

6 September 1994

HIGHLIGHTS

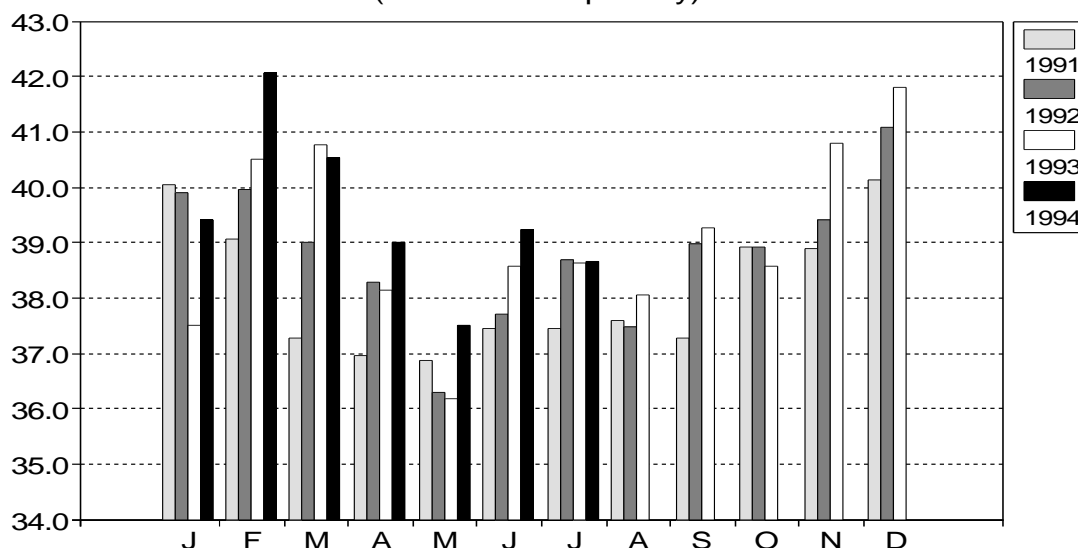
- Global oil demand in 3Q94 is now projected to be 0.1 mb/d higher than in last month's Report at 67.2 mb/d. OECD Pacific demand has been increased by 0.2 mb/d to 6.1 mb/d due to strong growth in Japanese demand but this increase has been partly offset by a 0.1 mb/d reduction in African demand, reflecting the impact of the prolonged Nigerian oil workers' strikes.
- In 4Q94, the projection of European demand has been increased by 0.1 mb/d to 14.1 mb/d, consistent with an increase in 4Q93 Spanish demand based on new data submitted by the government. As a result, global oil demand is now projected to be 0.1 mb/d higher at 69.8 mb/d.
- OPEC production declined by an estimated 0.3 mb/d in August to 24.7 mb/d versus just under 25.0 mb/d in July as Nigerian workers' strikes had a stronger impact on production. Higher estimated production levels for August in Venezuela, Iran, Indonesia, Gabon and Algeria were nearly offset by declines in Qatar, the UAE and Libya.
- Recent government data indicate Russian production and exports were higher than expected in June and July and tanker data suggest port maintenance in August did not affect Black Sea exports as much as anticipated. Estimates of FSU production have been revised upward for 2Q94 by 0.1 mb/d and projected 3Q94 FSU production and exports have been raised by a similar amount.
- Primarily as a result of the higher FSU production coupled with an increase in Latin American output in July, non-OPEC supply for 3Q94 has been revised upwards by 0.2 mb/d to 40.8 mb/d. Estimated 4Q94 non-OPEC supply remains at 41.7 mb/d, driven by large gains in the North Sea following intensive 3Q94 maintenance and higher Alaskan and Latin American supplies.
- Preliminary estimates indicate that OECD inventories increased by 0.7 mb/d during July with distillate stocks increasing strongly in all three regions. At the end of July, stocks in terms of days of forward consumption are estimated to have been two days lower than in July 1993 and one day lower than in 1992. Crude oil stocks in North America and fuel oil stocks in all three regions continued to be at historically low levels while distillate stocks were at high levels in all regions.
- In August, benchmark crude prices decreased by \$2.50-3.70/bbl before recovering slightly in the last days of August. The sharp decreases, which occurred despite the reduction in Nigerian exports, reflected the overhang of prompt crude supplies. Unlike most other crude prices, that of Indonesian Minas was relatively stable due to high Japanese demand for electricity generation. Most product prices decreased, broadly following the decline in crude prices although monthly average gasoline prices were higher than in July in the three main markets.
- Monthly average refining margins increased sharply in August in all three OECD regions, with margins in Europe and the US reaching the highest levels for more than four months before decreasing towards the end of the month. The aggregate refinery throughputs in Europe, Japan and the US increased from 30.0 mb/d in June to 30.2 mb/d in July, with US and European decreases more than offset by a sharp increase in Japan where many refineries came back from maintenance. Preliminary indications for August suggest higher throughputs in all three regions.

DEMAND

Summary

- In July, Japanese oil demand increased by 14% primarily due to the abnormally hot, dry weather which led to increased use of crude and fuel oil for power generation. With indications that demand continued to be strong in August, projected 3Q94 OECD Pacific oil demand has been increased by 0.2 mb/d to 6.1 mb/d. In contrast to Japan, preliminary data indicate a marked slowdown in oil demand for the four largest European consuming countries with deliveries falling by 4.7%. Part of this decline was due to there having been one less delivery day than in July 1993 but with a compensatory increase in delivery days in August, no change has been made to projected 3Q94 European demand at this stage, although there is clearly a possibility that demand will be lower than currently assumed. The increase in OECD Pacific oil demand has been partly offset by a 0.1 mb/d reduction in African demand, reflecting the impact of the prolonged Nigerian oil workers' strikes. The net result of these changes is that global oil demand in 3Q94 is now projected to be 0.1 mb/d higher at 67.2 mb/d.
- In 4Q94, the projection of European demand has been increased by 0.1 mb/d to 14.1 mb/d, consistent with an increase in 4Q93 Spanish demand based on new data submitted by the government. As a result, global oil demand is now projected to be 0.1 mb/d higher at 69.8 mb/d.
- 2Q94 demand data for the OECD indicate a growth of 2.5% or 0.9 mb/d. Growth was highest in North America where demand increased by 3.7%. Demand rose by 1.5% in OECD Europe whilst demand growth in the OECD Pacific region was 0.8%. Total OECD demand for middle distillates, LPG and naphtha grew strongly while demand for motor gasoline grew by only 0.8% and residual fuel oil demand fell by 0.6%.
- Demand estimates for Latin America for 2Q94 remain unchanged at 5.7 mb/d representing a 1.5% growth, with essentially all the increase occurring in Mexico. There was a marked slowdown of demand growth in Colombia.

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

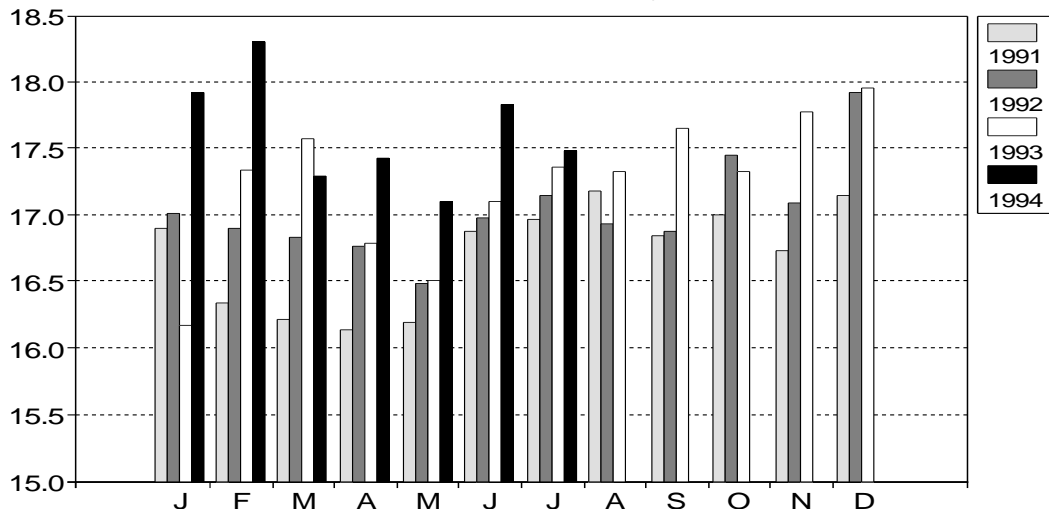


OECD

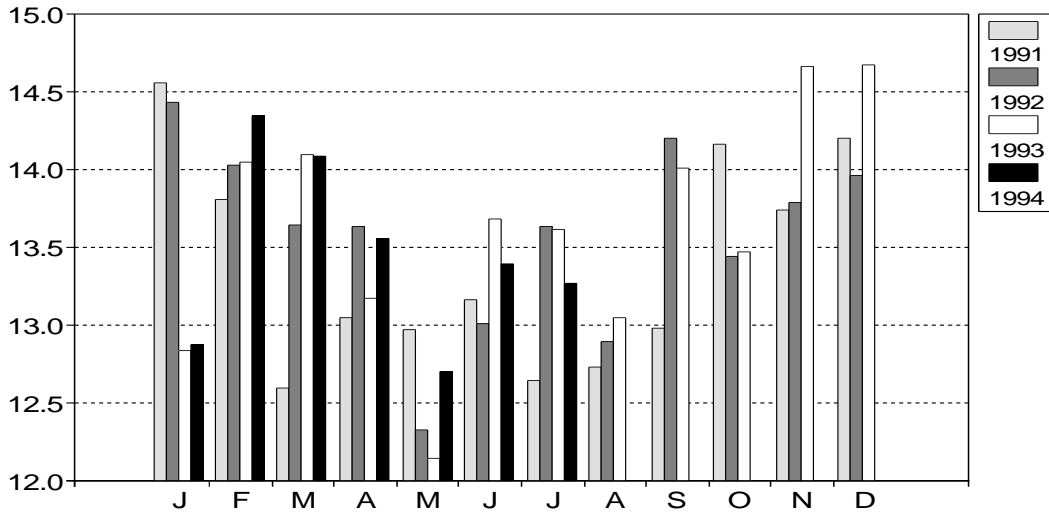
The Second Quarter of 1994

Demand data for the OECD indicate growth in 2Q94 of 2.5% which represents an additional 0.9 mb/d of demand. Demand growth in the OECD regions reflects varying levels of economic growth. Oil demand growth was highest in North America where demand grew by 3.7% which represents an additional 0.7 mb/d of demand and constitutes three-quarters of the incremental OECD demand in 2Q94. In addition to strong economic growth, demand in North America was affected by secondary restocking following the extremely cold weather in 1Q94 and abnormally hot weather in June which increased oil use for power generation. By comparison, relatively weak economic activity in Europe and the Pacific resulted in demand growth of 1.5% and 0.8% respectively.

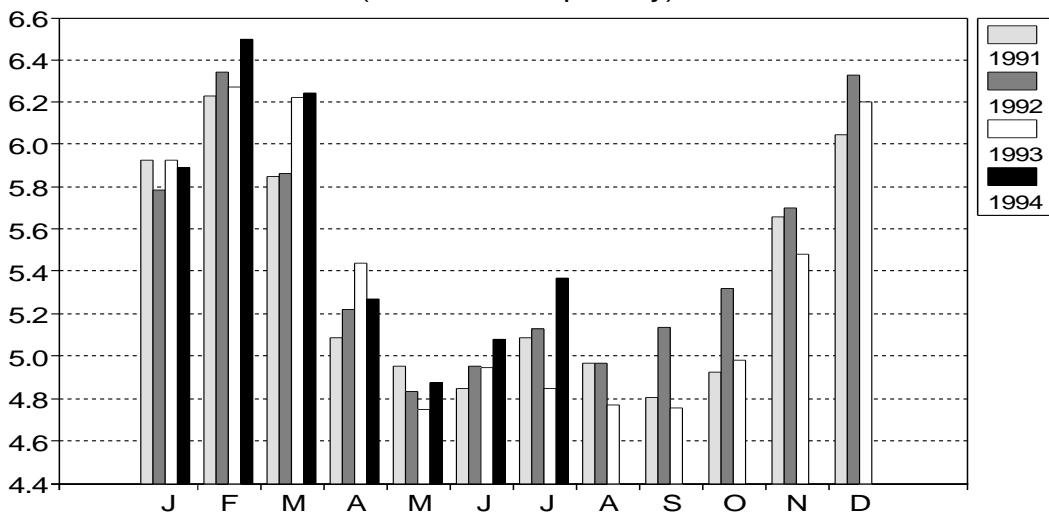
US Oil Demand 1991 - 1994
(million barrels per day)



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

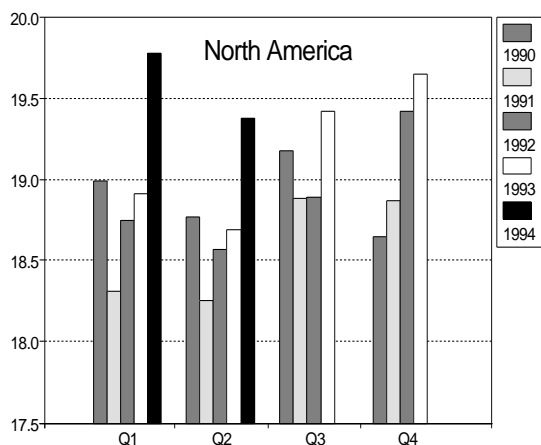


Japanese Oil Demand 1991 - 1994
(million barrels per day)

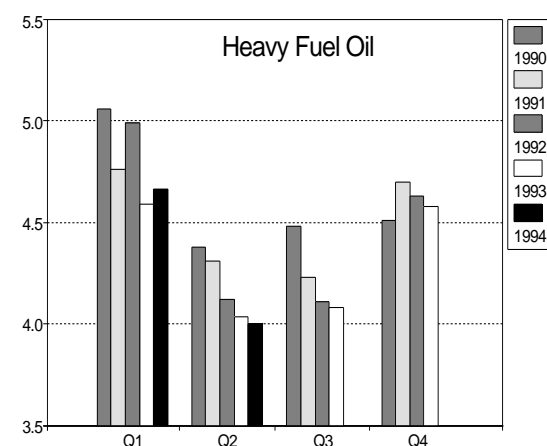
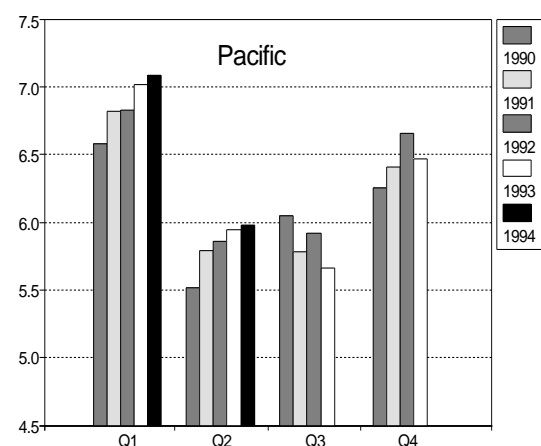
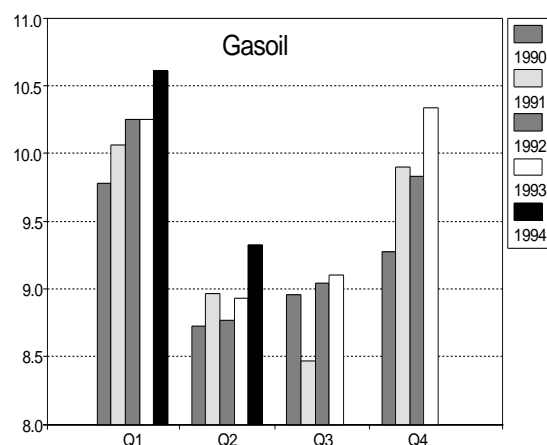
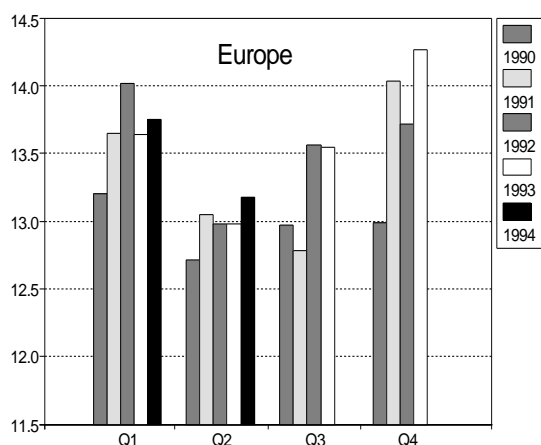
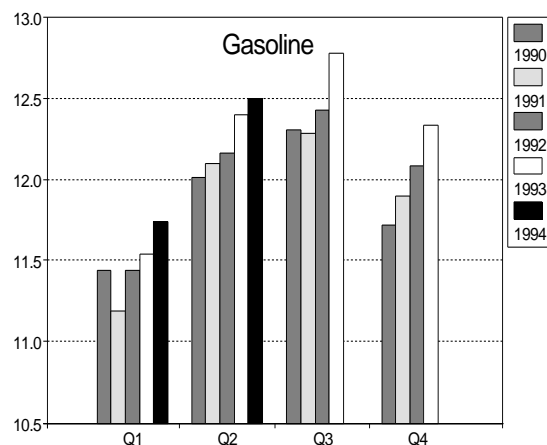


OECD Quarterly Oil Demand (million barrels per day)

By Region



By Major Product



Second Quarter OECD Oil Demand by Region

(mb/d)

	2Q93	2Q94	Change	
			mb/d	%
North America	18.7	19.4	+0.7	+3.7
Europe	13.0	13.2	+0.2	+1.5
Pacific	5.9	6.0	-	+0.8
OECD Total	37.6	38.6	+0.9	+2.5

Totals may not add due to rounding

As shown in the table below the demand barrel continued to lighten as light product demand increased and fuel oil demand decreased. Demand for middle distillates, LPG and naphtha (primarily for chemicals) grew strongly. High growth in gasoline demand in Japan and, to a lesser extent, Canada was partly offset by declines in Europe and growth in total OECD gasoline demand was only 0.1 mb/d or 0.8%. Fuel oil demand declined slightly with decreases in Europe and North America more than offsetting a marginal increase in the Pacific region.

Second Quarter OECD Oil Demand by Product

(mb/d)

	2Q93	2Q94	Change	
			mb/d	%
LPG	3.1	3.3	+0.2	+5.4
Naphtha	1.5	1.6	+0.1	+6.6
Motor Gasoline	12.4	12.5	+0.1	+0.8
Jet/Kerosene	2.7	2.9	+0.2	+6.3
Gasoil	8.9	9.3	+0.4	+4.5
Residual Fuel Oil	4.0	4.0	-	-0.5
Other Products	5.0	5.0	-	+0.8
Total Products	37.6	38.6	+0.9	+2.5

Totals may not add due to rounding

Preliminary Data for July 1994

Table 2 shows total OECD oil demand in May, while Table 3 gives demand in June for the seven largest OECD countries. The table below provides preliminary estimates for inland deliveries for these countries in July.

Preliminary Inland Deliveries¹ July 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	7.67	-1.5	2.77	+3.7	0.87	-19.8	17.38	+0.1
Canada	0.65	+2.2	0.33	+3.1	0.09	-11.0	1.41	+0.7
Japan	0.91	+6.3	1.18	+5.1	0.09	+36.8	5.13	+14.0
France	0.40	-8.5	0.70	-2.1	0.05	-17.2	1.69	-2.4
Germany	0.70	-9.6	1.24	-8.2	0.13	+13.0	2.66	-5.4
Italy	0.41	-8.1	0.39	-6.6	0.39	-11.0	1.59	-7.2
UK	0.53	-2.6	0.39	+3.3	0.13	-33.5	1.55	-3.3
<i>European Four</i>	2.04	-7.3	2.72	-4.9	0.69	-13.4	7.49	-4.7
Total	11.26	-1.9	7.01	+0.4	2.52	-3.8	31.41	+0.9

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

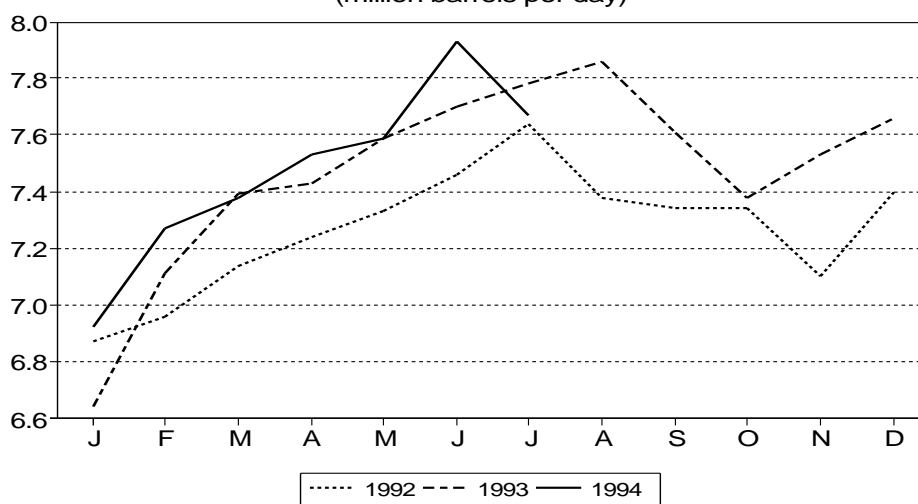
¹ excludes refinery fuel and bunkers (except for US)² includes other products not shown and direct use of crude oil³ 50 states only

Percentage change is calculated versus July 1993

In the US, oil demand growth in July of 0.1% was lower than in recent months. Gasoil and jet/kerosene demand increased by 3.5% and 1.6% respectively but declines in motor gasoline and residual fuel oil of 1.5% and 19.8% dampened overall growth. The low level of fuel oil demand reflected increased substitution by natural gas as fuel oil prices increased and gas prices decreased. In addition to fuel oil

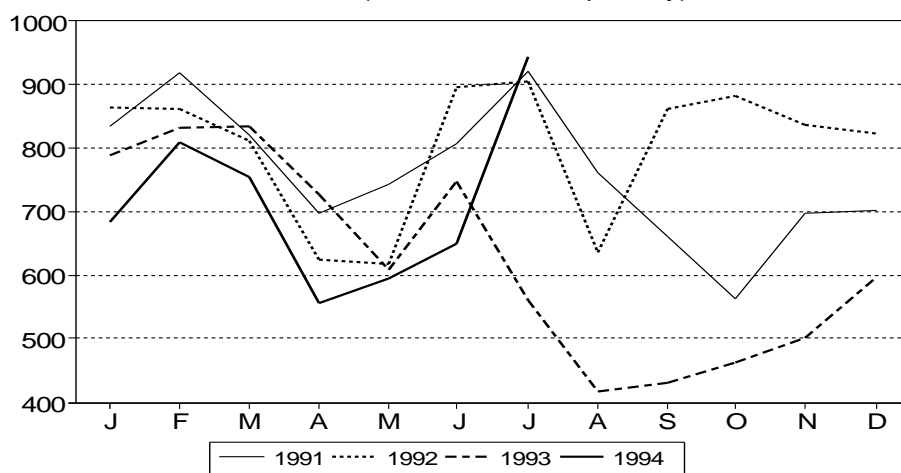
substitution by gas in the power generation sector, oil's share in this market has come under increasing pressure as the size of the marginal market in which both oil and gas compete has been reduced as base load fuels such as coal and nuclear have taken a larger market share. This weakness in fuel oil demand is expected to continue in 3Q94. However, it should be remembered that preliminary estimates of fuel oil deliveries have shown a tendency to be underestimated in recent months. In **Canada**, oil demand grew by 0.7% in July, close to the 0.8% growth in June but well below the average growth in the first five months of the year. The pattern of sales of the major products was similar to that in recent months with appreciable growth in gasoline and gasoil/diesel fuel and a continuing decline in fuel oil demand.

US Gasoline Demand 1992-1994 (million barrels per day)



In **Europe**, oil demand growth in the four largest oil consuming countries was lower than in recent months with total deliveries declining by 4.7% in July. The decline was in part due to the fact that there was one less delivery day this July compared with July last year (i.e. one more weekend day). Total demand declined in all four countries with the greatest fall of 7.2% recorded in **Italy**, with significant declines in deliveries of all major product categories. Deliveries of fuel oil to ENEL decreased and higher consumption was met by a stock drawdown. The decrease in deliveries in **France** of 2.4% was significantly less than the 6.2% decline in June, reflecting the impact of the 1 July 1993 tax increase on last year's demand pattern. Gasoline deliveries were lower in all four countries while diesel fuel, which in general has shown strong growth this year, increased only in the UK.

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



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

In **Japan**, oil demand grew by 14.0% in July. This was primarily due to the abnormally hot, dry weather which led to increased use of crude and fuel oil for power generation. Low rainfall constrained hydro production at a time when electricity demand was particularly high due to greater requirements for air conditioning. *Deliveries* of crude to power stations were 68.9% higher and total deliveries of fuel oil were 36.8% higher. However, it should be remembered that these large increases are relative to demand levels in July 1993 which were very depressed due to an abnormally cool, wet summer (see graph). In spite of the high level of deliveries, *consumption* of oil for power generation was such that there was a significant drawdown of stocks which had built up in recent months. Oil demand growth in Japan in July was not merely influenced by power requirements. Despite the relatively weak signs of economic recovery, demand for motor gasoline was 6.3% higher than in July last year and diesel fuel deliveries were 8.6% higher.

Revisions to Demand Projections in the Second Half of 1994

As a result of the very strong growth in demand in Japan during July and indications that demand continued to be strong in August, the projected 3Q94 demand for the Pacific region and for total OECD have been increased by 0.2 mb/d to 6.1 mb/d and 39.5 mb/d respectively. In light of the low level of demand in July indicated by the preliminary data discussed above, there is clearly a possibility that European demand in 3Q94 will be lower than currently projected. However, recognising the fact that July demand was impacted by the reduction in delivery days and that there was a corresponding increase in delivery days in August, no change to the projection for the quarter has been made at this stage.

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

	3Q93	3Q94	Change	
			mb/d	%
North America	19.4	19.8	+0.3	+1.5
Europe	13.6	13.7	+0.1	+0.5
Pacific	5.7	6.1	+0.4	+7.5
OECD Total	38.6	39.5	+0.8	+2.0

Totals may not add due to rounding

In 4Q94, the European demand projection has been increased by 0.1 mb/d to 14.1 mb/d following an upward revision of demand in 4Q93. Spanish demand data for 1993 has been revised in the light of new government data. Although the overall effect for 1993 is minor, 4Q93 demand has been increased by 130 kb/d and the increase to 4Q94 European demand maintains the same slight year-on-year decline as in the previous Report.

Non-OECD

Second Quarter Latin American Oil Demand

In 2Q94, Latin American oil demand is estimated to have increased by about 80 kb/d or 1.5% with essentially all the increase occurring in Mexico (see table below). Mexican oil demand grew by 4.1% with particularly strong growth in fuel oil (11%) and aviation fuels (7.7%). In Brazil, following several quarters in which demand growth approached 4.0%, demand was essentially unchanged in 2Q94, primarily due to a 3.9% decline in residual fuel oil demand and a 1.5% decline in gasoil. Colombian oil demand decreased by 0.4% with a 24.2% decline in gasoil demand more than offsetting increases in all other major products. For the region as a whole, with the exception of Mexico, it is evident that residual fuel oil demand was weak while motor gasoline demand continues to grow with particularly strong growth in Colombia (3.6%) and Venezuela (3.1%).

Second Quarter Latin American Oil Demand by Country

(kb/d)

	2Q93	2Q94	Change	
			kb/d	%
Argentina	455	459	4	+0.9
Brazil	1542	1540	-2	-0.1
Colombia	240	239	-1	-0.4
Mexico	1854	1930	+76	+4.1
Venezuela	426	430	+4	+0.9
Others	1087	1089	+2	0.0
Latin America Total	5604	5687	+83	+1.5

* assumed
Totals may not add due to rounding

Revisions to Non-OECD Demand and Global Oil Demand

As discussed in the Supply section of the Report, upward revisions have been made to both FSU exports and production in 2Q94. As a result, FSU apparent oil demand has been revised downwards marginally to 4.6 mb/d. Total non-OECD demand is unchanged.

In 3Q94, African oil demand has been reduced by 0.1 mb/d to 2.0 mb/d as a result of lower Nigerian use arising from the continuing strikes of Nigerian oil workers.

The net effect of the changes in both OECD and non-OECD demand projections discussed above is a 0.1 mb/d increase in global oil demand in 3Q94 and 4Q94 to 67.2 mb/d and 69.8 mb/d respectively. 1994 demand is unchanged at 68.1 mb/d.

SUPPLY

Summary

- Nigerian production is estimated to have declined to 1.5 mb/d in August from over 1.8 mb/d in July reflecting the increased impact of the oil workers' strikes. OPEC production moved down by slightly less than the Nigerian decline as production increases more than offset decreases among the other OPEC producers.
- Recently released government data indicate that the Russian production and export situations continued to outperform expectations in June and July as payments problems and pipeline constraints appear to be easing. August exports and production are thought to have held up better than expected in the face of extensive port maintenance in the Black Sea. It should be kept in mind, however, that there are still considerable obstacles to overcome in the Russian oil sector before a sustained turnaround in the downward trend in production would be expected to occur.
- OECD oil production is estimated to have declined by 0.44 mb/d in August to just under 17.0 mb/d from over 17.4 mb/d in July. A concentrated Norwegian North Sea maintenance program in August was responsible for the decline. Non-OECD, non-OPEC supply including the FSU is thought to have been nearly unchanged in August as small gains in each of the major producing regions offset the modest decline in the FSU.
- Oil supply in 2Q94 appears to have been higher than anticipated in Russia and Argentina causing small upward revisions in FSU and Latin America estimates, despite slightly lower reported Mexican output. OECD supply estimates were roughly unchanged for 2Q94 as lower US supplies primarily from Alaska were offset by higher Canadian and Norwegian production. For 3Q94, non-OPEC supply has been revised upwards by 0.2 mb/d to 40.8 mb/d as the result of higher production reported for July in Russia and Argentina which is expected to carry through the remainder of the quarter. Smaller downward revisions in July output from Brazil, Yemen, Egypt and Syria are thought to be temporary.

Non-OPEC Oil Supply

(million barrels per day)

	1992	1993	1994 ^e	1995 ^e	2Q93	3Q93	4Q93	1Q94	2Q94 ^p
CRUDE OIL									
North America	8.53	8.27	8.08	7.86	8.25	8.19	8.30	8.21	8.08
United States	7.17	6.84	6.66	6.50	6.84	6.72	6.86	6.76	6.62
Canada	1.36	1.43	1.42	1.35	1.41	1.47	1.44	1.45	1.46
Europe	4.52	4.80	5.50	5.61	4.50	4.81	5.31	5.40	5.49
North Sea	4.08	4.38	5.08	5.18	4.09	4.38	4.89	4.98	5.08
UK*	1.76	1.92	2.36	2.37	1.70	1.93	2.23	2.27	2.32
Norway	2.12	2.26	2.47	2.58	2.20	2.25	2.44	2.47	2.52
Other North Sea**	0.20	0.20	0.25	0.24	0.19	0.20	0.23	0.24	0.25
Other Europe	0.44	0.42	0.42	0.43	0.41	0.43	0.42	0.42	0.41
Pacific	0.59	0.55	0.59	0.62	0.59	0.56	0.51	0.57	0.57
Australia	0.53	0.50	0.54	0.57	0.53	0.50	0.45	0.52	0.51
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	14.17	14.09	13.34	13.55	14.12	14.19	14.15
Latin America	4.93	5.02	5.21	5.51	5.00	4.99	5.15	5.12	5.10
Asia (incl. China)	7.38	7.55	7.75	8.04	7.55	7.48	7.64	7.78	7.61
Africa	1.87	1.86	1.86	1.96	1.87	1.83	1.87	1.86	1.83
Other Middle East	1.48	1.61	1.78	1.83	1.55	1.61	1.73	1.75	1.79
Central and East Europe	0.25	0.25	0.24	0.24	0.25	0.25	0.24	0.25	0.24
Total Non-OECD (ex. FSU)	15.90	16.28	16.85	17.58	16.22	16.16	16.63	16.75	16.57
Russia	7.70	6.66	5.94	5.25	6.85	6.49	6.32	6.01	6.05
Other Republics	0.88	0.81	0.75	0.88	0.81	0.82	0.80	0.75	0.74
Total FSU	8.58	7.47	6.69	6.13	7.66	7.30	7.12	6.75	6.78
NGLS & OTHER									
United States	1.83	1.97	2.00	2.02	1.98	1.97	1.93	1.94	1.92
Canada	0.70	0.75	0.79	0.82	0.72	0.78	0.80	0.80	0.74
North Sea	0.26	0.31	0.44	0.48	0.27	0.29	0.39	0.44	0.41
Russia	0.22	0.20	0.17	0.18	0.20	0.20	0.19	0.21	0.15
Other Non-OPEC	1.33	1.40	1.42	1.46	1.39	1.39	1.42	1.40	1.40
Total NGLs & Other	4.34	4.63	4.81	4.96	4.56	4.62	4.73	4.79	4.62
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	41.02	41.19	40.35	40.24	41.13	40.97	40.68

^e estimated

^p preliminary

* excluding on-shore production

** Denmark, off-shore Netherlands and off-shore Germany

OECD

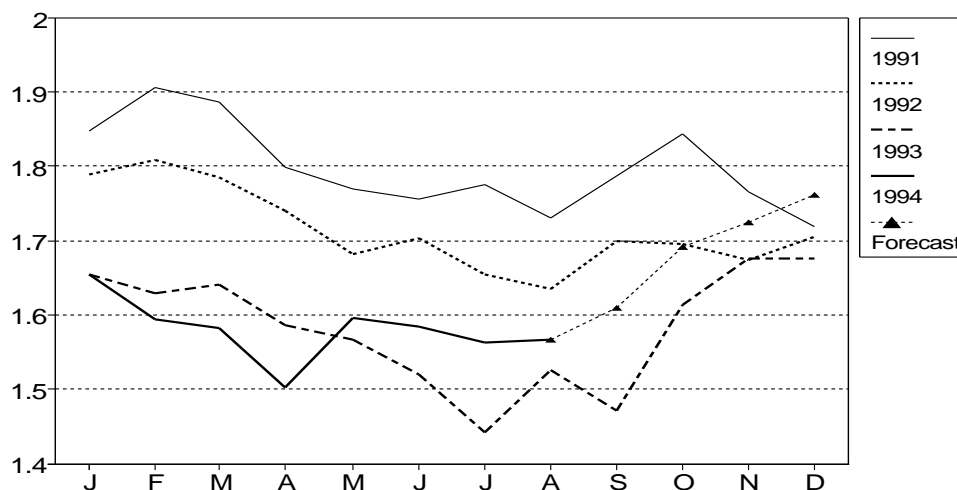
OECD oil production in August is projected to have dropped by about 440 kb/d as the result a maintenance-related decline in Norwegian production. Estimated gains in August for the UK and Australia almost exactly offset declines in the US and Canada. UK production in July had been restrained by maintenance, declining by 75 kb/d from June levels and about 60 kb/d is thought to have been restored in August. US production appears to have been down about 50 kb/d in August, primarily in Texas onshore and NGLs production, while Canada is estimated to have registered a 25 kb/d monthly decline.

North America

August crude oil output in the **United States** is estimated to have dropped by about 50 kb/d from July levels due to warm weather in Alaska and slightly lower than expected Lower-48 production. NGLs are also thought to have seen a 25 kb/d decline related to seasonally lower natural gas production. Crude production of 6.54 mb/d is indicated by data from the US DOE for the first three weeks of August and appears to be consistent with information from industry and trade sources. Production of NGLs and other hydrocarbons totalled roughly 2.05 mb/d in July, 0.05 mb/d above recently reported monthly data for June. The higher US NGL production in July continued a five month upward trend from depressed levels registered early this year and is felt to signal the return of more normal economics for US NGL extraction.

One factor in recent US production developments is the impact of the warm North Slope weather on Alaskan production. Prudhoe Bay field crude oil production declined further from the weather-constrained July levels according to data from the State of Alaska. Company sources estimate that for each 1°F above 40°F there is a loss of roughly 3 kb/d in North Slope production due to reduced performance in the handling of associated and re-injected natural gas by field gas compressors. Other fields on the North Slope held about the same production levels as July, except for the Point MacIntyre field. Tie-in of a new well during July had resulted in a small drop in the monthly average. The absence of down-time and the initial production from the new well pushed August production from the Point MacIntyre up by about 10 kb/d to 100 kb/d and is expected to result in another 15 kb/d gain in September.

Alaskan Crude oil Production 1991-1994
(million barrels per day)



Barges carrying equipment for the second phase of the GHX gas-handling project arrived at Prudhoe Bay a few weeks later than expected due to unstable ice conditions in the Beaufort Sea. Installation work is likely to hold September Prudhoe Bay crude production below 1 mb/d and October levels are projected to just match October 1993. For November and December, however, Prudhoe production is forecast to exceed the previous year levels by 20 kb/d and 45 kb/d respectively due primarily to the GHX-2 project. Total Alaskan production is projected to record a 75 kb/d year-on-year gain in 4Q94.

Canadian oil output declined by about 20 kb/d between May and June, as lower crude oil production was not offset by reported higher NGL and synthetic crude production. It is estimated that the monthly declines continued in July and August despite the return of the Suncor synthetic crude plant from May/June maintenance. Total Canadian oil output was reported to be over 2.2 mb/d in May and June, but is estimated to have averaged 2.19 mb/d and 2.17 mb/d in the two month since. The June crude oil output

drop, was also about 20 kb/d below June 1993, making June the first month this year to show a year-on-year decline.

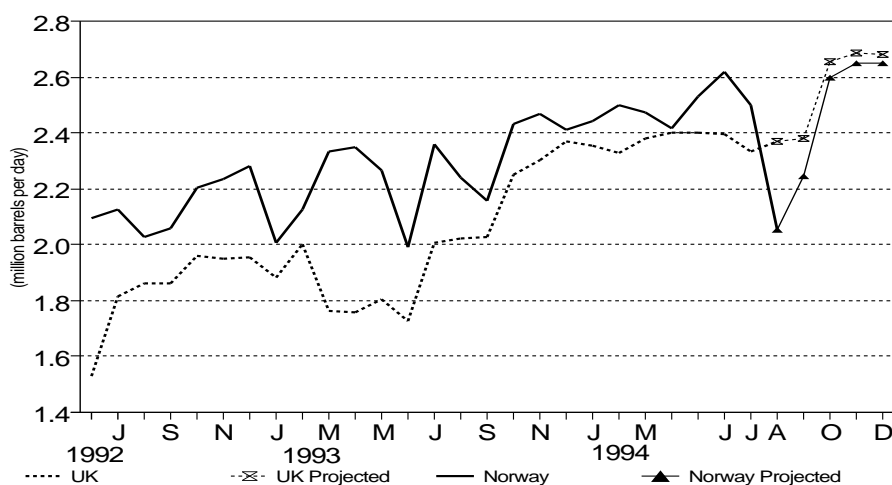
Preliminary data giving provincial detail on crude oil production for May suggest that declines occurred in both Alberta and Saskatchewan, particularly in light & medium crudes. The May crude oil decline was softened by higher output from the Atlantic offshore fields and an 80 kb/d gain in output from the Syncrude plant. Although provincial detail for June is not available as yet, it is expected that Alberta crude output declined about 40 kb/d from May, with production from other provinces near May levels. June NGL and synthetic crude production are thought to have each been about 15 kb/d higher than in May.

North Sea

North Sea production is estimated to have dropped to 5.40 mb/d in July and 5.02 mb/d in August after reaching a new high of 5.59 mb/d in June. Maintenance affected both the UK and Norway in July resulting in estimated declines of 75 kb/d and 115 kb/d respectively. Unusually large Norwegian maintenance in August reduced output by over 400 kb/d, swamping the 60 kb/d increase expected as UK fields came back from July maintenance.

UK offshore crude oil production fell by an estimated 60 kb/d in July to roughly 2.25 m/d as a sharp decline in Brent system fields' production was not compensated for by production gains from Flotta and Ninian fields and higher output from a few offshore-loaded platforms. The Brent field itself registered the biggest decline, nearly 130 kb/d, as a year-long maintenance period began on 1 July at the Brent Bravo platform and output from the other three Brent platforms was constrained by shorter-term maintenance activities. The Dunlin and Osprey fields also did not produce during July because of the Brent system maintenance work and output from the two Comorant fields was reduced by about one-third. Total Brent system production dropped by nearly 220 kb/d between June and July to just over 300 kb/d.

UK/Norwegian Crude Oil Production
June 1992-December 1994



A large portion of the Brent decline was made up for by full recovery of Piper and Saltire fields' production following repair work resulting from a May fire at the Piper platform and the completion of June maintenance at the Ninian system Magnus and Lyell fields. Forties system production dropped slightly in June as Miller field maintenance more than offset production increases from the new Scott, Brae East and Tiffany fields. Output from the Alba and Gryphon offshore-loaded platforms also increased.

In August the pattern appears to have reversed, with the return of most of the Brent fields adding nearly 70 kb/d while production from the Ninian and Flotta systems is estimated to have declined by 30-35 kb/d each. The biggest gains were registered in the Forties system, where returns from maintenance for the Miller and Bruce fields and new field expansions at the Nelson, Tiffany and Toni, and Brae fields are thought to have led to a system-wide increase of nearly 95 kb/d from July levels. Overall, UK production in August is estimated to have grown by about 35 kb/d.

July **Norwegian** crude oil production is estimated to have declined by about 120 kb/d from June, to 2.50 mb/d. Production of plant condensates and other NGLs is thought to have added roughly 0.19 mb/d

to each month's output. The Snorre and Statfjord fields accounted for nearly 40 kb/d each of the decline, with smaller month-on-month drops recorded for Gullfaks, Ula and Vesselfrik field crude production and Sleipner East condensate output, the latter due to earlier than expected maintenance work.

Maintenance-related production declines in the Norwegian sector were seen to be much greater in August when eight of Norway's ten largest fields underwent extensive maintenance work. Crude oil production is estimated at 2.05 mb/d, down by 0.45 mb/d from July's already reduced levels. However the end of the maintenance period and increasing production from Tordis, Sleipner East, and Draugen fields and improved operations at the Snorre field are expected to raise Norway's total oil output to more than 2.8 mb/d in 4Q94.

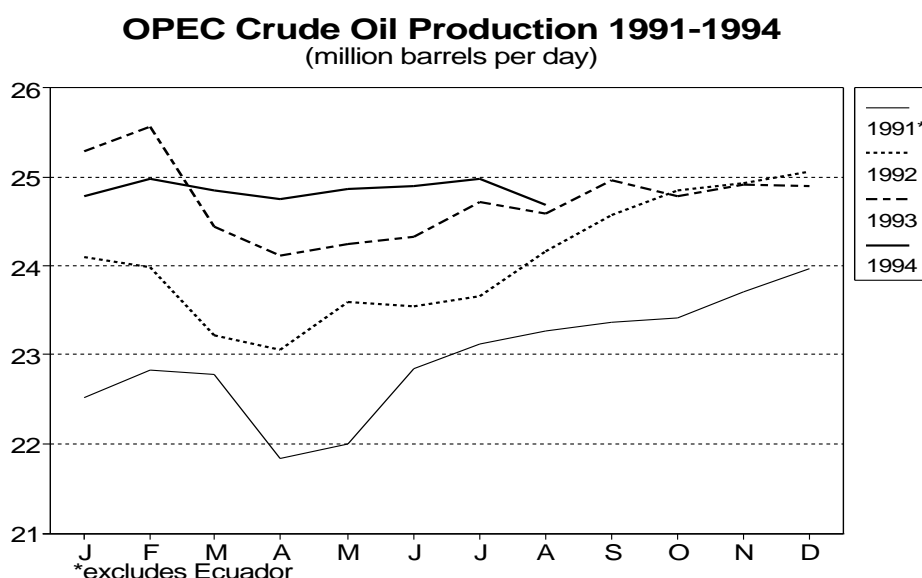
The other two significant North Sea producers, **Denmark** and the **Netherlands**, roughly equalled June production levels of 180 kb/d and 65 kb/d in July. With little or no development work going on in either country's offshore sectors, production for the remainder of 3Q94 and 4Q94 is projected to roughly equal current levels.

Australia

Australian crude oil production in June is reported by the Department of Primary Industries and Energy to have rebounded to just over 520 kb/d following a small decline in May. NGL production also continued to increase, from about 65 kb/d in May to nearly 70 kb/d in June. A 15 kb/d rise in Carnarvon Basin crude production due to expanding output from new fields was sufficient to offset a marginal drop in Gippsland Basin production, which remained around the 260 kb/d level. An expected recovery in the Bonaparte Basin does not appear to have occurred, however, leaving the June crude and NGL total of 590 kb/d about 35 kb/d below the previously projected level. Australian production is expected to show an increase to the 630-640 kb/d level in the third quarter as production in the Cooper Basin stabilises and output from the Griffen and Thevenard Island fields moves up toward peak levels.

OPEC

August OPEC production is estimated at 24.68 mb/d down 0.29 mb/d from revised July levels. The decline primarily reflects the substantial reduction of around 0.33 mb/d in Nigerian output due to civil unrest. Total Middle East OPEC production appears to have been essentially unchanged with Saudi and Kuwaiti production flat, Iranian output up 50 kb/d, and UAE and Qatar down about 40 kb/d each. Production from OPEC countries outside of the Persian Gulf, excluding Nigeria, is thought to have increased marginally in August.



Nigerian production, which began to be seriously affected in late July by the oil workers' strikes, is estimated to have dropped below 1.5 mb/d in the second half of August. Sabotage of a power supply at the Forcados terminal during the third week of the month and escalating shutdowns and reductions of operations at smaller, more difficult to protect oil fields have caused a rapid decline in Nigerian production. Some producers were able to increase output somewhat from some less prominent facilities,

but the direction through the first three weeks of August was decidedly downward. During the last week of the month, Forcados capacity was partially restored and total production appears to have increased slightly, leaving the monthly average at around 1.5 mb/d. Most of the physical damage is believed to be temporary, but the unresolved political situation is inhibiting repairs and encouraging caution by the producing companies.

Iran's production is estimated to have recovered to 3.6 mb/d in August from 3.55 mb/d in July, continuing the up and down pattern referred to in last month's Report. Following increased production in July, the **UAE** reduced production by about 40 kb/d. A similar decrease in **Qatar's** August production is estimated to have resulted from offshore maintenance activities.

Indonesia appears to have benefited from the strong Japanese demand for direct crude burning in power plants to meet high electricity needs due to the very hot, dry weather. Crude output is estimated to have reached 1.35 mb/d in August, a high for the year and probably near Indonesian capacity limits. **Venezuelan** output is also thought to have increased in August, to about 2.48 mb/d versus a revised estimate of 2.44 mb/d for July. Continued development of new oil fields in **Gabon** and European demand for light **Algerian** crude to replace Nigerian and North Sea supplies is estimated to have led to small monthly increases in those two countries as well. However, reports of technical difficulties due to aging equipment and difficulty in obtaining replacement parts appear to have constrained **Libyan** production in August.

Former Soviet Union (FSU)

Production

Government data released in the last month indicate **Russian** crude oil production exceeded 6.1 mb/d in both June and July, reinforcing the upward trend seen in April and May. Production from **Kazakhstan** is also thought to have bottomed out in 2Q94 and is expected to show small increases in the second half of the year. The higher than expected crude production levels from Russia and Kazakhstan and a small recovery in Russian NGL production resulted in an estimated total FSU oil production of around 7.2 mb/d in June and July. As a result, the estimates for 2Q94 and 3Q94 are being raised by 0.1 mb/d each to 7.1 mb/d and 7.0 mb/d respectively. FSU production is expected to continue declining through to 1995, but at a slower rate. Significant investment in oil field equipment and pipeline renovation will be required before the downward Russian oil production trend is reversed. In addition, the non-Russian republics, particularly Kazakhstan and Azerbaijan, are experiencing difficulties in arranging for the development and transport of their potential oil supplies.

Exports

Net FSU exports are estimated at a surprisingly high 2.31 mb/d in August despite major maintenance work on the main berth at the Russian Black Sea port of Novorossiysk. July exports are estimated at 2.49 mb/d. Seaborne crude oil exports appear to have remained above 0.9 mb/d for the month, with seaborne product pegged at 0.6 mb/d versus levels of 1.7 mb/d and 0.8 mb/d in July. Druzhba crude pipeline flows are thought to have increased slightly from 0.80 mb/d in July to 0.81 mb/d in August to meet demand at a refinery in eastern Germany. Seaborne oil product exports are estimated to have dropped from July unusually high 0.76 mb/d to 0.62 mb/d, but continue to be nearly double 1Q94 levels.

Net FSU Exports January-September 1994

(million barrels per day)

	Q1	April	May	June	Q2	July	August ^e	Sept ^e	Q3
Black Sea Exports [†]	0.70	1.03	1.28	1.01	1.11	†	†	†	†
Baltic Exports	0.36	0.63	0.60	0.42	0.55	†	†	†	†
Total Seaborne	1.06	1.66	1.89	1.43	1.66	1.71	1.53	1.70	1.64
Druzhba Pipeline ^{**}	0.79	0.81	0.78	0.80	0.79	0.80	0.81	0.79	0.80
Total Exports	1.85	2.46	2.66	2.23	2.45	2.51	2.34	2.49	2.44
Imports	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Net FSU Exports	1.82	2.44	2.64	2.21	2.43	2.49	2.32	2.47	2.42
NB:Crude Oil	1.56	2.09	2.13	1.56	2.09	2.13	1.93	2.05	1.75
Oil Products	0.26	0.35	0.51	0.26	0.35	0.51	0.29	0.39	0.74

* Includes a small amount of non-Russian crude oil exports

** Crude oil only

† Data not available

e estimated

a assumed

Accelerated loading at the other available berths at Novorossiysk and a reduction in the actual downtime are thought to be primarily responsible for the better than expected export levels. Crude exports through the other two major Black Sea ports, Ukraine's Odessa and Russia's Tuapse, appear to have declined between July and August as did crude exports at the Baltic Ventspils port.

An increase in seaborne exports to 1.7 mb/d is expected in September with the return of Novorossiysk to full capacity. Assuming the Druzbha line operates at its recent 0.8 mb/d rate, net FSU exports for 3Q94 would average just over 2.4 mb/d, 0.1 mb/d higher than projected in last month's Report. The estimate for 4Q94 is being maintained at 1.9 mb/d. A greater share of the exports over the last half of the year are expected to be from Kazakhstan. Reports indicate that exports of oil from Kazakhstan to other CIS republics and to West had been reduced by nearly 50% between 1Q94 and 2Q94 due to lack of capacity in the Russian Transneft pipeline system.

Other Non-OPEC

Latin America

June crude oil production in **Mexico** continued to be depressed by declines in older onshore fields that have not as yet been offset by expanding offshore output from the prolific Gulf of Campeche. PEMEX reported crude oil output of about 2675 kb/d for June, down 15 kb/d from May. NGL output rose by about the same amount as crude fell, reaching 435 kb/d. The increase in June NGL production occurred despite a small drop in natural gas production, suggesting that possible technical/economic problems with gas liquids extraction may be being overcome. Without any explicit evidence of expected offshore output expansion, July and August production estimates have been lowered by about 25 kb/d from 2725 kb/d to 2700 kb/d. However, higher Campeche production is still projected for 4Q94, raising Mexican crude production by roughly 50 kb/d to 2750 kb/d. NGL output is also expected to recover seasonally, reaching 505 kb/d in 4Q94 versus an estimated 490 kb/d in 3Q94.

Mexican exports declined by 35 kb/d in June to 1315 kb/d versus May's 1349 kb/d, as a drop in Olmeca exports of about 40 kb/d to just over 300 kb/d was only partially offset by a small rise in Isthmus flows. Maya heavy crude exports continued to account for over 60% of exports. US imports of Mexican crude dropped to 1.0 mb/d from 1.075 mb/d in May, which represents the lowest level of the year. European imports were also off slightly, but crude exports to Far East destinations doubled in volume to over 100 kb/d.

The state oil company Ecopetrol reported that **Colombian** crude production for June was 420 kb/d, in line with preliminary company estimates. This represents a 70 kb/d increase over May levels that were impacted by a combination of accidental and deliberate damage to the pipeline system coming out of the Cano Limon field. A further increase of approximately 50 kb/d is thought to have occurred in July, raising total Colombian crude oil output to just over 470 kb/d. August output is estimated to have increased an additional 15 kb/d due to new production from Cuisiana/Cupaigua fields. Additional development in these fields planned for October/November is projected to add another 50 kb/d to Colombian crude output in 4Q94 versus 3Q94.

Infrequent official data on **Argentinian** production from the Energy Secretariat of Argentina indicate higher production levels than previously estimated for the second half of 1993 and first half of 1994. Year-on-year growth in crude oil production has exceeded 10% this year, following a 9% gain in 4Q93 to 630 kb/d. The recent data show progressive increases in crude production rising in January and February to 635 kb/d, to 640 kb/d in March and 645 kb/d in April and May. The increases are generally felt to reflect the positive impact of privatisation on workover and enhanced oil recovery projects in the very mature Nequen Basin fields in Northwest Argentina. In June, the opening of a trans-Andean pipeline from the Nequen area through Chile to the Pacific coast appears to have resulted in Nequen production increasing by a further 15 kb/d, bringing total Argentinian crude output to 600 kb/d. Estimates for 3Q94 and 4Q94 have been raised by about 30 kb/d each to 665 kb/d and 1995 is now projected to average 675 kb/d versus a preliminary projection of 645 kb/d.

Pipeline developments are having the opposite effect in **Ecuador**. Concerns about the aging Trans-Andean pipeline and increasing demands for space in the newer Trans-Ecuador line by new field development in the upper Amazon jungles have created a push by the government for significant capacity enhancements. The pipeline issue is a key factor in medium term development of the eastern basins. Production is estimated to have stayed in the 375-380 kb/d range during the May-August period and it is felt that crude output could be maintained at around 380 kb/d in 4Q94 and 1Q95 by making use of spare capacity on the older Trans-Andean pipeline.

Other Non-OECD

Indian oil production is reported to have recovered to 525 kb/d in June, excluding NGL production estimated at 45 kb/d, as some offshore Bombay High fields appear to have returned from April and May maintenance work. Onshore production has remained relatively steady at about 240-250 kb/d through the first six months of the year. New offshore production from the Neelam complex is expected to have raised July and August output to 550 kb/d and 600 kb/d, respectively. Indian crude production in 4Q94 is projected at 610 kb/d.

Chinese crude oil production is estimated to have increased in July to 2.99 mb/d from 2.96 mb/d in June. Chinese National Oil Company data on July field production show gains in offshore fields and higher output from China's largest field, Daqing, which probably is the result of enhanced recovery projects. Declines were reported to have occurred at Liaohe and in the smaller onshore fields, reversing upward trends during the first half of the year.

Yemen's Marib oil field appears to have returned to production relatively quickly after being shutdown by a bombing attack in early July. July production from Marib is thought to have averaged just under 150 kb/d before returning to 180 kb/d in August. The field is expected to maintain monthly production levels of 185 kb/d during 4Q94, slightly below its pre-war peak. The Masili complex in southern Yemen does not appear to have suffered any significant production cutbacks during the civil war, averaging an estimated 160 kb/d in July and 165 kb/d since then. However, future increases in Masili production could be at risk due to the political situation. The resultant outlook for Yemeni production is for a 345 kb/d total in August and September and 350 kb/d in 4Q94. It should be noted that, despite the production increase, there will probably be less Yemeni crude on the world market than in June and July as a result of the restart of the Aden refinery which is expected to run between 20-50 kb/d of domestic crude.

Production from both Syria and Oman are thought to have increased in August to 575 kb/d and 820 kb/d respectively. The **Syrian** increase, from an estimated 565 kb/d in July, is the result of initial production from the Jafra field in the Deirez-Zour area, which is expected to add another 30 kb/d by year-end. Production of heavy Souedieh and light Al-Furat crudes are expected to hold relatively steady in 3Q94 and 4Q94 at 150 kb/d and 400 kb/d, respectively. **Oman** appears to be continuing to add production from a number of small fields and has raised production from roughly 815 kb/d in July to around 820 kb/d in August. A further small increase to 825 kb/d is projected for 4Q94 and 1995 output is expected to average 850 kb/d.

OECD STOCKS

Industry Stock Changes

Latest estimates of stock changes in 2Q94 indicate that total OECD industry stocks increased by 1.14 mb/d, essentially unchanged from last month's Report. Preliminary estimates suggest a 0.7 mb/d increase during July. As shown in the table below, the increase was primarily in distillate stocks with seasonal increases occurring in all three regions. Crude stocks fell slightly in Europe and the Pacific while gasoline stocks continued to decline in North America. A major contribution to the overall stockbuild was a 0.5 mb/d increase in US "other oils" and it should be noted that API data indicate that this should be even higher than the DOE data quoted in this Report.

Preliminary Industry Stock Changes in July
(mb/d)

	North America	Europe	Pacific	Total
Crude Oil	0.0	-0.1	-0.1	-0.2
Gasoline	-0.2	0.0	0.0	-0.2
Distillates	0.4	0.3	0.2	0.9
Fuel Oil	-0.1	-0.1	0.0	-0.1
Other Oil*	0.5	-0.1	-0.1	0.3
Total Oil	0.7	0.1	-0.1	0.7

* includes other products, feedstocks, NGLs and other hydrocarbons

Industry Stock Levels at the End of July

As shown in Table 5, total industry stocks are preliminarily estimated to have been 2536 mb at the end of July, 44 mb lower than last year or two days lower in terms of forward demand. Comparing stocks with a single previous year can clearly be misleading and it should be remembered that, as shown on the graph of total industry stocks on page 18, during 1993, stocks built during the northern summer period more steeply than in 1992. Compared with 1992 stock profiles, end of July stocks this year were 22 mb higher in absolute terms or one day lower in terms of days of forward demand. Stocks which were clearly lower than at the end of July in both 1992 and 1993 were North American crude stocks and fuel oil stocks in all three regions. Pacific crude oil stocks are similarly lower but this reflects the increasing share of emergency stocks in Japan held by government rather than industry. In contrast to fuel oil, total distillate stocks were at historically high levels in all three regions.

Regional Stock Developments in July

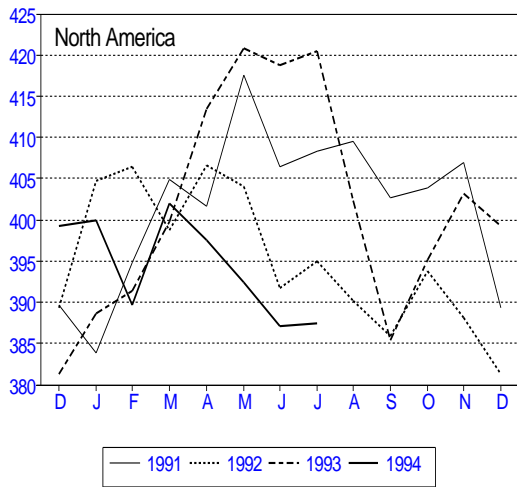
Following the decline in the previous three months, **North American** crude stock levels were essentially unchanged during July, reflecting the high level of crude oil imports (see the Oil Prices section). At the end of the month, crude oil stocks are estimated to have been 387 mb, the lowest end of July level for five years. Gasoline stocks continued to decline seasonally with decreasing refinery production more than offsetting lower demand and higher imports. By the end of the month, stocks were 6 mb lower than a year earlier. Distillate stocks continued to rise seasonally from the low level reached at the end of March reflecting lower product demand than in June. At the end of July, stocks were 201 mb, 6 mb higher than in July 1993. Fuel oil stocks continued to decline reflecting somewhat stronger demand and lower imports, to reach the historically low level of 46 mb by the end of the month. Weekly US DOE data indicate that during the first 26 days of August, US stocks increased by 0.4 mb/d with increases of 0.4 mb/d, 0.2 mb/d and 0.1 mb/d for other oils, distillates and fuel oil and decreases of 0.2 mb/d for crude and 0.1 mb/d for gasoline.

In **Europe**, crude stocks declined by 0.1 mb/d, with lower North Sea production and net imports more than offsetting lower refinery throughputs. In spite of this small decline, crude stocks continued at historically high levels. Gasoline stocks increased marginally, consistent with weak demand, and ended the month at the historically high level of 144 mb. Distillate stocks increased by 0.3 mb/d to reach 244 mb, a fairly typical level for the end of July. Fuel oil stocks declined slightly to remain at historically low levels.

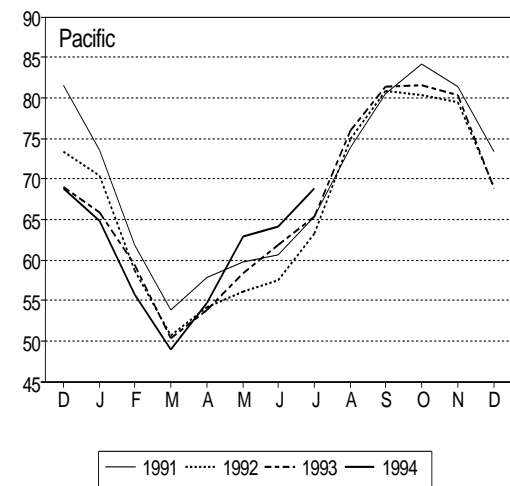
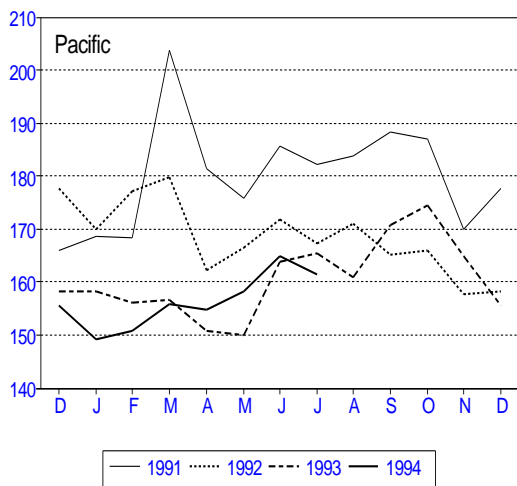
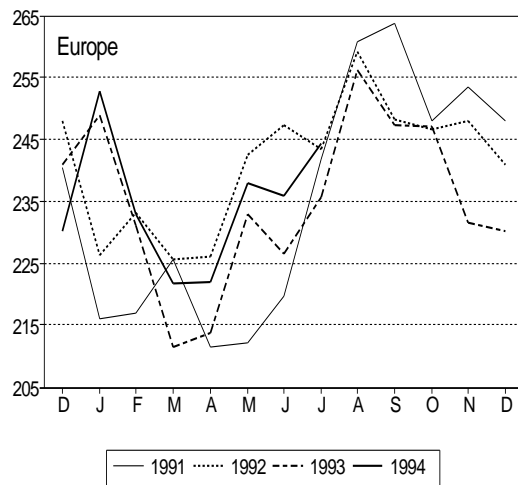
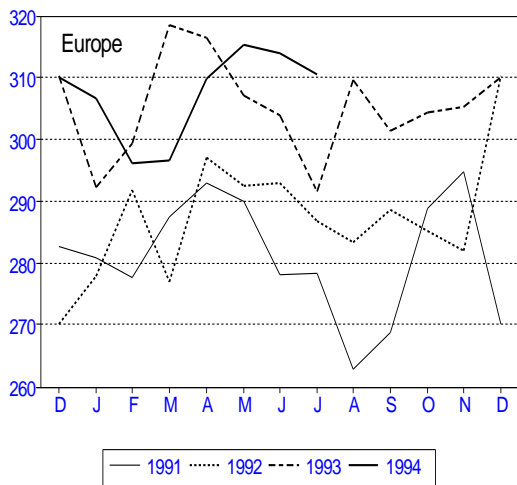
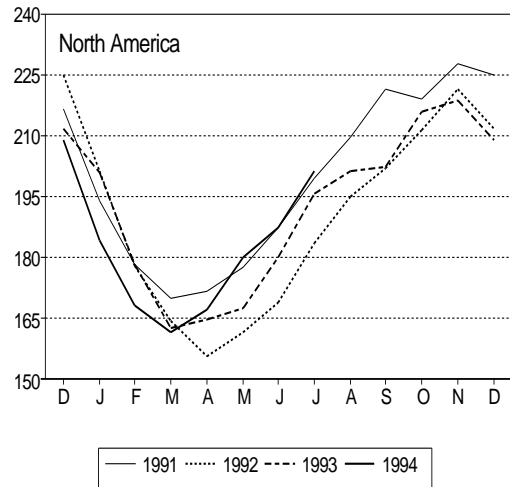
In the **Pacific** region, crude oil stocks decreased by 0.1 mb/d with higher imports more than offset by higher refinery throughputs and the surge in crude oil deliveries for electricity generation (see Demand section). Gasoline stock levels decreased marginally with higher demand covered by higher production. The pace of the seasonal distillate stockbuild quickened compared with June reflecting higher production and essentially unchanged demand. Stocks at the end of July were 69 mb, the highest end of July level since IEA monthly records began in 1984. Following the decline in fuel oil stocks in June, they were virtually unchanged in July with higher production and lower exports more than offsetting the increase in demand.

OECD Industry End Month Stocks (million barrels)

Crude Oil

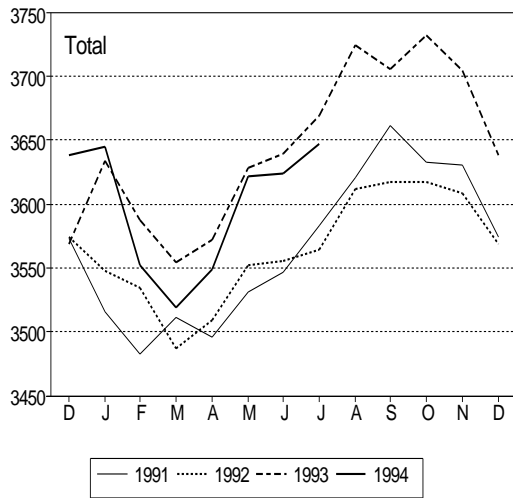


Middle Distillates

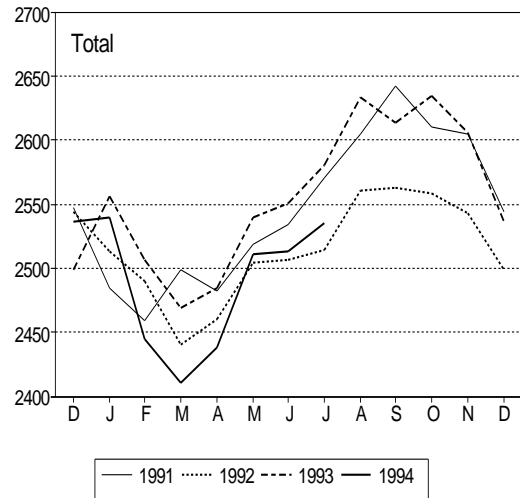


OECD End Month Stocks (million barrels)

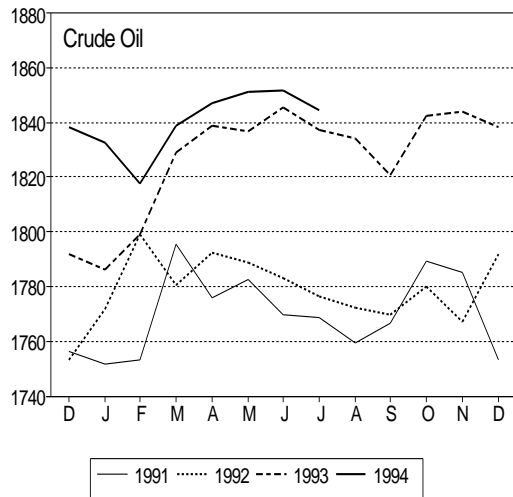
Total Stocks



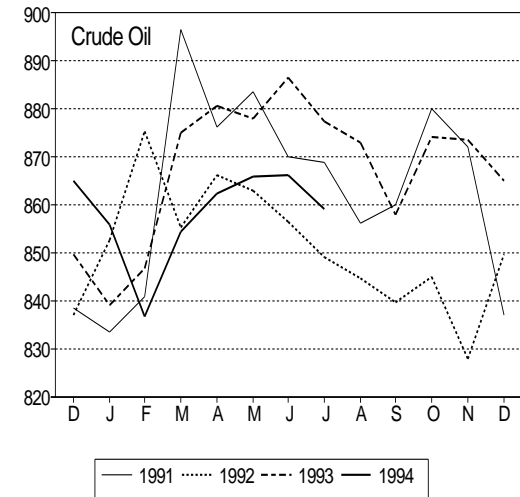
Industry Stocks



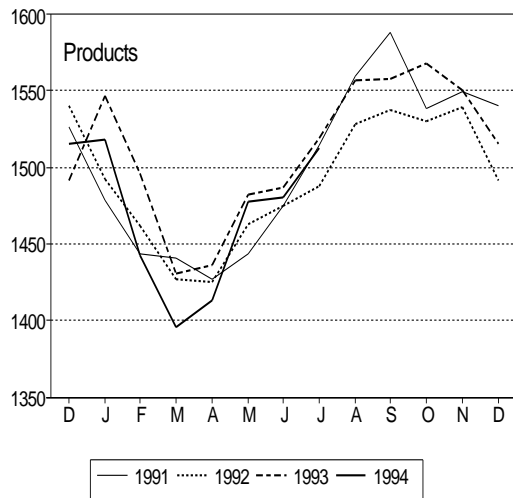
Crude Oil



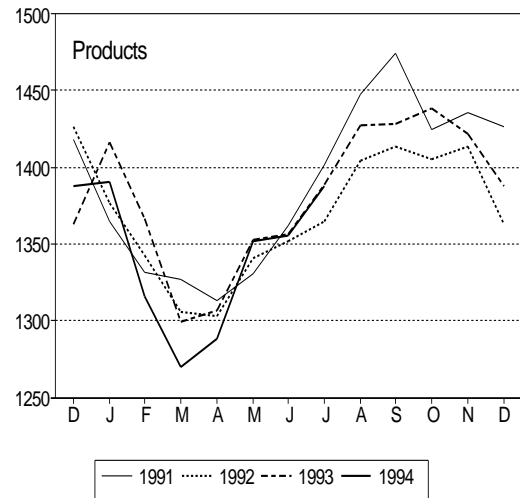
Crude Oil



Products



Products



OIL PRICES AND REFINERY ACTIVITY

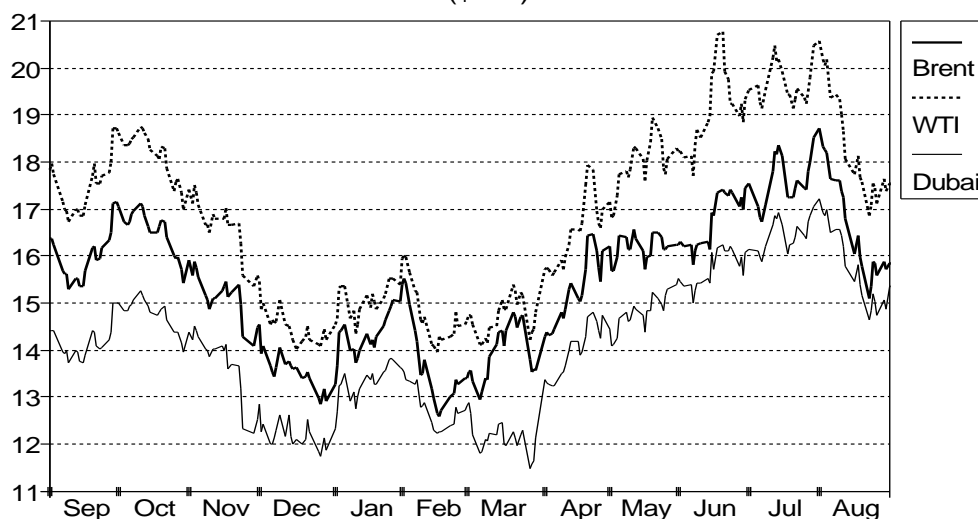
Summary

- Benchmark crude prices in August decreased by \$2.50-3.70/bbl before recovering slightly in the last days of August. The sharp decreases, which occurred despite the continuing reduction in Nigerian exports, reflected the overhang of prompt crude which resulted from a combination of reasons including the approaching particularly heavy refinery maintenance and the high level of Russian exports. The expectation of increased crude supplies mainly from the North Sea and continued uncertainties about the timing of Iraqi exports also contributed to the price decline. The overhang of prompt crude was reflected in a sharp contango in the Brent market, which reached the highest level since last November. Unlike most other crude prices, that of Indonesian Minas was relatively stable due to high Japanese demand. Sour heavier crudes were in relatively tight supply in both Europe and the US, with the Brent/Urals differential remaining narrow and the Brent/Dubai and WTI/ANS differential decreasing.
- Most product prices also decreased during August, broadly following declines in crude prices, but the monthly *average* gasoline prices were higher than in July. Prices of low sulphur waxy residue and high sulphur fuel oil (HSFO) in Singapore remained high in early August but then declined with the sharpest decrease occurring for HSFO.
- Monthly average refining margins increased sharply in August in all three regions, primarily reflecting the decline in crude prices. Refining margins in Europe and the US increased during most of the month, and reached the highest levels for more than four months before decreasing towards the end.
- The aggregate refinery throughputs in Europe, Japan and the US increased from 30.0 mb/d in June to 30.2 mb/d in July, with US and European decreases more than offset by a sharp increase in Japan where many refineries came back from maintenance. Preliminary indications for August suggest higher throughputs in all three regions. Refinery maintenance this fall is expected to be much heavier than last year in the US, and at normal levels in Europe and Japan.

CIF Crude Import Costs

Table 8 shows that the weighted average CIF cost for crude imported into IEA countries in June was \$16.40/bbl, \$0.83/bbl higher than the May figure. The weighted average CIF prices are estimated to have been \$17.00/bbl in July and \$16.90/bbl in August.

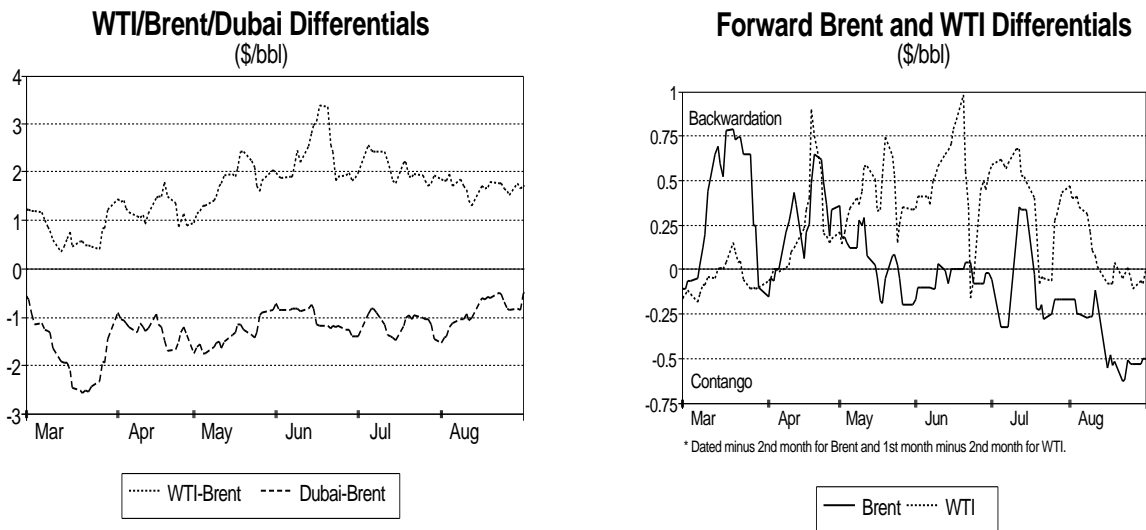
Spot Crude Oil Prices (\$/bbl)



Spot Crude Oil Prices

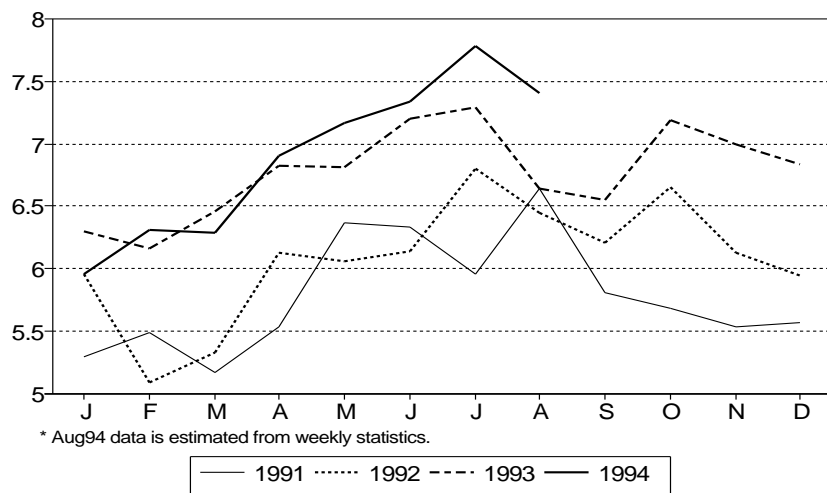
Benchmark crude prices, which had gradually increased by \$5.70-6.70/bbl from the low points reached in February and March to the beginning of August, decreased by \$2.50-3.70/bbl before recovering slightly in the last days of August. The decreases in WTI and Brent prices were the largest monthly declines since the Gulf crisis. The sharp decrease, which occurred despite the continuing reduction in Nigerian exports, reflected the overhang of prompt crude which resulted from a combination of reasons including the

approaching particularly heavy period of refinery maintenance, notably in the US and the high level of Russian exports. The expectation of increased crude supplies mainly from the North Sea as summer maintenance is completed and continued uncertainties about the timing of Iraqi exports also contributed to the price decline. In August, dated Brent averaged \$16.69/bbl, \$0.90/bbl lower than in July.



The WTI/dated Brent differential, which had widened to more than \$2/bbl in recent months, remained below \$2/bbl in August, reflecting the easing of the tight inland US crude market in June and July. However, the differential remained wide enough to provide an arbitrage opportunity to move North Sea crudes to the US for most of the month although it narrowed briefly in the middle of the month. While the high level of imports of North Sea crude in June and July contributed to a total US import level of 7.8 mb/d, weekly US statistics suggest that the crude imports in August decreased somewhat, consistent with the approach of heavy refinery maintenance which starts in September.

US Crude Imports Jan91-Aug94 (mb/d)



The dated Brent/Dubai differential narrowed by about \$1/bbl during the first days of August, reaching \$0.49/bbl, the narrowest level since February. The narrower differential in part reflected the ample physical supply of North Sea crude compared with the relative tightness of sour heavier crudes. However, the differentials between Dubai price and Brent prices widened somewhat towards the end of August following the tender for October supply by Indian Oil Corporation (IOC), in which it took only one Dubai cargo.

Sour heavier crudes were in relatively tight supply in both Europe and the US. In Europe, the price differential between dated Brent and Russian Urals remained narrow in August despite the high level of Russian exports. In the US, the ANS price increased relative to WTI by \$0.65/bbl in August, in part reflecting ANS production problems caused by warm weather. Saudi Arabia has increased the price of Arab Heavy relative to Arab Light for September by \$0.50/bbl for the Far East, \$0.25/bbl for Europe and \$0.20/bbl for the US.

In the Far East, the Indonesian Minas crude price relative to Brent, which had increased sharply in July, increased further in August, reaching \$3.75/bbl on 22 August as the Minas price remained stable despite the sharp decrease in the Brent price. The relatively high Minas price reflected the continuing strong demand for direct burning for electricity generation in Japan, where abnormally hot weather continued in August.

In August, the Brent prompt price remained lower than the price for forward delivery (contango) throughout the month consistent with the overhang of prompt crude supply. In late August, the contango reached the highest level since last November. The WTI price, which had been in backwardation due to the tight US Midwest market in July, continued to be in backwardation for the first half of August, but became slightly in contango in the second half.

Spot Crude Oil Prices and Differentials Monthly and Weekly Averages (\$/bbl)

	June	July	Aug	Change	Week ending:					
					29 July	05 Aug	12 Aug	19 Aug	26 Aug	31 Aug
Brent Dated	16.75	17.59	16.69	-0.90	17.83	18.22	17.31	16.06	15.55	15.81
Dubai	15.72	16.46	15.79	-0.67	16.69	16.89	16.30	15.45	14.88	15.08
WTI	19.07	19.66	18.39	-1.27	19.67	20.06	18.90	17.78	17.22	17.52
Brent over Dubai	1.03	1.13	0.90		1.14	1.33	1.02	0.61	0.67	0.73
WTI over Brent	2.32	2.07	1.70		1.84	1.84	1.58	1.72	1.66	1.71
Brent 1st month minus 2nd month	0.29	0.41	-0.13		0.13	0.01	-0.01	-0.19	-0.25	-0.28

Spot Product Prices

Monthly average prices of most grades of gasoline increased in August in all three regions while average prices of heavy fuel oils decreased except for the Singapore price of low sulphur waxy residue. Average distillate prices remained relatively stable except for the kerosene price in the US which decreased somewhat.

The **gasoline** price in Europe, which had increased sharply towards the end of last month partly due to an accident at Texaco's Pembroke refinery, increased further in early August, reaching the highest level for more than a year, but then decreased during the rest of the month following the crude price declines and consistent with the approaching of the end of the high demand season. The higher European gasoline price closed the arbitrage opportunity to bring gasoline from Europe to the US and this contributed to the increase in the US gasoline price in early August. As in Europe, the US price decreased during the rest of the month. Unlike in the other two markets, Singapore gasoline prices ended the month at about the same level as at the beginning reflecting strong demand by Asian economies such as Japan and Taiwan.

Gasoil prices in both Europe and the US decreased less sharply than gasoline prices, in part reflecting demand for stocking for delivery in winter. The Singapore price remained stable for most of August and increased towards the end, consistent with strong regional demand.

The price of **low sulphur waxy residue** (LSWR) and high sulphur heavy fuel oil (HSFO) in Singapore remained at high levels in early August, but declined during the rest of the month. The prices had increased sharply in July reflecting the strong demand in the Far East for electricity generation and, in the case of HSFO, also reflecting the general tightness of sour crudes and a reduction in refinery throughputs in Singapore. The LSWR price decreased in mid-August, partly in anticipation of the ending of the period of hot weather. The HSFO price, decreased by more than \$6/bbl during the second half of August, and reached the lowest level for more than three months reflecting lower crude prices and inflows of cargoes of HSFO from Europe, the Middle East and Venezuela into the region in response to the high inter-regional price differentials which developed during July (see graph). Prices of heavy fuel oils in Europe and the US decreased in August, broadly following the crude prices, reflecting lower demand for

atmospheric residue in Europe as refining margins improved and generally weak demand in the US. While the differential between low sulphur fuel oil (LSFO) and HSFO in Europe widened early in August consistent with high demand by ENEL, the Italian utility company, the differential narrowed in the US reflecting lower LSFO demand due to mild weather in Florida and higher HSFO demand by Latin American countries such as Mexico, where hydroelectric output decreased due to low rainfall.

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
June	20.14	22.16	23.40	20.26	20.70	20.14	13.95	15.49	14.39
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
Change over month	1.17	0.49	1.12	0.05	-0.18	-0.03	-0.59	-1.01	0.19
Week ending:									
29 July	21.42	24.08	22.46	20.48	21.42	20.07	15.27	17.04	20.26
05 Aug	23.10	25.34	24.54	21.31	21.85	20.78	15.56	17.38	21.20
12 Aug	22.70	24.50	23.09	20.40	20.70	20.20	15.39	16.92	20.60
19 Aug	21.50	23.49	23.74	20.07	20.45	20.16	14.41	15.10	17.50
26 Aug	20.47	21.34	23.99	19.89	20.25	20.64	13.48	14.14	17.01
31 Aug	19.88	21.44	23.07	20.23	20.51	20.38	13.56	13.98	15.98

* 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 13.5 RVP to 9.0 RVP as of 2 May 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 August, gasoline prices increased in all major countries except Japan, consistent with higher international spot prices. The prices of heavy fuel oil for industry increased in Spain and Italy by 9.2% and 6.5% respectively but decreased in Japan, France, Germany and the UK. Prices of automotive diesel and domestic heating oil increased in Germany.

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 increased sharply in August in all three regions, primarily reflecting the decline in crude prices. Higher average gasoline prices also contributed considerably to the increases in refining margins. In the US, refining margins for heavier crudes increased less than for light crudes, consistent with the sharp decline in average fuel oil prices.

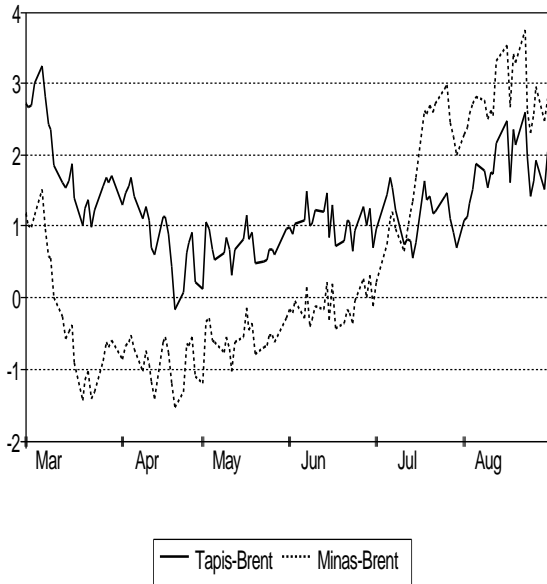
Refining margins in Europe and the US increased during most of the month as crude prices declined and reached the highest levels for more than four months. However, margins decreased towards the end of the month as most product prices declined while crude prices recovered somewhat. The hydroskimming margin for Dubai crude in Singapore briefly reached the highest level since last November early in the month.

Refining Margins in Major Refining Centres

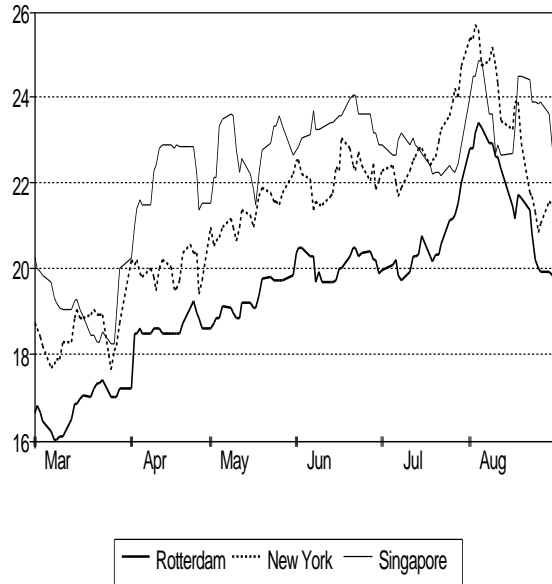
(\$/bbl)

	June	July	Aug	Change	Week ending:					
					29 Jul	05 Aug	12 Aug	19 Aug	26 Aug	31 Aug
NW Europe										
Brent (Hydroskimming)	-0.38	-0.64	0.49	1.13	-0.56	-0.07	0.45	0.89	0.77	0.47
Brent (Cracking)	1.38	0.94	2.24	1.31	1.09	1.78	2.12	2.61	2.54	2.25
US Gulf Coast										
Brent (Cracking)	1.73	1.67	2.29	0.63	2.20	2.55	2.67	2.92	1.67	1.46
WTI (Cracking)	0.48	0.65	1.69	1.04	1.45	1.81	2.19	2.34	1.08	0.82
ANS (Cracking)	1.44	1.68	1.84	0.17	2.17	2.23	2.53	2.31	1.03	0.80
Singapore										
Dubai(Hydroskimming)	0.09	0.60	1.21	0.61	0.80	1.48	1.54	1.02	1.07	0.70

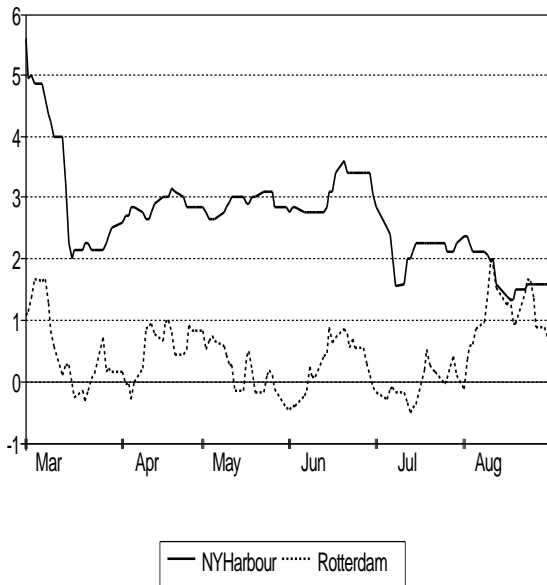
Tapis and Minas Prices versus Brent
(\$/bbl)



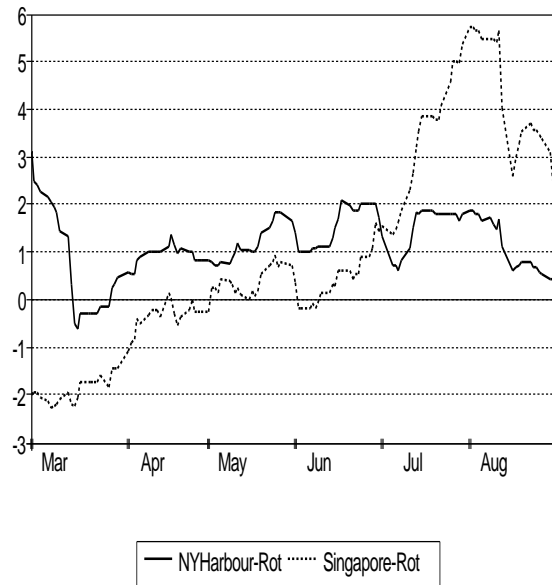
Gasoline Prices
(\$/bbl)



LSFO/HSFO Price Differentials
(\$/bbl)



LSFO Price Differentials
(\$/bbl)



Refinery Crude Throughputs

The aggregate refinery throughputs in Europe, Japan and the US increased from 30.0 mb/d in June to 30.2 mb/d in July, with US and European decreases more than offset by a sharp increase in Japan. The aggregate level was 0.2 mb/d lower than the level in July 1993 as European throughputs were substantially lower than a year earlier.

Total crude inputs to distillation units in OECD European countries decreased to 12.0 mb/d in July, consistent with the unusually low level of refining margins in July and the shutdown at the Pembroke refinery. Throughputs decreased in the UK, Belgium and Spain while throughputs in France, which decreased sharply in June, increased somewhat in July. Average crude throughputs in OECD European countries for the first seven months of this year were 2.8% higher than for the same period last year.

Crude throughputs in the US, which had increased every month since April, decreased in July from 14.4 mb/d in June to 14.3 mb/d in July. After three months of large year-on-year increases, July throughputs were only 0.1 mb/d or 0.6% 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 97% in July. Average crude throughputs in the US for the first seven months of this year were 1.1% higher than for the same period last year.

Japanese crude throughputs, which had continued to decrease in recent months, increased from 3.5 mb/d in June to 3.9 mb/d in July as many refineries came back from seasonal maintenance. Utilisation of operating capacity declined to 85%. The Japanese throughput level in July was 1.0% higher than the level a year earlier. Average crude throughputs in Japan for the first seven months of this year were 4.2% higher than for the same period last year.

Preliminary indications for August suggest an increase in European throughput levels. Weekly US statistics suggest that the throughput level in August increased to about 14.4 mb/d consistent with higher refining margins. Japanese crude throughputs in August are believed to have recovered sharply to close to 4.5 mb/d as more refineries came back from maintenance. Despite shortage of water supply due to the abnormally short rainy season which affected operations of several refineries, total Japanese throughputs are believed to have been substantially higher than a year earlier, consistent with strong product demand.

Refinery maintenance this fall is expected to be much heavier than last year in the US and to be concentrated in September and October. More than 500 kb/d of refining capacity is expected to be out of service in the two months. In Europe, the level of refinery maintenance is expected to be normal although it is planned to be concentrated in September unlike last year. Japanese refinery maintenance this fall is planned to be of about the same size as last year, putting about 500 kb/d of refining capacity out of service in both September and October.

Refinery Crude Throughputs in OECD Countries

	million barrels per day					% change from previous year		
	Mar	Apr	May	June*	July*	Jan-July 94	July	Jan-July 94
OECD Europe	11.96	12.09	12.36	12.15	12.04	12.16	-2.6	2.8
France	1.62	1.62	1.59	1.32	1.41	1.53	-11.3	0.9
Germany	2.10	2.13	2.22	2.22	2.22	2.17	1.3	5.9
Italy	1.52	1.66	1.56	1.58	1.56	1.59	-2.1	-1.5
Netherlands	1.01	0.96	1.07	1.10	1.13	1.08	-5.4	-0.1
UK	1.51	1.67	1.81	1.79	1.69	1.69	-5.7	-1.9
US	12.98	13.87	14.28	14.39	14.30	13.75	0.6	1.1
Japan	4.38	4.12	3.67	3.49	3.86	4.09	1.0	4.2

* estimated

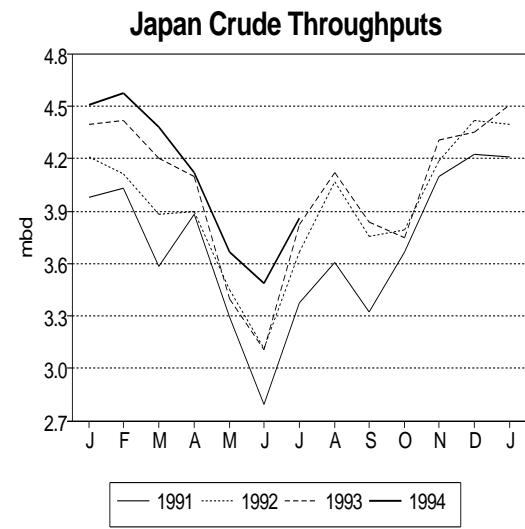
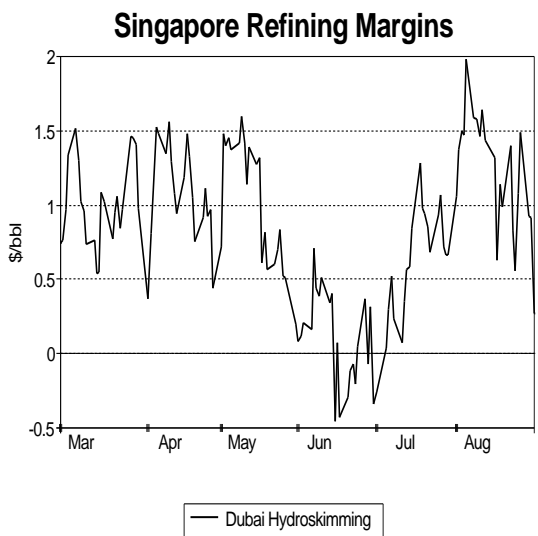
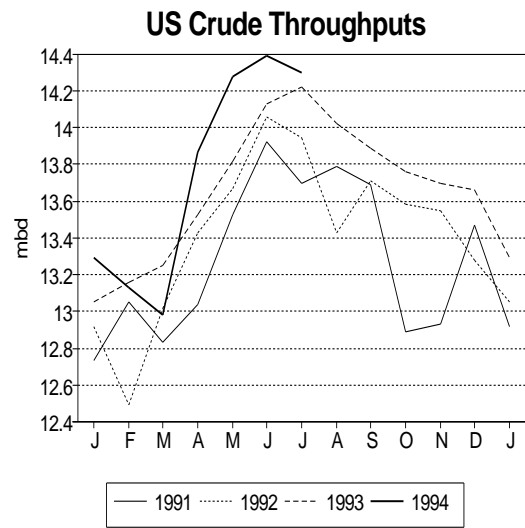
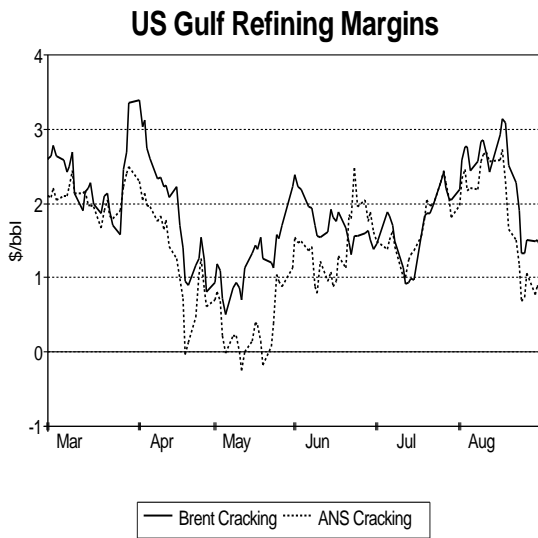
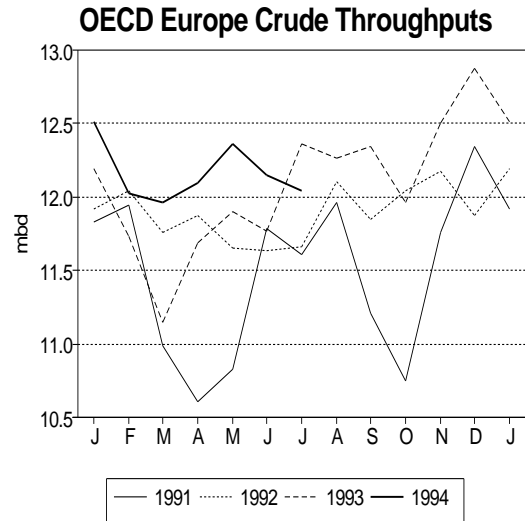
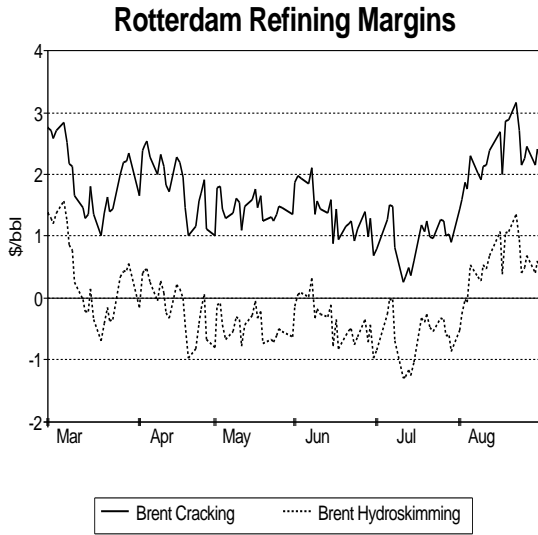


Table 1
WORLD OIL SUPPLY AND DEMAND

(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	19.8	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	13.2	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	6.1	6.6	6.4	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	39.5	40.6	39.8	41.1	40.3
NON-OECD																		
FSU ¹	8.3	8.0	7.0	6.4	6.2	6.9	6.3	5.6	5.2	5.4	5.6	5.3	4.6	4.6	4.9	4.9	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	3.0	3.1	3.0	3.1	3.1	3.2	3.3	3.2	3.2	3.4
Other Asia	5.9	6.5	6.3	6.0	6.8	6.4	6.8	6.5	6.4	7.4	6.8	7.3	7.0	6.8	7.7	7.2	7.7	7.6
Latin America	5.3	5.4	5.4	5.5	5.6	5.5	5.5	5.6	5.6	5.7	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	4.0	4.1	4.2
Africa	2.0	2.0	2.0	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	28.2	27.4	28.3	28.4	28.6	27.7	27.2	28.8	28.2	28.7	27.8	27.7	29.2	28.3	29.1	29.0
TOTAL DEMAND³	66.9	69.1	65.6	65.8	68.1	67.2	68.2	65.3	65.8	69.2	67.2	69.3	66.3	67.2	69.8	68.1	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	10.8	11.0	10.9	10.9	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	6.4	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	17.2	18.1	17.6	18.0	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	7.0	6.8	7.0	6.6	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	1.8	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	40.3	40.2	41.1	40.6	41.0	40.7	40.8	41.7	41.0	41.6	41.2
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					
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					
TOTAL OPEC	25.0	25.8	25.5	26.2	27.1	26.2	27.3	26.4	27.0	27.1	27.0	27.1	27.1					
TOTAL SUPPLY⁵	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					
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	1.1					
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					
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	1.2					
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					
Other & Misc. to balance ⁶	0.1	-0.5	0.2	0.3	0.4	0.1	0.1	0.5	0.6	-0.4	0.1	0.2	0.2					
TOTAL STOCK CH. & MISC.	0.0	-1.6	0.8	1.2	-0.1	0.1	-0.3	1.5	1.4	-1.0	0.3	-1.2	1.5					
Memo item:																		
FSU Net Exports	2.1	1.5	2.2	2.4	2.2	2.1	1.9	2.4	2.5	2.1	2.2	1.8	2.4	2.3	1.9	2.1	1.8	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)

	February			March			First Quarter			April			May		
	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%
North America															
LPG	2.15	2.28	5.6	2.06	2.01	-2.3	2.13	2.30	7.5	1.78	1.87	5.2	1.65	1.73	5.1
Naphtha	0.22	0.23	6.5	0.23	0.26	13.1	0.23	0.24	6.5	0.22	0.29	31.5	0.24	0.27	15.2
Motor Gasoline	7.72	7.91	2.5	8.01	8.01	0.1	7.63	7.81	2.3	8.05	8.14	1.1	8.22	8.25	0.4
Jet/Kerosene	1.55	1.67	8.3	1.50	1.57	4.4	1.52	1.63	7.1	1.42	1.61	12.9	1.40	1.52	8.2
Gasoil	3.98	4.13	3.8	3.90	3.82	-2.0	3.81	4.05	6.5	3.33	3.54	6.2	3.10	3.35	8.1
Residual Fuel Oil	1.35	1.67	23.8	1.31	1.23	-5.7	1.30	1.45	11.7	1.28	1.25	-2.7	1.23	1.20	-2.5
Other Products	2.31	2.42	4.8	2.52	2.35	-6.8	2.28	2.30	0.8	2.56	2.62	2.3	2.56	2.70	5.4
Total	19.27	20.31	5.4	19.53	19.26	-1.4	18.91	19.78	4.6	18.64	19.31	3.6	18.40	19.03	3.4
Europe															
LPG	0.93	1.01	9.0	0.89	0.88	-1.7	0.91	0.94	3.7	0.78	0.86	10.4	0.68	0.79	14.8
Naphtha	0.84	0.88	5.1	0.87	0.82	-6.4	0.85	0.85	-0.4	0.74	0.82	10.9	0.81	0.76	-5.3
Motor Gasoline	2.84	2.81	-1.1	2.99	3.03	1.2	2.79	2.79	-0.1	3.10	2.95	-4.7	2.86	2.93	2.4
Jet/Kerosene	0.73	0.75	3.9	0.72	0.79	10.5	0.72	0.77	6.3	0.73	0.78	6.8	0.75	0.79	4.9
Gasoil	5.20	5.45	4.8	5.06	5.13	1.4	4.94	5.00	1.4	4.52	4.71	4.1	3.83	4.14	8.1
Residual Fuel Oil	2.40	2.26	-6.0	2.35	2.22	-5.4	2.30	2.23	-3.0	2.02	2.13	5.8	1.96	1.95	-0.1
Other Products	1.10	1.18	6.5	1.20	1.21	1.2	1.13	1.16	3.0	1.28	1.30	1.1	1.26	1.34	6.0
Total	14.04	14.34	2.1	14.08	14.08	0	13.64	13.74	0.8	13.17	13.55	2.9	12.14	12.69	4.5
Pacific															
LPG	0.80	0.82	3.1	0.81	0.77	-4.7	0.80	0.78	-2.9	0.76	0.69	-8.3	0.63	0.63	0
Naphtha	0.54	0.56	3.6	0.52	0.54	2.2	0.54	0.55	2.4	0.52	0.51	-0.2	0.42	0.51	22.6
Motor Gasoline	1.14	1.13	-0.4	1.17	1.22	3.9	1.12	1.15	2.7	1.16	1.17	0.4	1.15	1.17	2.2
Jet/Kerosene	1.11	1.20	7.7	1.01	1.08	7.5	1.06	1.11	4.9	0.65	0.60	-8.4	0.51	0.54	4.7
Gasoil	1.57	1.62	3.1	1.61	1.65	2.6	1.50	1.55	2.9	1.37	1.43	4.1	1.27	1.30	2.7
Residual Fuel Oil	1.04	1.01	-3.0	0.98	0.98	-0.2	0.99	0.97	-1.6	0.93	0.88	-4.9	0.79	0.80	0.9
Other Products	0.99	1.05	6.3	1.05	0.96	-9.0	1.00	0.98	-2.3	0.94	0.88	-7.0	0.85	0.82	-3.8
Total	7.19	7.39	2.8	7.15	7.19	0.5	7.02	7.09	1.1	6.32	6.15	-2.7	5.62	5.78	2.7
OECD															
LPG	3.88	4.11	5.9	3.76	3.66	-2.7	3.84	4.01	4.4	3.31	3.42	3.4	2.96	3.15	6.2
Naphtha	1.60	1.67	4.8	1.63	1.62	-0.8	1.62	1.65	1.5	1.48	1.63	10.1	1.46	1.55	6.0
Motor Gasoline	11.70	11.85	1.3	12.17	12.26	0.7	11.54	11.74	1.8	12.32	12.26	-0.4	12.22	12.35	1.0
Jet/Kerosene	3.38	3.62	7.1	3.22	3.44	6.7	3.31	3.51	6.2	2.81	2.99	6.4	2.66	2.84	6.6
Gasoil	10.74	11.19	4.2	10.57	10.61	0.3	10.25	10.60	3.5	9.22	9.67	4.9	8.20	8.80	7.3
Residual Fuel Oil	4.79	4.94	3.0	4.64	4.43	-4.4	4.59	4.65	1.5	4.22	4.26	0.9	3.98	3.95	-0.6
Other Products	4.40	4.65	5.6	4.77	4.52	-5.3	4.42	4.44	0.7	4.78	4.79	0.1	4.68	4.86	3.9
Total	40.50	42.04	3.8	40.77	40.54	-0.6	39.56	40.62	2.7	38.14	39.01	2.3	36.16	37.49	3.7

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)

	First Quarter			April			May			June			Second Quarter		
	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%
United States															
LPG	1.94	2.10	8.2	1.54	1.62	5.4	1.42	1.50	5.6	1.48	1.60	8.3	1.48	1.57	6.4
Naphtha	0.16	0.18	10.6	0.16	0.22	35.5	0.18	0.22	24.8	0.19	0.20	5.7	0.18	0.21	21.4
Motor Gasoline	7.04	7.19	2.0	7.43	7.53	1.3	7.59	7.59	0.1	7.70	7.93	2.9	7.57	7.68	1.4
Jet/Kerosene	1.42	1.52	7.3	1.33	1.51	14.0	1.30	1.41	8.6	1.35	1.51	12.3	1.32	1.48	11.6
Gasoil	3.33	3.53	5.8	2.94	3.12	6.1	2.69	2.92	8.6	2.86	3.06	6.9	2.83	3.03	7.2
Residual Fuel Oil	1.08	1.24	15.7	1.07	1.06	-1.4	1.03	1.02	-1.8	0.87	0.88	1.1	0.99	0.98	-0.8
Other Products	2.05	2.07	1.0	2.30	2.36	2.6	2.30	2.43	5.7	2.65	2.66	0.1	2.42	2.48	2.7
Total	17.02	17.82	4.7	16.78	17.43	3.9	16.51	17.09	3.6	17.10	17.83	4.3	16.79	17.45	3.9
Japan															
LPG	0.73	0.71	-3.4	0.68	0.62	-9.7	0.56	0.56	-0.5	0.60	0.55	-8.2	0.61	0.57	-6.3
Naphtha	0.53	0.55	3.0	0.51	0.51	-0.2	0.41	0.51	22.8	0.43	0.53	21.3	0.45	0.52	13.7
Motor Gasoline	0.77	0.80	3.8	0.81	0.84	3.2	0.81	0.84	4.0	0.80	0.83	3.8	0.81	0.84	3.7
Jet/Kerosene	0.98	1.03	5.5	0.57	0.52	-10.0	0.43	0.45	4.2	0.39	0.39	1.7	0.46	0.45	-2.3
Gasoil	1.30	1.34	2.9	1.16	1.21	4.9	1.05	1.07	2.1	1.10	1.18	6.4	1.10	1.15	4.5
Residual Fuel Oil	0.95	0.93	-2.5	0.89	0.84	-5.6	0.76	0.75	-0.7	0.80	0.86	8.3	0.81	0.82	0.5
Other Products	0.87	0.84	-3.0	0.81	0.73	-9.3	0.73	0.69	-5.3	0.82	0.74	-10.3	0.79	0.72	-8.4
Total	6.14	6.20	1.0	5.43	5.27	-3.1	4.75	4.87	2.5	4.94	5.08	2.7	5.04	5.07	0.6
Germany															
LPG	0.10	0.12	19.7	0.09	0.12	24.7	0.09	0.11	29.5	0.09	0.12	41.0	0.09	0.12	31.5
Naphtha	0.21	0.22	4.3	0.22	0.22	-1.1	0.23	0.18	-21.2	0.23	0.22	-5.7	0.23	0.20	-9.5
Motor Gasoline	0.69	0.66	-4.2	0.76	0.70	-7.9	0.73	0.73	0.2	0.75	0.72	-3.7	0.75	0.72	-3.8
Jet/Kerosene	0.10	0.11	8.2	0.11	0.12	9.3	0.11	0.13	16.4	0.12	0.14	16.0	0.11	0.13	14.0
Gasoil	1.25	1.31	4.7	1.21	1.31	8.5	1.02	1.16	14.0	1.39	1.36	-2.3	1.20	1.27	6.0
Residual Fuel Oil	0.21	0.20	-6.3	0.19	0.19	0.9	0.17	0.17	-0.1	0.19	0.17	-11.6	0.18	0.18	-3.8
Other Products	0.21	0.22	1.9	0.24	0.27	9.2	0.25	0.27	8.1	0.28	0.28	-0.8	0.26	0.27	5.3
Total	2.79	2.84	2.1	2.82	2.92	3.4	2.59	2.76	6.2	3.05	3.01	-1.4	2.82	2.89	2.6
Italy															
LPG	0.14	0.14	1.0	0.10	0.10	0.8	0.08	0.09	13.2	0.08	0.08	-1.0	0.09	0.09	4.2
Naphtha	0.09	0.09	2.5	0.05	0.09	83.6	0.07	0.09	21.4	0.09	0.10	10.5	0.07	0.09	31.7
Motor Gasoline	0.36	0.37	5.2	0.41	0.41	-0.5	0.37	0.39	5.8	0.41	0.42	0.8	0.40	0.41	2.0
Jet/Kerosene	0.08	0.08	1.4	0.07	0.08	15.5	0.06	0.07	9.3	0.07	0.07	0	0.07	0.07	8.4
Gasoil	0.58	0.55	-5.1	0.45	0.47	4.6	0.39	0.42	6.5	0.47	0.45	-3.2	0.44	0.45	2.4
Residual Fuel Oil	0.55	0.51	-8.6	0.46	0.55	18.8	0.53	0.50	-7.3	0.46	0.44	-4.5	0.49	0.49	1.8
Other Products	0.13	0.14	10.4	0.16	0.13	-16.1	0.16	0.14	-17.6	0.15	0.15	-0.6	0.16	0.14	-11.7
Total	1.92	1.87	-2.1	1.70	1.84	8.0	1.68	1.69	0.7	1.73	1.70	-1.4	1.70	1.74	2.4
France															
LPG	0.14	0.14	-0.6	0.10	0.11	4.5	0.08	0.09	20.9	0.08	0.09	8.8	0.09	0.10	10.7
Naphtha	0.22	0.18	-16.0	0.20	0.15	-27.0	0.22	0.19	-13.8	0.16	0.15	-7.2	0.20	0.16	-16.6
Motor Gasoline	0.34	0.32	-4.8	0.39	0.35	-8.3	0.35	0.35	1.3	0.41	0.37	-8.4	0.38	0.36	-5.3
Jet/Kerosene	0.09	0.08	-2.9	0.09	0.10	11.2	0.09	0.10	1.6	0.10	0.10	2.2	0.09	0.10	4.9
Gasoil	0.93	0.88	-6.0	0.83	0.81	-3.3	0.67	0.67	-1.0	0.86	0.78	-9.6	0.79	0.75	-4.9
Residual Fuel Oil	0.17	0.16	-9.4	0.14	0.14	4.4	0.11	0.11	-6.9	0.14	0.12	-7.8	0.13	0.12	-3.2
Other Products	0.15	0.15	-1.4	0.18	0.22	22.3	0.17	0.19	13.2	0.23	0.23	2.6	0.19	0.21	11.9
Total	2.04	1.91	-6.3	1.94	1.88	-2.8	1.71	1.71	0	1.97	1.84	-6.2	1.87	1.81	-3.1
United Kingdom															
LPG	0.12	0.16	26.4	0.11	0.17	48.0	0.10	0.16	57.5	0.09	0.16	69.9	0.10	0.16	57.8
Naphtha	0.09	0.08	-11.5	0.05	0.07	50.7	0.05	0.06	12.1	0.10	0.07	-29.4	0.07	0.07	1.6
Motor Gasoline	0.52	0.51	-1.6	0.55	0.54	-2.4	0.52	0.52	0.3	0.55	0.55	-1.4	0.54	0.54	-1.2
Jet/Kerosene	0.20	0.23	16.4	0.20	0.18	-8.0	0.20	0.19	-5.3	0.20	0.20	0.5	0.20	0.19	-4.3
Gasoil	0.45	0.46	2.7	0.42	0.44	5.1	0.40	0.42	5.6	0.43	0.45	4.8	0.41	0.44	5.1
Residual Fuel Oil	0.26	0.25	-5.6	0.24	0.24	1.1	0.23	0.23	0.1	0.25	0.22	-9.9	0.24	0.23	-3.0
Other Products	0.16	0.16	-2.1	0.15	0.16	3.2	0.15	0.17	10.4	0.17	0.18	4.9	0.16	0.17	6.2
Total	1.81	1.85	2.2	1.71	1.79	4.6	1.66	1.75	5.6	1.79	1.83	2.0	1.72	1.79	4.0
Canada															
LPG	0.19	0.19	0	0.22	0.23	4.6	0.21	0.22	2.1	0.20	0.22	14.3	0.21	0.22	6.7
Naphtha	0.07	0.06	-3.6	0.06	0.07	20.0	0.06	0.05	-12.4	0.07	0.07	-4.1	0.06	0.06	0.3
Motor Gasoline	0.53	0.56	5.4	0.56	0.55	-0.9	0.57	0.60	5.8	0.63	0.65	3.0	0.58	0.60	2.7
Jet/Kerosene	0.08	0.08	2.5	0.07	0.06	-2.8	0.07	0.07	9.9	0.08	0.07	-6.5	0.07	0.07	0.1
Gasoil	0.45	0.50	11.3	0.36	0.38	7.4	0.39	0.41	6.5	0.37	0.38	3.8	0.37	0.39	5.9
Residual Fuel Oil	0.17	0.15	-12.6	0.15	0.13	-13.5	0.13	0.13	-3.3	0.14	0.12	-17.5	0.14	0.13	-11.6
Other Products	0.19	0.18	-3.6	0.20	0.20	-0.5	0.20	0.21	7.8	0.25	0.23	-5.7	0.22	0.22	0.1
Total	1.67	1.72	3.0	1.62	1.64	1.2	1.62	1.70	4.5	1.72	1.74	0.8	1.66	1.69	2.2

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*	2Q93	3Q93	4Q93	1Q94	2Q94	JUN94	JUL94*	AUG94*
OPEC											
Crude Oil											
Saudi Arabia	8.22	7.96	-	7.91	7.91	7.88	7.88	7.91	7.90	7.90	7.90
Iran	3.43	3.65	-	3.60	3.70	3.60	3.65	3.55	3.60	3.55	3.60
Iraq	0.43	0.48	-	0.45	0.48	0.54	0.51	0.51	0.51	0.53	0.53
UAE	2.29	2.20	-	2.20	2.16	2.17	2.20	2.17	2.14	2.23	2.19
Kuwait	0.88	1.69	-	1.52	1.79	1.82	1.80	1.83	1.83	1.85	1.85
Neutral Zone	0.36	0.36	-	0.30	0.38	0.39	0.38	0.37	0.40	0.42	0.42
Qatar	0.40	0.42	-	0.42	0.43	0.41	0.40	0.41	0.42	0.44	0.40
Nigeria	1.88	1.91	-	1.83	1.90	1.98	2.01	1.93	1.94	1.83	1.50
Libya	1.48	1.37	-	1.35	1.36	1.37	1.31	1.38	1.38	1.40	1.39
Algeria	0.75	0.75	-	0.74	0.74	0.75	0.74	0.75	0.74	0.74	0.75
Gabon	0.29	0.30	-	0.30	0.29	0.30	0.29	0.32	0.32	0.32	0.33
Venezuela	2.33	2.31	-	2.26	2.28	2.36	2.38	2.41	2.42	2.44	2.48
Indonesia	1.33	1.34	-	1.36	1.34	1.32	1.31	1.30	1.30	1.33	1.35
Total Crude Oil	24.06	24.73	-	24.23	24.75	24.86	24.86	24.83	24.90	24.97	24.68
NGLs ¹	2.09	2.22	-	2.22	2.24	2.22	2.26	2.31	2.31	2.37	2.35
TOTAL OPEC³	26.15	26.95	-	26.45	26.98	27.08	27.12	27.15	27.21	27.35	27.03
NON-OPEC²											
OECD											
North America	11.06	11.00	10.87	10.95	10.94	11.03	10.95	10.74	10.75	10.82	10.74
United States	9.00	8.81	8.66	8.82	8.69	8.79	8.70	8.54	8.55	8.62	8.57
Canada	2.06	2.18	2.21	2.13	2.25	2.24	2.26	2.20	2.20	2.19	2.17
Europe	4.83	5.16	6.00	4.82	5.14	5.76	5.90	5.96	6.04	5.87	5.49
UK	2.00	2.19	2.69	1.93	2.20	2.53	2.62	2.63	2.60	2.53	2.59
Norway	2.22	2.37	2.65	2.29	2.35	2.60	2.64	2.69	2.80	2.69	2.24
Others	0.61	0.60	0.65	0.59	0.59	0.63	0.65	0.64	0.64	0.65	0.66
Pacific	0.68	0.64	0.69	0.68	0.65	0.59	0.65	0.67	0.68	0.71	0.72
Australia	0.60	0.56	0.61	0.60	0.57	0.51	0.58	0.59	0.60	0.63	0.64
Others	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.09	0.08	0.08
Total OECD	16.56	16.80	17.55	16.45	16.73	17.38	17.51	17.37	17.48	17.40	16.95
Non-OECD											
FSU	8.97	7.82	7.00	8.02	7.66	7.47	7.10	7.06	7.21	7.19	7.00
Russia	7.93	6.85	6.11	7.05	6.68	6.51	6.21	6.19	6.33	6.31	6.11
Others	1.05	0.97	0.89	0.96	0.97	0.96	0.89	0.87	0.88	0.88	0.89
Asia	4.61	4.73	4.88	4.71	4.68	4.78	4.88	4.79	4.82	4.88	4.93
China	2.84	2.91	2.98	2.93	2.89	2.95	3.01	2.93	2.96	2.99	2.98
Malaysia	0.68	0.67	0.69	0.68	0.65	0.65	0.68	0.68	0.68	0.68	0.68
India	0.59	0.55	0.60	0.52	0.54	0.55	0.58	0.55	0.57	0.60	0.65
Others	0.51	0.60	0.62	0.58	0.59	0.62	0.61	0.62	0.62	0.62	0.62
Europe	0.28	0.28	0.28	0.29	0.28	0.28	0.28	0.28	0.28	0.28	0.28
Latin America	5.67	5.78	5.98	5.77	5.76	5.93	5.89	5.86	5.88	5.98	6.03
Mexico	3.12	3.14	3.18	3.13	3.12	3.21	3.16	3.15	3.13	3.17	3.18
Brazil	0.85	0.88	0.93	0.86	0.88	0.91	0.90	0.91	0.91	0.91	0.94
Colombia	0.45	0.46	0.48	0.47	0.44	0.45	0.47	0.42	0.43	0.48	0.49
Ecuador	0.32	0.34	0.37	0.34	0.34	0.35	0.34	0.37	0.38	0.38	0.38
Others	0.93	0.97	1.03	0.96	0.97	1.01	1.01	1.02	1.04	1.04	1.04
Middle East ⁴	1.50	1.63	1.81	1.58	1.63	1.75	1.78	1.81	1.82	1.78	1.82
Oman	0.75	0.79	0.82	0.77	0.79	0.83	0.79	0.82	0.82	0.82	0.83
Syria	0.52	0.57	0.59	0.57	0.58	0.59	0.59	0.59	0.59	0.59	0.59
Yemen	0.18	0.22	0.35	0.19	0.22	0.29	0.34	0.36	0.36	0.31	0.35
Africa	2.02	2.05	2.04	2.05	2.02	2.06	2.04	2.01	2.02	2.04	2.05
Egypt	0.93	0.96	0.92	0.97	0.97	0.94	0.93	0.91	0.91	0.92	0.93
Angola	0.54	0.50	0.53	0.51	0.47	0.53	0.53	0.52	0.52	0.53	0.53
Others	0.56	0.58	0.59	0.58	0.58	0.59	0.59	0.59	0.59	0.59	0.59
Total Non-OECD	23.06	22.28	21.97	22.40	22.02	22.25	21.96	21.81	22.03	22.06	22.08
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	41.02	40.35	40.24	41.13	40.97	40.68	41.00	40.96	40.53
TOTAL SUPPLY	67.28	67.53	-	66.79	67.23	68.21	68.09	67.83	68.21	68.30	67.56

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 STOCKS¹ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ² in Million Barrels					PRIOR YEARS' STOCKS ² in Million Barrels			STOCK CHANGES in mb/d			
	MAR94	APR94	MAY94*	JUN94*	JUL94*	JUL91	JUL92	JUL93	Q393	Q493	Q194	Q294
North America												
Crude	402	398	392	387	387	408	395	420	-0.36	0.15	0.03	-0.16
Gasoline	236	237	238	231	225	231	236	232	-0.16	0.23	-0.12	-0.05
Middle Distillate	161	167	180	187	201	200	184	196	0.24	0.07	-0.53	0.29
Residual Fuel Oil	49	47	47	48	46	53	49	52	-0.03	0.00	-0.04	-0.01
Total Products ³	585	601	627	631	651	660	646	665	0.18	-0.04	-0.89	0.51
Total ⁴	1135	1147	1171	1175	1197	1229	1206	1257	-0.05	-0.27	-0.81	0.44
Europe												
Crude	297	310	315	314	310	278	287	292	-0.03	0.09	-0.15	0.19
Gasoline	146	140	145	142	144	134	124	127	0.01	0.10	0.07	-0.04
Middle Distillate	222	222	238	236	244	242	244	236	0.23	-0.19	-0.09	0.16
Residual Fuel Oil	96	95	97	100	98	114	108	111	0.00	-0.08	-0.06	0.04
Total Products ³	542	534	561	560	568	574	560	559	0.29	-0.18	-0.18	0.20
Total ⁴	892	900	933	928	931	909	907	908	0.22	-0.10	-0.36	0.40
Pacific												
Crude	156	155	158	165	161	182	167	165	0.08	-0.17	0.00	0.10
Gasoline	25	26	26	26	25	24	25	25	0.01	-0.03	0.02	0.01
Middle Distillate	49	55	63	64	69	65	63	65	0.21	-0.13	-0.22	0.17
Residual Fuel Oil	16	15	15	14	14	19	15	18	0.04	-0.03	-0.02	-0.02
Total Products ³	143	152	164	164	168	168	159	165	0.32	-0.23	-0.23	0.23
Total ⁴	383	392	407	410	407	433	401	415	0.52	-0.47	-0.24	0.30
Total												
Crude	854	862	866	866	859	869	849	877	-0.31	0.08	-0.12	0.13
Gasoline	407	403	409	399	394	389	385	384	-0.14	0.30	-0.03	-0.09
Middle Distillate	432	444	481	487	514	507	490	497	0.68	-0.25	-0.84	0.61
Residual Fuel Oil	160	157	159	161	158	186	172	181	0.01	-0.11	-0.12	0.01
Total Products ³	1270	1288	1352	1355	1387	1402	1365	1389	0.79	-0.45	-1.31	0.94
Total ⁴	2410	2438	2511	2513	2536	2571	2514	2580	0.69	-0.83	-1.41	1.14

OECD GOVERNMENT-CONTROLLED STOCKS⁵ AND QUARTERLY STOCK CHANGES

	RECENT MONTHLY STOCKS ² in Million Barrels					PRIOR YEARS' STOCKS ² in Million Barrels			STOCK CHANGES ³ in mb/d			
	MAR94	APR94	MAY94*	JUN94*	JUL94*	JUL91	JUL92	JUL93	Q393	Q493	Q194	Q294
North America												
Crude	590	591	591	592	592	569	570	583	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	125	125	125	125	113	123	130	-0.01	-0.01	-0.03	0.00
Pacific												
Crude	265	265	265	265	265	208	227	246	0.01	0.11	0.09	0.00
Total												
Crude	984	985	985	986	986	899	927	960	0.04	0.11	0.12	0.02
Products	125	125	125	125	125	113	123	130	-0.01	-0.01	0.00	0.00
Total ⁴	1110	1110	1110	1111	1111	1012	1050	1089	0.03	0.10	0.09	0.01

* Estimated

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

2 They include stocks held by industry to meet IEA, EU and national emergency reserve commitments and are subject to government control in emergencies.

3 Closing Stock levels.

4 Total products includes gasoline, middle distillates, fuel oil and other products.

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

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

Table 6
INDUSTRY STOCKS¹ ON LAND IN SELECTED OECD COUNTRIES

(million barrels)

	February			March			April			May			June		
	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%	1993	1994	%
United States															
Crude	332.3	330.2	-0.7	337.1	337.6	0.2	348.7	335.0	-3.9	352.9	328.3	-7.0	352.3	321.7	-8.7
Motor Gasoline	244.7	227.4	-7.1	230.2	213.8	-7.1	224.8	213.9	-4.8	224.8	215.6	-4.1	221.3	211.6	-4.4
Middle Distillate	153.0	146.6	-4.2	139.5	140.2	0.5	140.8	143.1	1.6	145.3	156.3	7.5	156.5	164.7	5.2
Residual Fuel Oil	41.9	39.4	-5.9	40.4	41.1	1.7	41.4	39.0	-5.8	43.1	39.4	-8.4	45.7	39.3	-13.9
Other Products	122.0	117.4	-3.7	127.7	118.6	-7.2	139.8	128.6	-8.0	153.4	141.4	-7.8	158.2	146.5	-7.4
Total Products	561.5	530.8	-5.5	537.8	513.7	-4.5	546.8	524.6	-4.1	566.6	552.7	-2.4	581.8	562.1	-3.4
Other ²	132.6	132.6	-0.1	137.6	136.1	-1.1	139.3	134.5	-3.5	147.9	136.6	-7.6	149.9	141.0	-6.0
Total	1026.5	993.5	-3.2	1012.6	987.4	-2.5	1034.9	994.1	-3.9	1067.4	1017.7	-4.7	1084.0	1024.8	-5.5
Japan															
Crude	142.7	137.7	-3.5	143.9	140.8	-2.1	135.9	138.9	2.1	136.5	143.0	4.8	150.4	149.0	-1.0
Motor Gasoline	16.8	17.0	1.5	17.0	17.1	0.5	17.7	17.8	0.8	17.5	18.0	2.7	16.3	18.0	10.1
Middle Distillate	49.4	47.2	-4.4	41.3	40.9	-1.2	45.2	47.2	4.6	50.1	55.3	10.4	52.6	56.6	7.5
Residual Fuel Oil	14.6	13.0	-11.2	13.1	12.8	-2.1	12.8	12.0	-6.0	13.2	12.5	-5.3	13.3	10.8	-19.0
Other Products	52.6	48.9	-7.2	52.4	49.3	-5.9	48.0	52.9	10.2	49.2	55.1	11.8	48.8	56.5	15.9
Total Products	133.5	126.1	-5.5	123.8	120.0	-3.0	123.6	130.0	5.1	130.0	140.8	8.3	131.0	141.9	8.3
Other ²	83.5	81.8	-2.1	78.9	75.9	-3.8	77.9	76.9	-1.3	78.9	78.2	-0.8	73.8	74.3	0.7
Total	359.7	345.6	-3.9	346.6	336.8	-2.8	337.5	345.7	2.4	345.3	362.0	4.8	355.3	365.1	2.8
Germany															
Crude	26.4	28.6	8.3	27.7	26.5	-4.1	27.3	29.2	6.9	27.4	28.7	4.8	27.1	27.7	2.3
Motor Gasoline	21.6	19.7	-8.6	19.4	17.0	-12.2	18.1	17.0	-6.2	19.4	18.2	-6.0	17.8	16.5	-6.9
Middle Distillate	28.9	28.8	-0.6	24.0	24.5	1.9	25.5	25.4	-0.2	32.4	28.9	-10.7	25.3	26.1	3.0
Residual Fuel Oil	9.0	9.1	1.0	9.4	9.3	-1.2	9.5	9.2	-2.9	9.8	9.2	-6.5	9.2	9.1	-1.7
Other Products	13.8	12.3	-11.1	12.5	11.8	-6.0	12.7	11.3	-11.2	12.6	12.0	-4.5	12.2	11.4	-6.9
Total Products	73.4	69.9	-4.7	65.4	62.6	-4.2	65.8	62.9	-4.4	74.2	68.4	-7.8	64.5	63.0	-2.3
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	99.8	98.5	-1.3	93.1	89.2	-4.2	93.1	92.1	-1.0	101.6	97.1	-4.4	91.6	90.7	-0.9
Italy															
Crude	42.7	37.5	-12.2	43.8	40.9	-6.7	44.3	46.5	4.9	44.4	42.2	-5.0	45.6	40.0	-12.2
Motor Gasoline	19.4	20.3	4.7	19.2	18.9	-1.4	17.3	17.0	-2.2	17.6	19.5	10.7	17.4	18.3	5.3
Middle Distillate	36.8	34.9	-5.0	33.5	34.3	2.5	35.5	32.1	-9.7	39.1	35.0	-10.5	37.3	32.8	-12.1
Residual Fuel Oil	28.0	23.8	-15.0	26.4	21.7	-17.7	27.6	20.2	-26.6	26.6	20.4	-23.2	25.7	23.6	-8.1
Other Products	7.4	7.4	0.2	7.8	6.6	-16.4	7.8	6.6	-15.5	7.7	6.7	-12.6	7.0	6.7	-3.6
Total Products	91.5	86.4	-5.6	87.0	81.6	-6.2	88.2	75.8	-14.1	90.9	81.6	-10.3	87.3	81.4	-6.8
Other ²	8.6	7.1	-17.9	7.7	5.8	-24.6	9.3	7.1	-23.5	9.4	6.8	-27.4	8.6	6.8	-21.2
Total	142.9	131.0	-8.3	138.5	128.3	-7.4	141.9	129.5	-8.7	144.7	130.6	-9.8	141.5	128.2	-9.4
France															
Crude	38.3	38.8	1.2	41.7	37.0	-11.1	44.5	41.6	-6.5	39.3	40.8	4.0	39.4	47.4	20.2
Motor Gasoline	26.2	28.1	6.9	25.8	25.9	0.5	23.9	25.5	6.3	26.1	24.5	-5.8	25.7	24.6	-4.4
Middle Distillate	49.9	52.8	5.8	46.7	50.5	8.0	46.2	47.5	3.0	50.9	50.8	-0.3	49.3	51.8	4.9
Residual Fuel Oil	9.3	8.1	-13.0	8.5	8.0	-6.7	8.8	6.8	-23.1	10.0	7.5	-24.5	9.3	7.6	-17.9
Other Products	9.4	8.1	-14.5	9.2	8.0	-13.2	8.9	8.1	-9.2	9.8	7.8	-20.1	8.3	7.7	-6.9
Total Products	94.9	97.1	2.3	90.3	92.4	2.3	87.7	87.8	0.1	96.7	90.7	-6.3	92.6	91.6	-1.0
Other ²	12.7	13.4	5.8	12.3	12.5	2.4	12.3	12.4	1.3	15.0	13.9	-7.4	14.5	12.0	-17.2
Total	145.9	149.3	2.3	144.2	141.9	-1.6	144.5	141.8	-1.9	151.1	145.4	-3.7	146.5	151.0	3.1
United Kingdom															
Crude	35.0	32.5	-7.0	38.1	36.3	-4.6	35.5	34.2	-3.6	36.5	37.3	2.2	37.7	34.7	-7.9
Motor Gasoline	19.2	19.2	0.3	18.2	16.6	-8.5	16.4	15.8	-3.9	16.1	16.8	4.7	15.5	16.8	8.4
Middle Distillate	20.0	19.2	-3.6	18.5	17.2	-7.0	19.2	19.4	0.9	19.5	21.5	10.4	19.3	20.0	3.5
Residual Fuel Oil	7.6	6.4	-15.8	7.4	6.8	-7.1	6.7	6.5	-3.4	7.8	6.7	-13.5	8.2	6.6	-19.7
Other Products	12.1	11.0	-9.0	10.9	10.6	-3.0	11.5	9.9	-14.1	11.6	10.7	-7.4	11.6	10.5	-10.1
Total Products	58.9	55.9	-5.0	54.9	51.2	-6.7	53.9	51.6	-4.3	54.9	55.8	1.6	54.7	53.9	-1.5
Other ²	16.4	16.5	1.1	17.8	15.8	-11.0	17.0	15.8	-6.6	16.5	16.5	0.4	17.5	15.7	-10.4
Total	110.2	105.0	-4.8	110.7	103.3	-6.7	106.3	101.6	-4.4	107.9	109.7	1.6	109.9	104.3	-5.1
Canada															
Crude	50.5	51.1	1.1	54.0	55.8	3.2	56.2	54.1	-3.8	59.5	55.5	-6.6	58.0	56.8	-2.0
Motor Gasoline	20.4	19.1	-6.4	20.7	20.5	-1.2	20.1	21.8	8.2	18.1	20.6	13.8	17.1	17.9	4.3
Middle Distillate	21.5	18.1	-15.9	19.7	17.7	-10.5	20.4	20.3	-0.2	18.6	20.0	7.5	19.8	19.2	-3.3
Residual Fuel Oil	4.7	3.6	-24.2	4.4	3.5	-20.4	4.8	4.0	-16.5	4.6	4.0	-12.3	4.9	4.2	-13.9
Other Products	19.0	18.2	-4.2	19.2	18.9	-1.7	18.7	20.2	8.2	18.5	19.1	3.1	18.4	17.3	-6.1
Total Products	65.6	58.9	-10.2	64.1	60.5	-5.5	64.0	66.3	3.7	59.7	63.7	6.5	60.2	58.5	-2.8
Other ²	7.6	8.4	11.7	7.2	7.6	5.3	8.2	8.4	2.1	9.9	10.9	10.4	11.1	10.9	-2.2
Total	123.6	118.4	-4.2	125.3	123.9	-1.2	128.4	128.7	0.3	129.1	130.1	0.8	129.4	126.3	-2.4

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 December 1993		End March 1994 ⁴		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	129.4	74	129.2	75	124.0	72	123.9	-	-	-
United States	1666.7	96	1665.4	94	1647.2	92	1577.7	-	-	-
NORTH AMERICA	1819.8	94	1818.3	93	1794.9	91	1725.2	89	1766.3	89
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	674.8	111
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	105.3	-	-	-
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	69	81.2	71	77.4	69	78.5	-	-	-
Sweden	33.7	107	32.9	90	31.2	77	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	-	-	-
EUROPE⁵	1173.6	87	1192.7	84	1181.5	86	1146.4	87	1182.7	86
Total	3639.1	94	3705.6	92	3637.9	90	3519.2	91	3623.8	92
DAYS OF IEA NET IMPORTS⁶	-	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 subject to government control in emergencies.
- 2 Note that days of forward demand represent the stock level divided by the forward quarter average daily demand and is very different from the days of net imports used in the IEA's Emergency Sharing System.
- 3 End June 1994 stock level based on preliminary data.
- 4 End March 1994 and 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		Total	Government ¹ controlled	
		Companies	Millions of Barrels		Companies	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	95	29	66
Q293	3639	1089	2550	94	28	66
Q393	3706	1092	2613	92	27	65
Q493	3638	1101	2537	90	27	62
Q194	3519	1110	2410	91	29	63
Q294	3624	1111	2513	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 1994 (when latest forecast is used).

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

	1991	1992	1993	2Q93	3Q93	4Q93	1Q94	2Q94	Mar94	Apr94	May94	Jun94	Jul94	Aug94
Crude Oil Prices														
IEA CIF Average Import	19.30	18.49	16.38	17.53	15.86	14.80	13.69	15.46	13.66	14.46	15.57	16.40	17.00*	16.90*
FOB Spot														
Brent (Dated)	19.99	19.30	17.00	18.23	16.49	15.08	13.97	16.04	13.90	15.20	16.16	16.75	17.59	16.69
WTI (1st month)	21.53	20.54	18.44	19.76	17.78	16.42	14.84	17.81	14.68	16.45	17.90	19.07	19.66	18.39
Dubai (1st month)	16.53	17.18	14.93	15.93	14.37	13.56	12.74	14.81	12.14	13.95	14.76	15.72	16.46	15.79
Product Prices 1														
Rotterdam														
Premium 0.15 g/l	28.37	25.31	22.45	24.42	22.59	19.67	17.52	20.81	17.50	19.79	20.73	21.91	22.39	23.93
Regular Unleaded	26.57	23.75	20.70	22.82	20.33	17.91	16.42	19.33	16.77	18.58	19.26	20.14	20.51	21.68
Naphtha	23.71	20.93	18.47	20.14	17.66	16.33	15.00	17.04	15.01	15.92	17.28	17.94	18.41	18.07
Jet/Kerosene	28.07	24.90	23.37	23.72	22.41	23.10	20.33	20.90	19.81	20.77	20.98	20.95	20.98	20.95
Gasoil	26.96	23.76	22.28	23.26	21.54	21.39	18.99	20.19	18.76	20.05	20.28	20.26	20.35	20.41
Fuel Oil 1.0%S	14.22	14.26	13.50	14.67	13.13	11.62	12.62	12.96	12.66	12.10	12.83	13.95	15.15	14.57
Fuel Oil 3.5%S	12.27	12.90	10.22	10.95	9.35	9.30	11.28	12.60	12.12	11.56	12.57	13.67	15.18	13.45
Gross Product Worth 2	24.63	22.11	20.27	21.46	19.81	18.76	17.04	18.64	16.92	18.12	18.64	19.16	19.53	19.92
NY Harbour														
Super Unleaded 93	29.79	26.86	23.69	26.04	24.42	20.56	20.85	24.58	20.82	22.40	25.81	25.54	27.73	27.56
Regular Unleaded 87	27.54	24.57	21.58	23.91	21.53	18.55	18.20	21.13	18.48	19.97	21.25	22.16	22.88	23.37
Jet/Kerosene	26.65	24.88	23.33	23.91	22.34	22.72	23.57	21.23	20.56	21.09	21.06	21.54	22.51	21.99
No.2 (Heating Oil)	25.56	24.00	22.04	22.74	21.33	20.65	21.41	20.30	20.30	20.03	20.16	20.70	20.97	20.79
Fuel Oil 1.0%S	15.02	15.31	14.63	15.87	14.28	13.11	15.45	14.17	13.51	13.02	14.00	15.49	16.67	15.66
Fuel Oil 3.0%S	11.42	12.34	11.21	12.17	10.93	9.83	10.73	11.22	10.19	10.17	11.09	12.41	14.50	13.88
Gross Product Worth 3	23.91	22.30	20.16	22.26	19.83	17.76	17.91	19.53	17.88	18.94	19.26	20.39	21.17	20.89
Singapore														
Regular 0.15 g/l	28.63	26.56	24.01	26.59	23.28	21.51	19.31	22.75	19.11	22.14	22.72	23.40	22.62	23.74
Naphtha	22.84	20.24	17.22	19.24	16.38	14.80	13.48	15.91	13.34	14.78	16.21	16.75	17.58	17.72
Jet/Kerosene	28.29	25.39	24.42	25.29	22.77	24.07	21.56	20.89	20.73	21.60	20.94	20.14	20.73	20.71
Gasoil	28.20	25.12	24.02	25.27	22.91	22.92	20.45	20.77	19.59	21.07	21.10	20.14	20.52	20.49
LSWR (0.3%S)	15.16	14.72	14.90	19.16	13.53	10.74	11.00	13.11	10.77	11.74	13.19	14.39	18.54	18.73
HSFO (3.5%S 180cst)	14.10	13.44	11.83	13.23	11.37	10.04	10.56	13.35	10.08	12.25	13.84	13.95	16.01	15.36
Gross Product Worth 4	20.06	18.45	17.17	18.94	16.16	15.32	14.42	16.29	13.93	15.78	16.51	16.59	17.94	17.95

* = 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 PRODUCTS¹
August 1994

	National Currency						US Dollars					
	Price	Tax	%ch Prev.Month		%ch Year Ago		Price	Excl.Tax	%ch Prev.Month		%ch Year Ago	
			Price	Excl.Tax	Price	Excl.Tax	Price	Excl.Tax	Price	Excl.Tax	Price	Excl.Tax
GASOLINE² Price per Litre												
France	5.710	4.553	1.8	8.1	1.1	-2.8	1.061	0.215	1.9	8.6	11.3	7.0
Germany	1.574	1.185	4.8	19.3	15.7	7.2	1.003	0.248	4.9	19.8	25.1	15.9
Italy	1742.0	1297.2	2.2	7.5	5.9	5.4	1.098	0.281	0.7	6.4	7.1	6.8
Spain	112.1	75.1	2.4	6.6	0.8	2.0	0.863	0.285	1.9	5.9	7.6	9.2
UK	0.582	0.418	2.3	7.2	6.9	3.8	0.898	0.253	2.0	7.2	10.6	7.2
Japan	117	57	-0.8	-1.6	-4.1	-6.2	1.167	0.598	-2.6	-3.4	-0.8	-3.1
Canada	0.565	0.265	3.9	7.1	6.2	11.5	0.409	0.217	4.1	7.4	0.5	5.3
USA ³	0.314	0.100	4.7	7.0	8.3	5.3	0.314	0.214	4.7	7.0	8.3	5.4
AUTOMOTIVE DIESEL⁴ Price per Litre												
France	3.262	2.122	0.9	2.7	8.8	-8.1	0.606	0.212	1.0	2.9	19.8	1.0
Germany	1.000	0.620	2.9	8.0	7.3	-2.1	0.637	0.242	2.9	8.0	15.8	5.7
Italy	1043.70	676.04	1.0	2.8	-0.3	-0.9	0.658	0.232	-0.5	1.3	0.9	0.4
Spain	71.29	40.30	0.7	1.7	-5.0	-10.9	0.548	0.238	0.2	1.3	1.3	-4.8
UK	0.443	0.277	1.1	3.1	5.9	-0.6	0.683	0.256	0.9	2.8	9.5	2.8
Japan	78	34	0.0	0.0	6.8	-6.6	0.778	0.438	-1.8	-1.8	10.5	-3.3
Canada	0.513	0.214	0.4	0.7	-1.2	-0.7	0.371	0.216	0.5	0.5	-6.5	-6.1
USA	..	..	..	..	..	..	..	..	..	..	..	..
DOMESTIC HEATING OIL Price per 1000 Litres												
France	2012.9	802.6	0.5	0.7	-3.5	-5.6	374.1	224.9	0.6	0.8	6.3	3.9
Germany	440.3	137.4	5.4	7.0	-2.6	-3.3	280.5	193.0	5.5	7.1	5.2	4.5
Italy	1219000	870670	-0.2	-0.7	0.0	0.0	768.1	219.5	-1.7	-2.2	1.1	1.1
Spain	41799	17252	-0.2	-0.4	-17.1	-23.5	321.5	188.8	-0.8	-0.9	-11.6	-18.3
UK	132.08	26.18	-0.6	-0.7	5.5	-4.0	203.6	163.2	-0.9	-0.9	9.1	-0.7
Japan ⁵	47071	1371	-2.1	-2.1	-6.5	-6.5	469.6	456.0	-3.8	-3.8	-3.3	-3.3
Canada	..	..	..	..	..	..	..	..	..	..	..	..
USA ⁶	237.2	..	-0.9	..	-4.2	..	237.2	..	-0.9	..	-4.2	..
HFO FOR INDUSTRY⁷ Price per Metric Ton												
France	691.8	151.8	-4.2	-5.3	17.9	24.1	128.6	100.3	-4.1	-5.2	29.9	36.7
Germany	207.0	30.0	-2.4	-2.7	7.3	8.6	131.9	112.8	-2.3	-2.7	15.9	17.3
Italy	269720	45000	6.5	7.9	14.0	17.2	169.9	141.6	5.0	6.4	15.2	18.5
Spain	20176	2003	9.2	10.3	26.1	28.0	155.2	139.8	8.6	9.7	34.6	36.6
UK	80.41	11.67	-0.3	-0.4	28.9	32.7	123.9	105.9	-0.6	-0.7	33.3	37.2
Japan	16263	474	-7.4	-7.4	-32.4	-32.4	162.3	157.5	-9.0	-9.0	-30.1	-30.1
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 July 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.