-1.5**	**1.70**	**1.74**	**2.3**	**1.79**	**1.72**	**-3.9**
France															
LPG	0.10	0.11	4.5	0.08	0.09	20.9	0.08	0.09	8.8	0.09	0.10	10.7	0.08	0.08	-1.4
Naphtha	0.20	0.15	-27.0	0.22	0.19	-13.8	0.16	0.15	-7.2	0.20	0.16	-16.6	0.13	0.14	6.2
Motor Gasoline	0.39	0.35	-8.3	0.35	0.35	1.3	0.41	0.37	-8.4	0.38	0.36	-5.3	0.42	0.39	-5.6
Jet/Kerosene	0.09	0.10	11.2	0.09	0.10	1.6	0.10	0.10	2.2	0.09	0.10	4.9	0.11	0.11	4.3
Gasoil	0.83	0.81	-3.3	0.67	0.67	-1.0	0.86	0.78	-9.6	0.79	0.75	-4.9	0.77	0.72	-6.9
Residual Fuel Oil	0.14	0.14	4.4	0.11	0.11	-6.9	0.14	0.12	-7.8	0.13	0.12	-3.2	0.11	0.09	-17.3
Other Products	0.18	0.22	22.3	0.17	0.19	13.2	0.23	0.23	2.6	0.19	0.21	11.9	0.23	0.26	12.3
Total	**1.94**	**1.88**	**-2.8**	**1.71**	**1.71**	**0**	**1.97**	**1.84**	**-6.2**	**1.87**	**1.81**	**-3.1**	**1.86**	**1.80**	**-3.0**
United Kingdom															
LPG	0.11	0.17	48.0	0.10	0.16	57.5	0.09	0.17	85.1	0.10	0.17	62.4	0.13	0.16	28.5
Naphtha	0.05	0.07	50.7	0.05	0.06	12.1	0.10	0.07	-29.4	0.07	0.07	1.6	0.08	0.06	-18.8
Motor Gasoline	0.55	0.54	-2.4	0.52	0.52	0.3	0.55	0.55	-1.1	0.54	0.54	-1.1	0.55	0.53	-2.6
Jet/Kerosene	0.20	0.18	-8.0	0.20	0.19	-5.3	0.20	0.20	0.4	0.20	0.19	-4.3	0.21	0.20	-5.7
Gasoil	0.42	0.44	5.1	0.40	0.42	5.6	0.43	0.45	5.6	0.41	0.44	5.4	0.40	0.42	3.0
Residual Fuel Oil	0.24	0.24	1.1	0.23	0.23	0.1	0.25	0.22	-9.2	0.24	0.23	-2.7	0.25	0.18	-26.8
Other Products	0.15	0.16	3.2	0.15	0.17	10.4	0.17	0.20	13.4	0.16	0.17	9.2	0.17	0.18	4.0
Total	**1.71**	**1.79**	**4.6**	**1.66**	**1.75**	**5.6**	**1.79**	**1.86**	**4.0**	**1.72**	**1.80**	**4.7**	**1.79**	**1.74**	**-3.0**
Canada															
LPG	0.22	0.23	4.6	0.21	0.22	2.1	0.20	0.20	2.1	0.21	0.22	3.0	0.18	0.18	3.6
Naphtha	0.06	0.07	20.0	0.06	0.05	-12.4	0.07	0.06	-14.4	0.06	0.06	-3.4	0.07	0.07	4.1
Motor Gasoline	0.56	0.55	-0.9	0.57	0.60	5.8	0.63	0.64	2.9	0.58	0.60	2.6	0.63	0.64	2.2
Jet/Kerosene	0.07	0.06	-2.8	0.07	0.07	9.9	0.08	0.08	7.0	0.07	0.07	4.9	0.09	0.09	2.6
Gasoil	0.36	0.38	7.4	0.39	0.41	6.5	0.37	0.38	3.9	0.37	0.39	5.9	0.34	0.35	4.0
Residual Fuel Oil	0.15	0.13	-13.5	0.13	0.13	-3.3	0.14	0.11	-22.5	0.14	0.12	-13.2	0.12	0.11	-3.8
Other Products	0.20	0.20	-0.5	0.20	0.21	7.8	0.25	0.22	-8.9	0.22	0.21	-1.1	0.28	0.26	-4.3
Total	**1.62**	**1.64**	**1.2**	**1.62**	**1.70**	**4.5**	**1.72**	**1.70**	**-1.3**	**1.66**	**1.68**	**1.4**	**1.69**	**1.71**	**1.3**

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 grades. Gasoil comprises diesel, light heating oil and other gasoils.
US figures do not include territories.

Table 4

WORLD OIL PRODUCTION

(million barrels per day)

	1992	1993	1994*	3Q93	4Q93	1Q94	2Q94	3Q94	JUL94	AUG94*	SEP94*
OPEC											
Crude Oil											
Saudi Arabia	8.22	7.96	-	7.91	7.88	7.88	7.91	7.89	7.90	7.88	7.90
Iran	3.43	3.65	-	3.70	3.60	3.65	3.55	3.60	3.55	3.60	3.65
Iraq	0.43	0.48	-	0.48	0.54	0.51	0.51	0.53	0.53	0.53	0.53
UAE	2.29	2.20	-	2.16	2.17	2.20	2.17	2.18	2.23	2.16	2.16
Kuwait	0.88	1.69	-	1.79	1.82	1.80	1.83	1.85	1.85	1.85	1.85
Neutral Zone	0.36	0.36	-	0.38	0.39	0.38	0.37	0.41	0.42	0.42	0.40
Qatar	0.40	0.42	-	0.43	0.41	0.40	0.41	0.42	0.44	0.40	0.42
Nigeria	1.88	1.91	-	1.90	1.98	2.04	1.94	1.72	1.83	1.49	1.85
Libya	1.48	1.37	-	1.36	1.37	1.31	1.38	1.39	1.40	1.39	1.37
Algeria	0.75	0.75	-	0.74	0.75	0.74	0.75	0.75	0.74	0.75	0.75
Gabon	0.29	0.30	-	0.29	0.30	0.29	0.32	0.33	0.32	0.33	0.33
Venezuela	2.33	2.31	-	2.28	2.36	2.38	2.41	2.47	2.44	2.48	2.49
Indonesia	1.33	1.34	-	1.34	1.32	1.31	1.30	1.34	1.33	1.35	1.35
Total Crude Oil	24.06	24.73	-	24.75	24.86	24.89	24.84	24.88	24.97	24.62	25.05
NGLs[1]	2.09	2.22	-	2.24	2.22	2.26	2.31	2.36	2.37	2.35	2.36
TOTAL OPEC[3]	26.15	26.95	-	26.98	27.08	27.15	27.15	27.24	27.35	26.96	27.40
NON-OPEC[2]											
OECD											
North America	11.06	11.00	10.91	10.94	11.03	10.96	10.72	10.86	10.97	10.81	10.81
United States	9.00	8.81	8.66	8.69	8.79	8.70	8.53	8.61	8.63	8.59	8.60
Canada	2.06	2.18	2.25	2.25	2.24	2.26	2.19	2.26	2.34	2.22	2.21
Europe	4.83	5.16	6.03	5.14	5.76	5.90	5.97	5.75	5.88	5.44	5.93
UK	2.00	2.19	2.73	2.20	2.53	2.62	2.64	2.63	2.53	2.61	2.76
Norway	2.22	2.37	2.66	2.35	2.60	2.64	2.69	2.48	2.71	2.20	2.54
Others	0.61	0.60	0.65	0.59	0.63	0.65	0.64	0.64	0.64	0.63	0.64
Pacific	0.68	0.64	0.69	0.65	0.59	0.65	0.67	0.71	0.70	0.71	0.71
Australia	0.60	0.56	0.61	0.57	0.51	0.58	0.59	0.63	0.63	0.63	0.63
Others	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08
Total OECD	16.56	16.80	17.63	16.73	17.38	17.51	17.36	17.32	17.55	16.95	17.45
Non-OECD											
FSU	8.97	7.82	7.05	7.66	7.47	7.10	7.06	7.08	7.18	7.10	6.97
Russia	7.93	6.85	6.16	6.68	6.51	6.21	6.19	6.20	6.29	6.21	6.08
Others	1.05	0.97	0.89	0.97	0.96	0.89	0.87	0.89	0.89	0.89	0.88
Asia	4.61	4.73	4.88	4.68	4.78	4.88	4.79	4.90	4.89	4.88	4.93
China	2.84	2.91	2.97	2.89	2.95	3.01	2.93	2.97	2.99	2.94	2.98
Malaysia	0.68	0.67	0.69	0.65	0.65	0.68	0.68	0.68	0.68	0.68	0.69
India	0.59	0.55	0.61	0.54	0.55	0.58	0.55	0.63	0.61	0.65	0.65
Others	0.51	0.60	0.62	0.59	0.62	0.61	0.62	0.62	0.62	0.62	0.62
Europe	0.28	0.28	0.27	0.28	0.28	0.27	0.27	0.27	0.27	0.28	0.28
Latin America	5.67	5.78	5.96	5.76	5.93	5.89	5.85	6.00	5.96	6.07	5.96
Mexico	3.12	3.14	3.18	3.12	3.21	3.16	3.13	3.18	3.13	3.21	3.21
Brazil	0.85	0.88	0.89	0.88	0.91	0.90	0.91	0.90	0.93	0.94	0.83
Colombia	0.45	0.46	0.48	0.44	0.45	0.47	0.42	0.49	0.48	0.50	0.50
Ecuador	0.32	0.34	0.37	0.34	0.35	0.34	0.37	0.38	0.38	0.38	0.38
Others	0.93	0.97	1.03	0.97	1.01	1.01	1.02	1.04	1.04	1.04	1.04
Middle East[4]	1.50	1.63	1.79	1.62	1.73	1.75	1.79	1.79	1.76	1.81	1.81
Oman	0.75	0.79	0.82	0.79	0.83	0.79	0.82	0.83	0.82	0.83	0.83
Syria	0.52	0.56	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.58
Yemen	0.18	0.22	0.35	0.22	0.29	0.34	0.36	0.34	0.31	0.35	0.35
Africa	2.02	2.05	2.04	2.02	2.06	2.04	2.01	2.04	2.04	2.04	2.05
Egypt	0.93	0.96	0.92	0.97	0.94	0.93	0.91	0.92	0.92	0.93	0.93
Angola	0.54	0.50	0.53	0.47	0.53	0.53	0.52	0.53	0.53	0.53	0.53
Others	0.56	0.58	0.59	0.58	0.59	0.59	0.59	0.59	0.59	0.59	0.59
Total Non-OECD	23.06	22.28	22.00	22.01	22.24	21.94	21.77	22.09	22.09	22.18	21.99
Processing Gains[5]	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
TOTAL NON-OPEC	41.12	40.58	41.13	40.24	41.12	40.95	40.63	40.90	41.14	40.63	40.94
TOTAL SUPPLY	**67.28**	**67.53**	**-**	**67.22**	**68.20**	**68.10**	**67.78**	**68.14**	**68.49**	**67.59**	**68.34**

1 Includes condensates reported by OPEC countries and oil from non-conventional sources, e.g. Orimulsion.
2 Comprises crude oil, condensates, NGLs and oil from non-conventional sources.
3 Ecuador is identified separately as a non-OPEC producer country throughout the period covered by this table for the purposes of comparison.
4 Includes small amounts of production from Israel, Jordan and Bahrain
5 Net of volumetric gains and losses in refining (excludes net gain/loss in FSU, China and non-OECD Europe).
* estimated

Table 5

OECD INDUSTRY STOCKS[1] AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS[2] in Million Barrels					PRIOR YEARS' STOCKS[2] in Million Barrels			STOCK CHANGES in mb/d			
	APR94	MAY94	JUN94*	JUL94*	AUG94*	AUG91	AUG92	AUG93	Q393	Q493	Q194	Q294
North America												
Crude	398	393	391	398	394	410	390	402	-0.36	0.15	0.03	-0.12
Gasoline	237	238	231	228	224	230	221	220	-0.16	0.23	-0.12	-0.05
Middle Distillate	167	180	187	207	216	209	195	201	0.24	0.07	-0.53	0.29
Residual Fuel Oil	47	47	48	48	50	55	53	53	-0.03	0.00	-0.04	-0.01
Total Products[3]	601	627	631	655	671	670	652	665	0.18	-0.04	-0.89	0.51
Total [4]	1147	1172	1181	1219	1233	1240	1209	1250	-0.05	-0.27	-0.81	0.51
Europe												
Crude	310	319	322	313	306	263	283	310	-0.03	0.09	-0.16	0.29
Gasoline	140	142	138	136	133	133	128	131	0.01	0.10	0.07	-0.08
Middle Distillate	222	241	243	258	262	261	259	256	0.23	-0.19	-0.09	0.23
Residual Fuel Oil	95	97	98	103	102	117	108	110	0.00	-0.08	-0.06	0.01
Total Products[3]	535	560	560	582	582	598	583	584	0.29	-0.18	-0.18	0.20
Total [4]	900	938	938	952	946	920	928	953	0.22	-0.10	-0.36	0.50
Pacific												
Crude	155	158	165	158	147	184	171	161	0.08	-0.17	0.00	0.10
Gasoline	26	26	26	25	24	24	24	26	0.01	-0.03	0.02	0.01
Middle Distillate	55	63	64	70	78	74	75	76	0.21	-0.13	-0.22	0.17
Residual Fuel Oil	15	15	14	14	15	20	16	19	0.04	-0.03	-0.02	-0.02
Total Products[3]	152	164	164	169	180	179	169	179	0.32	-0.23	-0.23	0.22
Total [4]	392	407	410	403	408	444	423	431	0.52	-0.47	-0.24	0.30
Total												
Crude	862	870	878	870	846	856	845	873	-0.31	0.08	-0.12	0.26
Gasoline	403	406	395	389	381	386	373	377	-0.14	0.30	-0.03	-0.13
Middle Distillate	444	484	495	536	557	544	529	533	0.68	-0.25	-0.84	0.69
Residual Fuel Oil	157	159	159	165	168	191	176	183	0.01	-0.11	-0.12	-0.02
Total Products[3]	1288	1351	1355	1406	1434	1447	1404	1427	0.79	-0.45	-1.30	0.93
Total [4]	2438	2517	2529	2575	2587	2605	2561	2634	0.69	-0.83	-1.41	1.30

OECD GOVERNMENT-CONTROLLED STOCKS[5] AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS[2] in Million Barrels					PRIOR YEARS' STOCKS[2] in Million Barrels			STOCK CHANGES[3] in mb/d			
	APR94	MAY94	JUN94*	JUL94*	AUG94*	AUG91	AUG92	AUG93	Q393	Q493	Q194	Q294
North America												
Crude	591	591	592	592	592	569	570	584	0.03	0.02	0.04	0.02
Europe												
Crude	129	129	129	129	129	123	130	130	0.00	-0.01	0.00	0.00
Products	125	126	126	125	125	113	123	129	-0.01	-0.01	-0.03	0.00
Pacific												
Crude	265	265	265	265	265	212	227	247	0.01	0.11	0.09	0.00
Total												
Crude	985	985	986	986	986	903	928	961	0.04	0.11	0.12	0.02
Products	125	126	126	125	125	113	123	129	-0.01	-0.01	-0.03	0.00
Total [4]	1110	1111	1111	1111	1111	1016	1051	1090	0.03	0.10	0.09	0.02

* Estimated

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 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 NGL's, refinery feedstocks, additives/oxygenates and other hydrocarbons.

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

Table 6
INDUSTRY STOCKS [1] ON LAND IN SELECTED OECD COUNTRIES

(million barrels)

	March			April			May			June			July		
	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%
United States															
Crude	337.1	337.6	0.2	348.7	335.0	-3.9	352.9	328.3	-7.0	352.3	321.7	-8.7	351.9	327.5	-6.9
Motor Gasoline	230.2	213.8	-7.1	224.8	213.9	-4.8	224.8	215.6	-4.1	221.3	211.6	-4.4	214.6	208.9	-2.7
Middle Distillate	139.5	140.2	0.5	140.8	143.1	1.6	145.3	156.3	7.5	156.5	164.7	5.2	168.8	181.3	7.4
Residual Fuel Oil	40.4	41.1	1.7	41.4	39.0	-5.8	43.1	39.4	-8.4	45.7	39.3	-13.9	42.5	39.3	-7.6
Other Products	127.7	118.6	-7.2	139.8	128.6	-8.0	153.4	141.4	-7.8	158.2	146.5	-7.4	165.1	152.2	-7.8
Total Products	537.8	513.7	-4.5	546.8	524.6	-4.1	566.6	552.7	-2.4	581.8	562.1	-3.4	591.0	581.7	-1.6
Other [2]	137.6	136.1	-1.1	139.3	134.5	-3.5	147.9	136.6	-7.6	149.9	141.0	-6.0	156.2	147.9	-5.3
Total	**1012.6**	**987.4**	**-2.5**	**1034.9**	**994.1**	**-3.9**	**1067.4**	**1017.7**	**-4.7**	**1084.0**	**1024.8**	**-5.5**	**1099.0**	**1057.1**	**-3.8**
Japan															
Crude	143.9	140.8	-2.1	135.9	138.9	2.1	136.5	143.0	4.8	150.4	149.0	-1.0	152.6	142.4	-6.6
Motor Gasoline	17.0	17.1	0.5	17.7	17.8	0.8	17.5	18.0	2.7	16.3	17.8	9.0	16.1	17.1	6.4
Middle Distillate	41.3	40.9	-1.2	45.2	47.2	4.6	50.1	55.3	10.4	52.6	56.8	7.8	56.4	61.4	9.0
Residual Fuel Oil	13.1	12.8	-2.1	12.8	12.0	-6.0	13.2	12.5	-5.3	13.3	10.8	-18.6	15.2	10.9	-28.0
Other Products	52.4	49.3	-5.9	48.0	52.9	10.2	49.2	55.1	11.8	48.8	56.1	15.0	51.7	55.6	7.5
Total Products	123.8	120.0	-3.0	123.6	130.0	5.1	130.0	140.8	8.3	131.0	141.5	8.0	139.3	145.1	4.1
Other [2]	78.9	75.9	-3.8	77.9	76.9	-1.3	78.9	78.2	-0.8	73.8	74.3	0.7	78.3	71.2	-9.0
Total	**346.6**	**336.8**	**-2.8**	**337.5**	**345.7**	**2.4**	**345.3**	**362.0**	**4.8**	**355.3**	**364.7**	**2.7**	**370.2**	**358.7**	**-3.1**
Germany															
Crude	27.7	26.5	-4.1	27.3	29.2	6.9	27.4	28.7	4.8	27.1	27.7	2.3	27.1	28.6	5.7
Motor Gasoline	19.4	17.0	-12.2	18.1	17.0	-6.2	19.4	18.2	-6.0	17.8	16.5	-6.9	18.1	16.5	-9.3
Middle Distillate	24.0	24.5	1.9	25.5	25.4	-0.2	32.4	28.9	-10.7	25.3	26.1	3.0	26.7	30.4	14.0
Residual Fuel Oil	9.4	9.3	-1.2	9.5	9.2	-2.9	9.8	9.2	-6.5	9.2	9.1	-1.7	9.9	9.4	-4.4
Other Products	12.5	11.8	-6.0	12.7	11.3	-11.2	12.6	12.0	-4.5	12.2	11.4	-6.9	12.4	11.8	-4.4
Total Products	65.4	62.6	-4.2	65.8	62.9	-4.4	74.2	68.4	-7.8	64.5	63.0	-2.3	67.0	68.1	1.6
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	**93.1**	**89.2**	**-4.2**	**93.1**	**92.1**	**-1.0**	**101.6**	**97.1**	**-4.4**	**91.6**	**90.7**	**-0.9**	**94.1**	**96.7**	**2.8**
Italy															
Crude	43.8	40.9	-6.7	44.3	46.5	4.9	44.4	42.2	-5.0	45.6	42.1	-7.6	48.1	39.2	-18.6
Motor Gasoline	19.2	18.9	-1.4	17.3	17.0	-2.2	17.6	19.5	10.7	17.4	18.6	7.3	15.8	18.2	15.7
Middle Distillate	33.5	34.3	2.5	35.5	32.1	-9.7	39.1	35.0	-10.5	37.3	33.4	-10.5	36.5	34.0	-6.8
Residual Fuel Oil	26.4	21.7	-17.7	27.6	20.2	-26.6	26.6	20.4	-23.2	25.7	21.7	-15.5	27.0	22.3	-17.3
Other Products	7.8	6.6	-16.4	7.8	6.6	-15.5	7.7	6.7	-12.6	7.0	7.2	2.9	7.8	7.6	-3.4
Total Products	87.0	81.6	-6.2	88.2	75.8	-14.1	90.9	81.6	-10.3	87.3	80.9	-7.4	87.1	82.1	-5.7
Other [2]	7.7	5.8	-24.6	9.3	7.1	-23.5	9.4	6.8	-27.4	8.6	6.6	-24.0	7.8	6.1	-21.5
Total	**138.5**	**128.3**	**-7.4**	**141.9**	**129.5**	**-8.7**	**144.7**	**130.6**	**-9.8**	**141.5**	**129.6**	**-8.5**	**143.1**	**127.5**	**-10.9**
France															
Crude	41.7	37.0	-11.1	44.5	41.6	-6.5	39.3	40.8	4.0	39.4	47.4	20.2	34.1	43.3	26.9
Motor Gasoline	25.8	25.9	0.5	23.9	25.5	6.3	26.1	24.5	-5.8	25.7	24.6	-4.4	26.0	23.2	-10.6
Middle Distillate	46.7	50.5	8.0	46.2	47.5	3.0	50.9	50.8	-0.3	49.3	51.8	4.9	52.1	52.6	1.0
Residual Fuel Oil	8.5	8.0	-6.7	8.8	6.8	-23.1	10.0	7.5	-24.5	9.3	7.6	-17.9	9.9	8.7	-11.8
Other Products	9.2	8.0	-13.2	8.9	8.1	-9.2	9.8	7.8	-20.1	8.3	7.7	-6.9	8.7	8.3	-4.8
Total Products	90.3	92.4	2.3	87.7	87.8	0.1	96.7	90.7	-6.3	92.6	91.6	-1.0	96.7	92.9	-4.0
Other [2]	12.3	12.5	2.4	12.3	12.4	1.3	15.0	13.9	-7.4	14.5	12.0	-17.2	14.4	13.2	-8.7
Total	**144.2**	**141.9**	**-1.6**	**144.5**	**141.8**	**-1.9**	**151.1**	**145.4**	**-3.7**	**146.5**	**151.0**	**3.1**	**145.2**	**149.4**	**2.8**
United Kingdom															
Crude	38.1	36.3	-4.6	35.5	34.2	-3.6	36.5	37.3	2.2	37.7	34.7	-7.9	35.9	36.6	2.0
Motor Gasoline	18.2	16.6	-8.5	16.4	15.8	-3.9	16.1	16.8	4.7	15.5	16.8	8.5	15.3	15.9	4.1
Middle Distillate	18.5	17.2	-7.0	19.2	19.4	0.9	19.5	21.5	10.4	19.3	19.9	3.1	19.1	20.1	5.5
Residual Fuel Oil	7.4	6.8	-7.1	6.7	6.5	-3.4	7.8	6.7	-13.5	8.2	6.6	-20.0	8.4	7.7	-8.0
Other Products	10.9	10.6	-3.0	11.5	9.9	-14.1	11.6	10.7	-7.4	11.6	11.3	-2.7	11.6	11.6	-0.5
Total Products	54.9	51.2	-6.7	53.9	51.6	-4.3	54.9	55.8	1.6	54.7	54.7	-0.1	54.4	55.3	1.7
Other [2]	17.8	15.8	-11.0	17.0	15.8	-6.6	16.5	16.5	0.4	17.5	15.7	-10.4	15.7	15.2	-3.7
Total	**110.7**	**103.3**	**-6.7**	**106.3**	**101.6**	**-4.4**	**107.9**	**109.7**	**1.6**	**109.9**	**105.1**	**-4.4**	**106.0**	**107.1**	**1.0**
Canada															
Crude	54.0	55.8	3.2	56.2	54.1	-3.8	59.5	55.8	-6.1	58.0	60.5	4.3	59.0	62.0	5.1
Motor Gasoline	20.7	20.5	-1.2	20.1	21.8	8.2	18.1	20.6	13.8	17.1	18.0	4.8	15.7	18.2	15.9
Middle Distillate	19.7	17.7	-10.5	20.4	20.3	-0.2	18.6	20.0	7.5	19.8	19.1	-3.6	23.4	22.3	-4.9
Residual Fuel Oil	4.4	3.5	-20.4	4.8	4.0	-16.5	4.6	4.0	-12.3	4.9	4.2	-13.4	5.1	4.6	-9.2
Other Products	19.2	18.9	-1.7	18.7	20.2	8.2	18.5	19.2	3.6	18.4	17.6	-4.6	19.0	18.4	-3.5
Total Products	64.1	60.5	-5.5	64.0	66.3	3.7	59.7	63.7	6.7	60.2	58.9	-2.3	63.2	63.4	0.3
Other [2]	7.2	7.6	5.3	8.2	8.4	2.1	9.9	10.9	10.4	11.3	13.2	16.7	12.7	13.2	3.8
Total	**125.3**	**123.9**	**-1.2**	**128.4**	**128.7**	**0.3**	**129.1**	**130.5**	**1.1**	**129.6**	**132.6**	**2.3**	**134.9**	**138.7**	**2.8**

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 reserve commitments and are subject to government control in emergencies.
2 Other includes NGL's, refinery feedstocks, additives/oxygenates and other hydrocarbons.

Table 7

TOTAL STOCKS ON LAND IN OECD COUNTRIES

('millions of barrels' and 'days')

	End June 1993		End September 1993		End December1993		End March 1994		End June 1994 [3] [4]	
	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
Canada	129.7	74	129.2	75	124.0	72	123.9	-	-	-
United States	1666.7	96	1665.4	94	1647.2	92	1577.7	-	-	-
NORTH AMERICA	1820.1	94	1818.3	93	1794.9	91	1725.2	89	1774.1	90
Australia	35.9	47	38.7	49	35.7	46	38.0	-	-	-
Japan	601.2	126	646.8	116	617.8	100	601.6	-	-	-
New Zealand	8.5	75	9.1	70	7.9	65	7.8	-	-	-
PACIFIC	645.7	114	694.6	107	661.5	93	647.5	108	675.4	114
Austria	17.0	72	16.0	66	16.0	71	15.9	-	-	-
Belgium	27.1	55	29.9	57	27.5	50	27.3	-	-	-
Denmark	23.5	121	25.5	119	25.8	117	24.6	-	-	-
Finland	21.3	95	19.5	84	20.6	92	18.8	-	-	-
France	151.6	85	158.8	81	152.6	80	147.0	-	-	-
Germany	310.0	103	312.7	104	310.6	109	308.6	-	-	-
Greece	33.5	108	31.9	83	34.0	105	32.2	-	-	-
Ireland	7.2	74	7.2	70	7.7	68	7.7	-	-	-
Italy	147.4	82	137.2	66	138.9	74	134.1	-	-	-
Luxembourg	1.1	27	1.1	26	0.9	22	0.9	-	-	-
Netherlands	115.7	148	127.2	167	113.9	150	109.4	-	-	-
Norway	28.1	132	36.4	189	42.7	221	36.1	-	-	-
Portugal	21.0	76	21.3	84	20.3	83	21.0	-	-	-
Spain	72.9	65	81.2	67	77.5	65	77.5	-	-	-
Sweden	33.7	107	32.9	90	31.2	78	31.8	-	-	-
Switzerland	26.6	94	25.2	89	23.9	89	22.6	-	-	-
Turkey	26.0	41	23.3	39	28.3	51	30.8	-	-	-
United Kingdom	109.9	61	105.2	57	109.3	59	103.3	-	-	-
EUROPE [5]	1173.6	86	1192.7	83	1181.6	86	1149.6	87	1179.7	86
Total	3639.4	94	3705.6	92	3638.0	89	3522.3	91	3629.3	92
DAYS OF IEA NET IMPORTS [6]	-	139	-	142	-	139	-	132	-	-

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 subjet to government control 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 in the IEA's Emergency Sharing System.
3 End June 1994 stock level based on preliminary data.
4 End June 1994 forward demand figures are IEA Secretariat forecasts.
5 Data not available for Iceland.
6 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] controlled	Companies	Total	Government [1] controlled	Companies
	Millions of Barrels			Days of Fwd. Demand [2]		
Q291	3546	1012	2534	95	27	68
Q391	3662	1020	2642	93	26	67
Q491	3574	1030	2544	90	26	64
Q192	3487	1047	2440	93	28	65
Q292	3556	1050	2506	93	27	65
Q392	3617	1054	2563	91	27	64
Q492	3569	1071	2498	90	27	63
Q193	3554	1085	2469	94	29	66
Q293	3639	1089	2550	94	28	66
Q393	3706	1092	2613	92	27	65
Q493	3638	1101	2537	89	27	62
Q194	3522	1110	2413	91	29	63
Q294	3629	1110	2519	92	28	64

1 Includes government-owned stocks and entity stocks held for emergency purposes.
2 Days of forward demand calculated using actual demand except in June 1994 (when latest forecast is used).

Table 8

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

	1991	1992	1993	3Q93	4Q93	1Q94	2Q94	3Q94	Apr94	May94	Jun94	Jul94	Aug94	Sep94
Crude Oil Prices														
IEA CIF Average Import	19.30	18.49	16.38	15.86	14.80	13.69	15.46	16.90*	14.46	15.57	16.39	17.23	17.10*	16.40*
FOB Spot														
Brent (Dated)	19.99	19.30	17.00	16.49	15.08	13.97	16.04	16.67	15.20	16.16	16.75	17.59	16.69	15.84
WTI (1st month)	21.53	20.54	18.44	17.78	16.42	14.84	17.81	18.46	16.45	17.90	19.07	19.66	18.39	17.43
Dubai (1st month)	16.53	17.18	14.93	14.37	13.56	12.74	14.81	15.83	13.95	14.76	15.72	16.46	15.79	15.30
Product Prices 1														
Rotterdam														
Premium 0.15 g/l	28.37	25.31	22.45	22.59	19.67	17.52	20.81	22.36	19.79	20.73	21.91	22.39	23.93	20.60
Regular Unleaded	26.57	23.75	20.70	20.33	17.91	16.42	19.33	20.15	18.58	19.26	20.14	20.51	21.68	18.19
Naphtha	23.71	20.93	18.47	17.66	16.33	15.00	17.04	18.05	15.92	17.28	17.94	18.41	18.07	17.70
Jet/Kerosene	28.07	24.90	23.37	22.41	23.10	20.33	20.90	21.12	20.77	20.98	20.95	20.98	20.95	21.49
Gasoil	26.96	23.76	22.28	21.54	21.39	18.99	20.19	20.29	20.05	20.28	20.26	20.35	20.41	20.16
Fuel Oil 1.0%S	14.22	14.26	13.50	13.13	11.62	12.62	12.96	14.22	12.10	12.83	13.95	15.15	14.57	12.96
Fuel Oil 3.5%S	12.27	12.90	10.22	9.35	9.30	11.28	12.60	13.34	11.56	12.57	13.67	15.18	13.45	11.42
Gross Product Worth 2	24.63	22.11	20.27	19.81	18.76	17.04	18.64	19.35	18.12	18.64	19.16	19.53	19.92	18.57
NY Harbour														
Super Unleaded 93	29.79	26.86	23.69	24.42	20.56	20.85	24.58	25.85	22.40	25.81	25.54	27.73	27.56	22.33
Regular Unleaded 87	27.54	24.57	21.58	21.53	18.55	18.20	21.13	21.92	19.97	21.25	22.16	22.88	23.37	19.46
Jet/Kerosene	26.65	24.88	23.33	22.34	22.72	23.57	21.23	21.86	21.09	21.06	21.54	22.51	21.99	21.18
No.2 (Heating Oil)	25.56	24.00	22.04	21.33	20.65	21.41	20.30	20.57	20.03	20.16	20.70	20.97	20.79	20.01
Fuel Oil 1.0%S	15.02	15.31	14.63	14.28	13.11	15.45	14.17	15.13	13.02	14.00	15.49	16.67	15.66	13.05
Fuel Oil 3.0%S	11.42	12.34	11.21	10.93	9.83	10.73	11.22	13.33	10.17	11.09	12.41	14.50	13.88	11.52
Gross Product Worth 3	23.91	22.30	20.16	19.83	17.76	17.91	19.53	20.00	18.94	19.26	20.39	21.17	20.89	17.97
Singapore														
Regular 0.15 g/l	28.63	26.56	24.01	23.28	21.51	19.31	22.75	22.19	22.14	22.72	23.40	22.62	23.74	19.98
Naphtha	22.84	20.24	17.22	16.38	14.80	13.48	15.91	17.61	14.78	16.21	16.75	17.58	17.72	17.55
Jet/Kerosene	28.29	25.39	24.42	22.77	24.07	21.56	20.89	21.16	21.60	20.94	20.14	20.73	20.71	22.11
Gasoil	28.20	25.12	24.02	22.91	22.92	20.45	20.77	20.53	21.07	21.10	20.14	20.52	20.49	20.64
LSWR (0.3%S)	15.16	14.72	14.90	13.53	10.74	11.00	13.11	16.89	11.74	13.19	14.39	18.54	18.73	13.24
HSFO (3.5%S 180cst)	14.10	13.44	11.83	11.37	10.04	10.56	13.35	14.55	12.25	13.84	13.95	16.01	15.36	12.31
Gross Product Worth 4	20.06	18.45	17.17	16.16	15.32	14.42	16.29	17.23	15.78	16.51	16.59	17.94	17.95	15.75

* = Estimated.

1 Product prices 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% LSFO and 6.31 bbl/MT for 3.5% HSFO.
Singapore: 6.46 bbl/MT for 3.5% HSFO.

2 Calculated using Brent cracking yield of a refinery in North West Europe.

3 Calculated using Brent cracking yield of a refinery in US Gulf Coast.

4 Calculated using Dubai hydroskimming yield of a refinery in Singapore.

Table 9

END USER PRICES FOR PETROLEUM PRODUCTS[1]
September 1994

	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
GASOLINE[2] Price per Litre												
France	5.650	4.544	-1.1	-4.4	0.4	-5.8	1.064	0.208	0.3	-3.3	7.3	0.5
Germany	1.503	1.176	-5.1	-17.6	13.8	-0.6	0.969	0.211	-4.0	-16.6	19.0	3.9
Italy	1708.0	1291.8	-2.0	-6.4	4.4	0.4	1.088	0.265	-0.9	-5.7	4.3	0.0
Spain	110.3	74.9	-1.6	-4.2	0.1	0.3	0.861	0.276	-0.2	-3.2	2.0	1.8
UK	0.578	0.417	-0.7	-1.8	6.0	1.3	0.904	0.252	0.7	-0.4	8.5	4.1
Japan	117	57	0.0	0.0	-4.1	-6.2	1.183	0.607	1.4	1.5	2.0	-0.3
Canada	0.533	0.263	-5.7	-10.0	1.2	2.7	0.393	0.199	-3.9	-8.3	-1.3	-0.0
USA[3]	0.313	0.100	0.3	0.5	9.1	6.4	0.313	0.213	0.3	0.5	9.1	6.5
AUTOMOTIVE DIESEL[4] Price per Litre												
France	3.222	2.122	-1.2	-3.5	-1.1	-9.8	0.607	0.207	0.2	-2.4	5.7	-3.7
Germany	0.964	0.620	-4.0	-10.4	8.1	-1.1	0.621	0.221	-3.0	-9.8	12.9	2.8
Italy	1040.34	676.04	-0.3	-0.9	-0.2	-0.5	0.663	0.232	0.8	-0.0	-0.2	-0.4
Spain	70.77	40.30	-0.7	-1.7	-3.2	-7.0	0.552	0.237	0.7	-0.4	-1.3	-5.6
UK	0.441	0.277	-0.5	-1.2	5.2	-2.4	0.689	0.256	0.9	0.0	7.7	0.0
Japan	77	34	-1.3	-2.3	5.5	-8.7	0.778	0.433	0.0	-1.1	12.1	-3.1
Canada	0.513	0.213	0.0	0.3	-1.4	-0.7	0.378	0.221	1.9	2.3	-3.8	-3.1
USA	..	..	..	..	..	..	..	..	..	..	..	..
DOMESTIC HEATING OIL Price per 1000 Litres												
France	2001.0	800.7	-0.6	-0.8	-3.1	-5.2	376.8	226.0	0.7	0.5	3.5	1.3
Germany	434.1	136.6	3.6	4.6	-3.1	-3.9	279.8	191.8	4.8	5.8	1.4	0.6
Italy	1217000	870350	-0.2	-0.5	-0.2	-0.7	775.6	220.9	1.0	0.7	-0.3	-0.7
Spain	41179	17171	-1.5	-2.2	-16.2	-22.4	321.5	187.4	-0.0	-0.7	-14.6	-20.9
UK	131.36	26.13	-0.5	-0.6	4.0	-5.6	205.3	164.5	0.9	0.8	6.5	-3.3
Japan[5]	47071	1371	0.0	0.0	-6.5	-6.5	475.8	461.9	1.3	1.3	-0.6	-0.6
Canada	..	..	..	..	..	..	..	..	..	..	..	..
USA[6]	236.2	..	-0.4	..	-1.3	..	236.2	..	-0.4	..	-1.3	..
HFO FOR INDUSTRY[4, 7] Price per Metric Ton												
France	602.0	151.8	-13.0	-16.6	4.4	5.9	113.4	84.8	-11.8	-15.5	11.5	13.2
Germany	183.0	30.0	-13.3	-15.5	-2.1	-2.5	118.0	98.6	-12.3	-14.5	2.4	2.0
Italy	267890	45000	-0.7	-0.8	14.1	17.4	170.7	142.0	0.5	0.3	14.0	17.4
Spain	17215	2003	-14.7	-16.3	11.5	11.5	134.4	118.8	-13.4	-15.1	13.7	13.8
UK	74.98	11.67	-6.8	-7.9	18.4	20.0	117.2	99.0	-5.4	-6.6	21.2	22.9
Japan	17347	505	0.0	0.0	-27.9	-27.9	175.3	170.2	1.3	1.3	-23.4	-23.4
Canada	..	..	..	..	..	..	..	..	..	..	..	..
USA	..	..	..	..	..	..	..	..	..	..	..	..

1 Mid Month Prices
2 Premium leaded gasoline for France, Italy, Spain, UK; regular unleaded gasoline for Canada, Germany, Japan, and USA.
3 Estimated
4 VAT excluded where it is refundable : HFO for Industry, Automotive Diesel for Industry
5 Kerosene
6 August data.
7 High sulphur fuel oil price for France, Spain, UK and Japan; low sulphur fuel oil price for Germany and Italy.

Sources and Use of Data and Geographical Definitions

Supply, Demand, Stock and Refinery Activity Data

The historical data in this report are submitted in the monthly oil and gas statistics questionnaire returned by 24 OECD countries consisting of the 23 Member countries of the International Energy Agency (IEA) and Iceland. Mexico continues to be included with the non-OECD countries (in Latin America) pending submission of detailed historical data needed to incorporate Mexico into the OECD. The submissions are made during the seven to eight week period following the month to which the figures relate and cover supply, demand and stock data for crude oil and individual oil products. The data are revised as necessary, and notably when more definitive annual data become available.

The statistical material received by the Secretariat from Member governments is supplemented by a variety of other sources, including industry contacts and consultancy services. In addition, the Secretariat projects the world oil demand and non-OPEC supply for the time period shown in Table 1.

Price Data

Monthly average CIF crude import prices are submitted every month by IEA Member countries. Data are averaged for the total IEA Member countries using the quantity of crude imports for individual countries by weight. The spot crude and product price assessments are based on daily Platt's prices, converted where appropriate to US Dollars per barrel according to the Platt's specification of products (© 1994 Platt's, a division of McGraw-Hill Inc.). Graphs in the text are of daily price data, while tables in the text and Table 8 show arithmetic averages by weeks, months, quarters and years. Gross product worth and refining margins are derived from spot crude and product prices, using the Secretariat's own estimates of refinery yields, freight and other costs. End-user prices are mid-month prices submitted monthly by OECD countries. The prices are net of any rebates and usually include transportation costs to the consumer. They include all taxes to be paid by the consumer which are not refundable.

Use of Data

Note that the totals in the tables may not add due to rounding and that percentage changes have been calculated before rounding.

The data used in the report are taken from sources considered by the Secretariat to be reliable, but are inevitably of variable quality. They should therefore always be used with caution, and as indicative of *broad trends* rather than as a numerically accurate description of the world oil markets at any particular moment. In particular:

OECD Country Data

Figures for IEA/OECD countries on demand, supply and stocks are based primarily on reports from Member governments. The most recent month of official statistics available from national administrations is generally shown in Tables 2,3 and 6. Figures beyond that period are based on preliminary data and estimates submitted by the Member countries and are subject to revision.

Other Demand and Supply Data

Data for non-OECD oil supply and demand are not formally reported in questionnaire format but are based on published reports by some of the respective governments and other international organisations and contain some estimates by the Secretariat. There is consequently a greater margin for error, even for past periods. Demand figures for the former USSR are for "apparent demand"; that is production less net oil exports. As such, they include changes in stocks, losses and volumetric gains in the refinery process.

Forward Projections

Forward projections of demand and non-OPEC supply are given as a guide to the overall state of the oil market. By definition they are subject to any changes in the assumptions on which they are based.

Geographical Definitions

Pending the inclusion of Mexico (see above), *OECD* comprises Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States. *Australia* excludes the Christmas Islands. *Denmark* includes Greenland and the Danish Faroes. *France* includes Corsica but excludes the overseas territories (departments). *The Netherlands* excludes the Netherlands Antilles. *Portugal* includes the Azores and Madeira. *Spain* includes the Canary Islands. *United States* excludes the US territories while North America includes the US territories.

Non-OECD Europe comprises Albania, Bulgaria, the Czech Republic, Hungary, Poland, Romania, Slovakia, the former Yugoslavia, Cyprus, Malta and Gibraltar. *Middle East* comprises Bahrain, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, the Neutral Zone, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen.