Organization of the Petroleum Exporting Countries

OPEC Monthly Oil Market Report

14 May 2024

Feature article:

Non-Declaration of Cooperation (Non-DoC) oil supply developments

Organization of the Petroleum Exporting Countries

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The countries participating in the Declaration of Cooperation (DoC) are:

Algeria	Azerbaijan
Congo	Bahrain
Equatorial Guinea	Brunei
Gabon	Kazakhstan
IR Iran	Malaysia
Iraq	Mexico
Kuwait	Oman
Libya	Russia
Nigeria	South Sudan
Saudi Arabia	Sudan
United Arab Emirates	
Venezuela	

As our valuable readers of OPEC's Monthly Oil Market Report (MOMR) may have noticed, the previous MOMR issue of April 2024 included the terms 'non-DoC supply' and 'demand for DoC crude', alongside the usual terms 'non-OPEC supply' and 'demand for OPEC crude'.

Going forward, the MOMR will focus on 'demand for DoC crude' instead of the usual 'demand for OPEC crude'. Moreover, it will provide forecasts on 'liquids supply for non-DoC countries', at both an individual and aggregate level, as well as continue reporting on actual historical crude oil production data for countries participating in the DoC. With this, the MOMR's section on 'balance of supply and demand' will now only report 'demand for DoC crude'.

This relevant and appropriate improvement not only demonstrates solidarity and unity within the DoC framework, which is now in its eighth year, but also helps eliminate the potential for misunderstanding and/or misinterpretations.

Oil Market Highlights

Crude Oil Price Movements

In April, the OPEC Reference Basket (ORB) value rose by $4.90, or 5.8%, m-o-m, to average $89.12/b. Oil futures prices averaged higher, with the ICE Brent front-month contract increasing by $4.33, or 5.1%, m-o-m to average $89.00/b, and the NYMEX WTI front-month contract rising by $3.98, or 4.9%, to average $84.39/b. The DME Oman front-month contract rose by $5.12, or 6.1%, m-o-m, to average $89.37/b. The front-month ICE Brent/NYMEX WTI spread widened by 35¢ to average $4.61/b. The market structure of oil futures prices strengthened and money managers remained increasingly bullish about oil. The premium of light sweet to medium sour crudes narrowed across all major trading hubs on lower light distillate margins.

World Economy

The world economic growth forecasts for 2024 and 2025 remain unchanged at 2.8% and 2.9%, respectively. In the United States, economic growth for 2024 and 2025 are revised up slightly to 2.2% and 1.9%, respectively. The economic growth forecast for the Eurozone remains at 0.5% for 2024 and 1.2% for 2025. Japan's economic growth forecast is also unchanged at 0.8% in 2024 and 1% in 2025. China's economic growth forecast remains at 4.8% in 2024 and 4.6% in 2025. India's economic growth forecast is unchanged at 6.6% for 2024 and 6.3% for 2025. Brazil's economic growth forecast remains at 1.6% for 2024, and 1.9% for 2025. Russia's economic growth for 2024 is revised up slightly to 2.3%, while the forecast for 2025 remains at 1.4%.

World Oil Demand

The global oil demand growth forecast for 2024 remains broadly unchanged from last month's assessment at 2.2 mb/d. There were some minor upward adjustments to 1Q24 data, including a slight upward adjustment in OECD Americas and Chinese data due to better-than-expected performance in oil demand in 1Q24. However, this increase was offset by a downward revision to the Middle East in 2Q24 and 3Q24 due to an anticipated slight decline in these two quarters. Accordingly, the OECD is projected to expand by nearly 0.3 mb/d, while the non-OECD is forecast to grow by about 2.0 mb/d. Global oil demand growth in 2025 is expected to remain robust at 1.8 mb/d, y-o-y, unchanged from the previous month's assessment. The OECD is expected to grow by 0.1 mb/d, y-o-y, while demand in the non-OECD is forecast to increase by 1.7 mb/d.

World Oil Supply

The non-DoC liquids supply (i.e. liquids supply from countries not participating in the Declaration of Cooperation) is expected to grow by 1.2 mb/d in 2024, unchanged from the previous month's assessment. The main drivers for growth are expected to be the US, Canada, Brazil and Norway. In 2025, non-DoC liquids supply growth is expected at 1.1 mb/d, broadly unchanged from the previous month's assessment. Again, growth is mainly driven by the US, Brazil, Canada and Norway.

Separately, DoC natural gas liquids (NGLs) and non-conventional liquids are forecast to grow by about 0.1 mb/d to average 8.3 mb/d in 2024, followed by a minor decline of about 10 tb/d to average 8.3 mb/d in 2025. The DoC crude oil production in April decreased by 246 tb/d, m-o-m, averaging 41.02 mb/d, as reported by available secondary sources.

Product Markets and Refining Operations

In April, refinery margins continued to trend downward as the recovery in refinery processing rates and stronger product output weighed on product markets. Most of the weakness stemmed from falling naphtha and diesel crack spreads due to slightly lower demand, which led to a lengthening balance for corresponding products, particularly in the Atlantic Basin. In Singapore, high middle distillate imports from India contributed to downward pressure on Southeast Asian refining profitability despite limited fuel oil crack spread gains and healthy regional gasoline requirements. Global refinery intake increased by 170 tb/d in April to average 80.0 mb/d compared with 79.8 mb/d in the previous month, but was 1.1 mb/d lower y-o-y.

Tanker Market

Dirty freight rates showed divergent trends in April. Very Large Crude Carrier (VLCC) spot freight rates were softer, with the Middle East-to-East route falling 11% m-o-m. In contrast, Suezmax spot freight rates improved, with the US Gulf Coast-to-Europe route seeing a 3% m-o-m increase. The Aframax market also improved, with intra-Med rates up 15%, although East of Suez rates declined. Rates for clean tankers declined on all reported routes, with East of Suez rates down 10% and West of Suez rates falling 20%.

Crude and Refined Products Trade

Preliminary data shows that US crude imports averaged 6.5 mb/d in April, representing an increase of 4%, m-o-m. US crude exports also moved higher, gaining 6% m-o-m to average 4.2 mb/d. US product imports rose by more than 3% to 6.5 mb/d in April, led by gains in gasoline inflows, while product exports were up by almost 3% supported mainly by outflows of propane/propylene, distillate fuel and jet fuel. The latest data for China shows crude imports continuing to climb, averaging 11.6 mb/d in March, representing an increase of 4%, m-o-m. Product imports into China jumped by over 26%, m-o-m, led by inflows of LPG and fuel oil, while product exports increased by around 33%, due to rising outflows of diesel oil, gasoline and jet fuel. India's crude imports in March recovered much of the previous month’s decline, averaging 4.9 mb/d for a gain of 8%. India’s product imports fell 13% on lower inflows of LPG. In Japan, crude imports remained relatively flat in March, averaging 2.4 mb/d for a decline of 2%. Japan’s product exports increased by more than 18%, m-o-m, on support from most major products, except LPG. Preliminary estimates indicate OECD Europe crude imports remained relatively steady in April. Product imports into the region were slightly lower, amid a decline in jet fuel imports.

Commercial Stock Movements

Preliminary March 2024 data shows total OECD commercial oil stocks rose by 20.2 mb, m-o-m. At 2,793 mb, they were 121 mb below the 2015–2019 average. Within the components, crude and product stocks were up by 6.8 mb and 13.5 mb, m-o-m, respectively. OECD commercial crude stocks stood at 1,369 mb in March, which is 93 mb less than the 2015–2019 average. OECD total product stocks in March stood at 1,424 mb. This is 27 mb below the 2015–2019 average. In terms of days of forward cover, OECD commercial stocks increased in March by 0.2 days, m-o-m, to stand at 60.8 days. This is 1.7 days less than the 2015–2019 average.

Balance of Supply and Demand

Demand for DoC crude (i.e. crude from countries participating in the Declaration of Cooperation) remains unchanged from the previous month’s assessment to stand at about 43.2 mb/d in 2024, which is around 0.9 mb/d higher than the estimated level for 2023. Demand for DoC crude in 2025 remains unchanged from the previous month’s assessment to stand at 44.0 mb/d, around 0.8 mb/d higher than the level estimated for 2024.

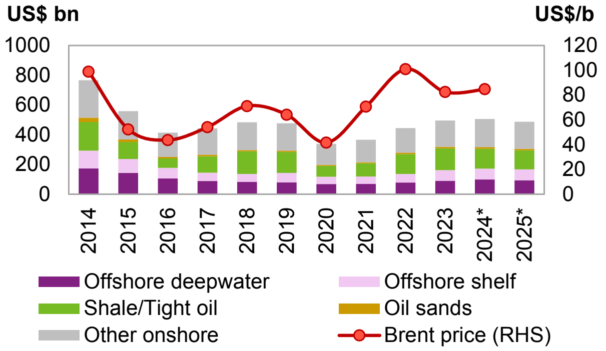
Feature Article

Non-Declaration of Cooperation (Non-DoC) oil supply developments

In 2023, non-DoC liquids output is estimated to have risen by 2.4 mb/d, y-o-y, to average 51.7 mb/d. US liquids production increased by 1.6 mb/d, mainly on the back of light tight oil production and increased NGLs output from non-conventional basins. US shale oil production increased by 0.6 mb/d, mainly from the Permian, where output increased by 0.4 mb/d, supported by improvements in drilling and completion. At the same time, output in the Bakken and Eagle Ford basins rose by 125 tb/d and 36 tb/d, y-o-y, respectively. Liquids supply in Brazil rose by around 0.5 mb/d on the back of several offshore start-ups last year. Norway and China also contributed to production growth in 2023. These developments were partially offset by supply declines, mainly from the UK.

In 2023, upstream companies in the US experienced mixed dynamics. Shale firms acknowledged that higher costs and falling prices forced some of them to cut back drilling and completion activities, especially during the first half of last year. However, improvements in well productivity, rig performance and operational efficiencies supported strong production levels throughout the year, leading to the growth of 2.4 mb/d, y-o-y, in December 2023 over December 2022.

Graph 1: Non-OPEC investment in oil and gas vs. crude price



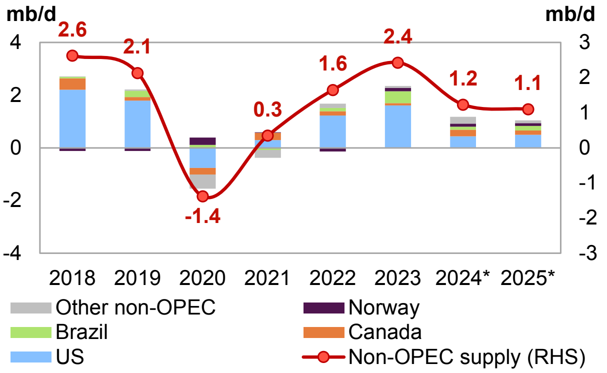
*Note: * 2024-2025 = Forecast; Oil price average Jan 24-Apr 24.*
Source: OPEC.

Capital spending for oil and gas exploration and production (E&P) in non-OPEC countries increased by US$51 bn, y-o-y, reaching US$496 bn in 2023. It is expected to rise by 2%, y-o-y, in 2024. However, a decline of about 4%, y-o-y, is expected in 2025 to US$487 bn. Upstream E&P investment in the US is estimated to rise by 17%, y-o-y, in 2023 to US$173 bn. However, it is expected to drop by around 7%, y-o-y, both in 2024 and 2025.

For 2024, non-DoC liquids supply is expected to grow by 1.2 mb/d in 2024, averaging 53.0 mb/d. Liquids output in the OECD (excluding Mexico) is expected to increase by 0.7 mb/d, y-o-y, in 2024, mainly on the back of production increases in the US, Canada and Norway. US crude oil and condensate production is anticipated to grow by 0.3 mb/d, with NGLs and biofuel production also expected to rise. Canadian oil production, particularly Alberta's oil sands, is forecast to grow by 0.2 mb/d, y-o-y, in 2024. Production growth in the North Sea is also projected at around 0.1 mb/d. In the non-OECD region (excluding DoC countries), Latin America is forecast to be the major driver for liquids supply. Output in the region is set to increase by 0.4 mb/d, y-o-y, in 2024, mainly due to several offshore ramp-ups and start-ups in key countries.

In 2025, the non-DoC liquids supply is forecast to grow by 1.1 mb/d, y-o-y, to average 54.1 mb/d. OECD (excluding Mexico) liquids production is expected to rise by 0.8 mb/d, y-o-y, supported by growth of 0.5 mb/d and 0.2 mb/d, y-o-y, in the US and Canada, respectively. US crude and condensate output is expected to rise by 0.3 mb/d, y-o-y, in 2025, while NGLs production is forecast to rise by 0.2 mb/d, assuming a higher gas price environment. At the same time, Latin America is forecast to be the main driver of production in the non-OECD region in 2025, adding 0.3 mb/d to the region's liquids growth.

Graph 2: Non-DoC supply growth by selected country



*Note: * 2024 & 2025 = Forecast. Source: OPEC.*

The forecast continues to face significant uncertainties, particularly in light of the ongoing geopolitical developments across several regions. Moreover, the anticipated trajectory and pace of inflation's decline, particularly within the services sector, are poised to influence crude oil production costs going forward. The potential influence of the present limited investment commitment in upstream E&P projected for 2024 and 2025 on production levels remains uncertain amid an ongoing drive for efficiency and enhanced productivity throughout the industry.

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Crude Oil Price Movements

In April, the OPEC Reference Basket (ORB) value averaged $4.90/b, or 5.8%, higher, m-o-m, to stand at $89.12/b, with all ORB component values rising alongside their respective crude oil benchmarks.

The ICE Brent front-month contract rose by $4.33, or 5.1%, m-o-m to average $89.00/b, and NYMEX WTI increased by $3.98, or 4.9%, m-o-m, to average $84.39/b. DME Oman crude oil futures prices rose by $5.12, or 6.1%, m-o-m, to settle at $89.37/b.

Hedge funds and other money managers remained largely bullish about oil in the first half of April, sharply raising their net long positions in ICE Brent to their highest since March 2021 along with substantial financial flows into the two key futures contracts, ICE Brent and NYMEX WTI. Geopolitical developments in early April prompted speculators to raise bullish wagers which fuelled oil price momentum. However, in the second half of April, speculators heavily sold long positions following signs of a potential easing of geopolitical risks, which also contributed to rising volatility.

The forward curves of crude futures prices steepened and the nearest time spreads moved into stronger backwardation. Supported by high-risk premiums, front-month prices rose more than forward prices. The prospect of further increased oil demand during the upcoming summer holiday season supported the price of near-term contracts of all major oil benchmarks, which steepened the oil futures forward curves. However, reduced demand from ongoing refinery maintenance in Europe, availability of unsold cargoes in the spot market, and a build in US crude stocks weighed on the market structure, specifically in the second half of April.

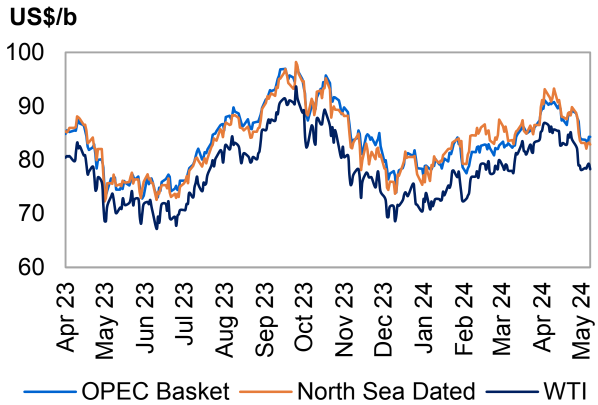
The light sweet premium to medium sour crude narrowed in April across all main regions to the lowest since at least last January. This was due to weaker light sweet crude market fundamentals against a backdrop of refinery outages in Europe and the US which lowered demand, along with high supply availability of light sweet crude due to US crude exports. Sweet-sour crude differentials also contracted because of a drop of light and medium distillate margins in all major trading hubs, including a drop in naphtha, diesel/gasoil and gasoline margins that weighed on the value of light sweet crude.

Crude spot prices

In April, the **crude spot prices** increased, with major benchmarks climbing over 5%, m-o-m, expanding the momentum from the previous month. This upward trajectory in crude spot prices was primarily underpinned by the rally of oil futures prices, mirroring a sustained positive sentiment in the market.

The spot market was also buoyed by a firm demand for May loading barrels, specifically for sour crude, as in some regions the refinery maintenance season reached its peak, prompting a steady increase in crude intake, signalling a recovery in refining activity ahead of the summer holiday season. Demand from Asia-Pacific refiners remained sustained, helping absorb available supply in the Atlantic basin amid refinery maintenance in Europe.

Graph 1 - 1: Crude oil price movements



Sources: Argus, OPEC and Platts.

However, gains were capped by the decline in refining margins across major hubs, specifically gasoil which declined by more than $7/b against Brent in Rotterdam. The diesel/gasoil margin also dropped in Asia and the USGC, potentially posing a challenge, squeezing refiner profitability, thereby dampening overall market sentiment. Additionally, softened demand from European refiners added to the headwinds, amid seasonal refinery maintenance. The substantial build in US crude stocks in April also weighed on the value of spot prices. On a monthly average, the North Sea Dated-ICE Brent spread narrowed for a second consecutive month in April by 25¢ to stand at a premium of 52¢/b.

All physical crude oil benchmarks rose in April, with the Dubai first-month contract increasing the most by $4.91, or 5.8%, m-o-m, settling at $89.12/b. The North Sea Dated and WTI first-month contracts rose by $4.45 and $4.10, or 5.2% and 5.1%, m-o-m, to settle at $89.89/b and $84.59/b, respectively.

Table 1 - 1: OPEC Reference Basket and selected crudes, US$/b

OPEC Reference Basket (ORB)	Mar 24	Apr 24	*Change* Apr 24/Mar 24	%	*Year-to-date* 2023	2024
ORB	**84.22**	**89.12**	***4.90***	***5.8***	**81.38**	**83.67**
Arab Light	85.61	90.64	*5.03*	*5.9*	83.19	85.19
Basrah Medium	82.13	87.01	*4.88*	*5.9*	78.15	81.69
Bonny Light	87.86	93.17	*5.31*	*6.0*	82.44	86.87
Djeno	77.99	82.44	*4.45*	*5.7*	74.53	77.44
Es Sider	85.34	89.34	*4.00*	*4.7*	80.80	84.56
Iran Heavy	83.48	88.79	*5.31*	*6.4*	81.56	83.21
Kuwait Export	84.43	89.76	*5.33*	*6.3*	82.73	84.05
Merey	70.98	74.91	*3.93*	*5.5*	60.74	69.92
Murban	84.52	89.19	*4.67*	*5.5*	82.26	83.44
Rabi Light	84.98	89.43	*4.45*	*5.2*	81.52	84.43
Sahara Blend	87.54	90.79	*3.25*	*3.7*	83.25	86.40
Zafiro	86.84	91.29	*4.45*	*5.1*	82.02	86.27
Other Crudes						
North Sea Dated	85.44	89.89	*4.45*	*5.2*	81.98	84.87
Dubai	84.21	89.12	*4.91*	*5.8*	81.02	83.22
Isthmus	78.72	82.92	*4.20*	*5.3*	68.53	77.43
LLS	83.51	87.60	*4.09*	*4.9*	79.47	81.73
Mars	80.23	85.06	*4.83*	*6.0*	75.22	79.00
Minas	90.74	96.43	*5.69*	*6.3*	80.27	87.18
Urals	68.24	73.02	*4.78*	*7.0*	46.94	67.51
WTI	80.49	84.59	*4.10*	*5.1*	76.81	78.95
Differentials						
North Sea Dated/WTI	4.95	5.30	*0.35*	-	5.17	5.92
North Sea Dated/LLS	1.93	2.29	*0.36*	-	2.51	3.14
North Sea Dated/Dubai	1.23	0.77	*-0.46*	-	0.95	1.65

Sources: Argus, Direct Communication, OPEC and Platts.

Most light sweet **crude differentials** weakened in the Atlantic Basin, coming under pressure from soft demand from European refiners and lower refining margins, although demand from the Asia-Pacific limited losses amid a narrower Brent-Dubai spread that made west-to-east arbitrage workable.

North Sea crude differentials of light grades fell on a sharp decline in light distillate margins, including naphtha and gasoline, and the availability of unsold cargoes of similar crudes in the Atlantic basin weighed on spot prices. The Forties and Ekofisk crude differentials saw their average values decline by 7¢ and 68¢ to settle at premiums of 70¢/b and $1.87/b, respectively, against the Brent benchmark in April. However, sour crude strengthened on firm demand and lower availability, with the values of the Johan Sverdrup crude differential rising by a hefty $1.94 to average a discount of 52¢/b.

Similarly, in the **Mediterranean** and **Caspian** regions, crude differentials weakened on softer demand and lower refining margins in Europe, specifically naphtha and diesel. A sharp drop in diesel/gasoil margins pushed the value of Azeri Light. Azeri Light crude differentials dropped in April on a daily basis to their lowest since 2021 on a lack of demand and a sharp decline in middle distillate margins, along with high competition from similar crude quality in the Mediterranean and West Africa. Azeri Light crude differentials fell by 81¢, m-o-m, to average a premium of $2.20/b to North Sea Dated. Saharan Blend fell by $1.34, m-o-m, to average a premium of 13¢/b. However, CPC Blend crude differentials rose by 96¢ to stand at a discount of $2.33/b to North Sea Dated, mainly supported by the prospect of lower availability of the grade due to scheduled maintenance in the Tengiz field in May.

West African sweet crudes weakened on the slow clearing of May loading cargoes, low demand from Europe, and the availability of similar crude quality in Northwest Europe, the US and the Mediterranean, along with the sharp drop in light and middle distillate crack spreads. Crude differentials of Bonny Light, Forcados and Qua Iboe declined on a monthly average in April by $1.04, $1.56 and $1.29 to stand at premiums of $1.76/b, $2.75/b and $2.22/b, respectively. However, sour crude Cabinda rose by 44¢, m-o-m, to stand at a discount of 50¢/b against North Sea Dated.

In the **USGC**, crude differentials were mixed in April, amid soft demand, weak refining margins, and a large build in PADD3 (Petroleum Administration for Defence District). Light Louisiana Sweet (LLS) fell by 5¢ on a monthly basis to stand at a premium of $2.97/b to the WTI benchmark in April, while Mars sour crude differentials increased by 66¢ on average, flipping to a discount of 39¢/b against the WTI benchmark. The value of Dubai-related crudes in the **Middle East** strengthened in April, supported by firm demand from Asia-Pacific refiners and higher fuel oil margins. In the Middle East spot market, the value of crude differentials of Oman rose by $1.00 to a premium of $2.33/b

OPEC Reference Basket (ORB) value

In April, the **ORB** value averaged $4.90/b, or 5.8%, higher, m-o-m, to stand at $89.12/b, with all ORB component values rising alongside their respective crude oil benchmarks. This largely offset mixed movement in the official crude selling prices and crude differentials. On a yearly average, the ORB was up $2.29, or 2.8%, from $81.38/b in 2023, to an average of $83.67/b in 2024, y-t-d.

All **ORB component** values increased last month alongside their respective crude oil benchmarks. West and North African Basket components – Bonny Light, Djeno, Es Sider, Girassol, Rabi Light, Sahara Blend, and Zafiro – rose by $4.32, m-o-m, or 5.1% on average, to $89.41/b. Multiple region destination grades – Arab Light, Basrah Light, Iran Heavy, and Kuwait Export – increased by $5.14, m-o-m, or 6.1% on average, to settle at $89.05/b. Murban crude rose by $4.67, m-o-m, or 5.5% on average, to settle at $89.19/b, and the Merey crude component was up by $3.93, m-o-m, or 5.5% on average, to settle at $74.91/b

The oil futures market

Crude oil futures prices averaged about 5% higher in April, m-o-m, primarily supported by increased risk premiums earlier in the month amid geopolitical tensions. Oil futures' upward momentum was fueled by higher financial flows along with a bullish stance from money managers. Meanwhile, the global economy showed signs of resilience amid a continuous rebound in manufacturing activity in emerging economies, and trader sentiment remained optimistic about the outlook of crude market fundamentals ahead of the driving season, despite some signs of weakness in the diesel market.

Crude oil futures prices soared in the first week of April, reaching a five-month high, fueled by geopolitical concerns. Market sentiment further improved on expectations for strong market fundamentals as well as a better-than-expected US jobs report, indicating a resilient US labour market. The oil price rally was further supported by higher financial flows, specifically in the ICE Brent market, and a bullish stance from money managers contributed to the price momentum. However, in the second week of the month, oil futures prices retreated from the five-month highs registered earlier in the month as traders' worries about oil supply dissipated. Additionally, concerns over inflationary pressures, as evidenced by the US Producer Price Index reaching an 11-month high, tempered expectations of an imminent interest rate cut in the US. Inflation data in China suggested soft demand, further weighing on market sentiment.

Oil futures prices continued to decline in the second half of the month amid heightened volatility, as more signs of easing geopolitical risk prompted profit-taking from traders. The drop in oil futures prices was accelerated by heavy selloffs from money managers in the two main futures contracts, selling an equivalent of 63 mb in the week of 23 April. A strong US dollar, mixed US economic data, and uncertainty on an interest rate cut due to the Fed signalling inflationary concerns weighed on market sentiment. Later in the month, prices faced additional downward pressure following the release of weekly data showing a larger-than-expected build in US crude stocks, along with a solid m-o-m gain in US crude production in February.

The ICE Brent front-month contract rose by $4.33 in April, or 5.1%, to average $89.00/b, and NYMEX WTI increased by $3.98, or 4.9%, to average $84.39/b. Y-t-d, ICE Brent was $1.24, or 1.5%, higher at $83.63/b, and NYMEX WTI was higher by $2.09, or 2.7%, at $78.89/b, compared with the same period a year earlier. DME Oman crude oil futures prices rose in April by $5.12, or 6.1%, to settle at $89.37/b. Y-t-d, DME Oman was higher by $2.47, or 3.0%, at $83.47/b.

Table 1 - 2: Crude oil futures, US$/b

Crude oil futures	Mar 24	Apr 24	*Change* Apr 24/Mar 24	%	*Year-to-date* 2023	2024
NYMEX WTI	80.41	84.39	3.98	4.9	76.80	78.89
ICE Brent	84.67	89.00	4.33	5.1	82.39	83.63
DME Oman	84.25	89.37	5.12	6.1	81.00	83.47
Spread						
ICE Brent-NYMEX WTI	*4.26*	*4.61*	*0.35*	*8.2*	*5.59*	*4.74*

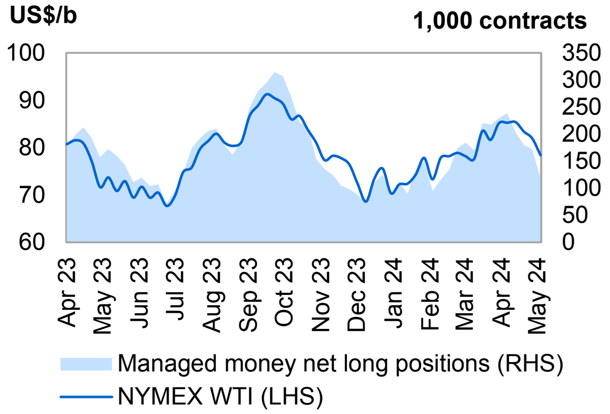
Note: Totals may not add up due to independent rounding.
Sources: CME, DME, ICE and OPEC.

The transatlantic **ICE Brent-NYMEX WTI front-month spread** widened in April, as the ICE Brent contract rose more than WTI futures, buoyed by heightened geopolitical risk premiums in the first half of the month. As an international benchmark, ICE Brent was more sensitive to geopolitical developments when compared to the landlocked US benchmark NYMEX WTI. ICE Brent was also bolstered by higher financial flow when compared to NYMEX WTI. At the same time, high crude supply in the US reflected by a large build in US crude stocks, including a rise of stocks in Cushing, Oklahoma, weighed on the value of the NYMEX WTI price. The ICE Brent-NYMEX WTI spread widened in April on a monthly average by 35¢ to settle at $4.61/b, keeping US crude competitive for international buyers.

The spread between North Sea Dated and WTI Houston also widened last month, rising by 30¢ to a premium of $3.57/b. Despite sustained crude exports from the USGC, lower refiner intakes and a build in crude stocks in the US PADD3 weighed on spot prices in the USGC. The prospect of lower loading programs for the Brent component basket likely supported Brent Dated.

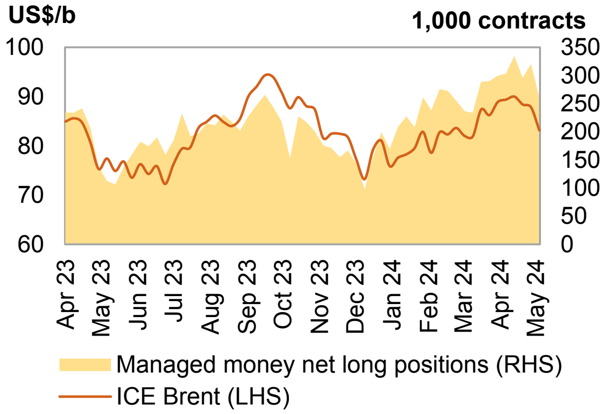
Money managers were largely bullish about oil in the first half of April, sharply raising their bullish positions in ICE Brent to their highest since March 2021 along with substantial financial flows into futures contracts for both ICE Brent and NYMEX WTI. Net long positions in the two contracts rose in the first two weeks of April by 3.8%. Speculators bought an equivalent of 31 mb during the same period. Geopolitical developments in early April prompted speculators to raise bullish wagers which fueled oil price momentum. However, in the second half of April, speculators actively sold long positions following signs of a potential easing of geopolitical risks, which also contributed to a sharp decline in oil futures prices. Between the weeks of 16 and 30 April, speculators sold an equivalent of 45 mb. Significant fluctuations in net long positions in ICE Brent and NYMEX WTI over April fueled oil price volatility.

Graph 1 - 2: NYMEX WTI vs. Managed Money net long positions



Sources: CFTC, CME and OPEC.

Graph 1 - 3: ICE Brent vs. Managed Money net long positions



Sources: ICE and OPEC.

Money managers turned more bullish about **ICE Brent** futures prices in the first half of April, likely encouraged by oil supply concerns against the backdrop of escalating tensions in the Middle East. Money managers were buyers of an equivalent of about 45 mb in ICE Brent contracts between the weeks of 26 March and 16 April. In the second half of April, net long positions retreated slightly as money managers sold an equivalent of 14 mb. The combined futures and options net long positions related to Brent increased by 30,804 lots, or 10.6%, over the course of the month, to stand at 320,773 contracts on the week of 30 April, according to the ICE Exchange. This is due to total long positions increasing by 34,258 lots, or 9.5%, to 395,176 contracts, and total short positions rising by 3,454 lots, or 4.9%, to stand at 74,403 contracts over the same period.

However, money managers cut **NYMEX WTI** net long positions over the course of April due to a sharp rise in short positions. Net long positions declined by 44,750 lots, or 20.6% between the weeks of 26 March and 30 April to 172,689 contracts, according to the US Commodity Futures Trading Commission (CFTC). The decline in net long positions was driven by a large increase in total short positions of 38,570 lots, or 97.5%, to 78,141 contracts. During the same period, total long positions fell by 6,180 lots, or 2.4%, to 250,830 contracts.

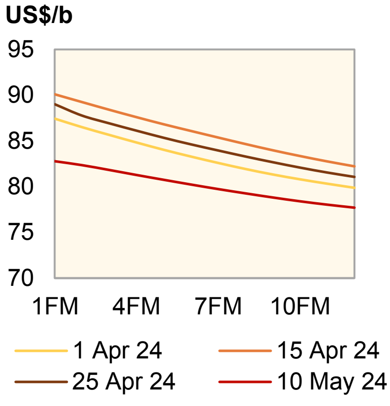
The **long-to-short ratio** of speculative positions in the ICE Brent stayed at 5:1 in April, unchanged from the level registered in late March. However, the NYMEX WTI long-to-short ratio declined to 3:1 in the week of 30 April, compared with 6:1 in the week of 26 March.

Total open interest volumes related to ICE Brent and NYMEX WTI futures and options increased in April by 62,896 lots, or 1.2%, to stand at 5.2 million contracts in the week ending 30 April. Open interest volumes related to ICE Brent futures and options rose by 94,345 contracts, or 3.3%, m-o-m, to stand at 3.0 million contracts in the week ending 30 April. However, open interest volumes related to NYMEX WTI futures and options declined by 31,449 lots, or 1.4%, to stand at 2.2 million contracts in the week ending 30 April.

The futures market structure

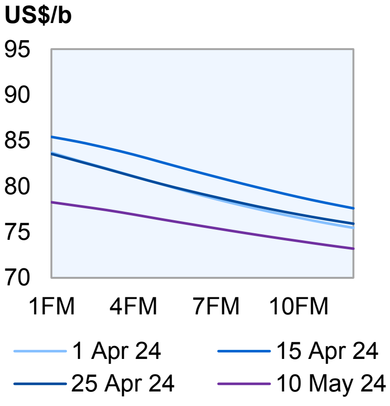
The forward curves of crude futures prices steepened and the nearest time spreads moved into stronger backwardation as front-month prices that were supported by high-risk premiums rose more than forward prices. This reflected traders' optimistic view of short-term supply and demand dynamics. The prospect of further increased oil demand during the upcoming summer holiday season, bolstered the near-term contract prices of all major oil prices, which steepened the oil futures forward curves. However, ongoing refinery maintenance in Europe that reduced crude demand, availability of unsold cargoes in the spot market, and a build in US crude stocks weighed on the market structure, specifically in the second half of April.

Graph 1 - 4: ICE Brent forward curves



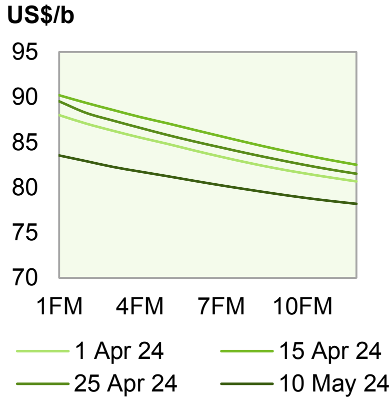
Sources: ICE and OPEC.

Graph 1 - 5: NYMEX WTI forward curves



Sources: CME and OPEC.

Graph 1 - 6: DME Oman forward curves



Sources: DME and OPEC.

The front end of the forward curve for **ICE Brent** steepened in April compared with the previous month, despite refinery maintenance in Europe and the availability of unsold cargoes for May loadings in the Atlantic basin. ICE Brent, as an international benchmark, was affected by geopolitical developments earlier in April, raising the risk premium into the nearest futures contract. Traders remained optimistic about oil market fundamentals heading into the holiday season. On a monthly average, the ICE Brent M1/M3 spread rose by 51¢ to a backwardation of $1.83/b in April. The ICE Brent M1/M6 spread also widened last month by 82¢ with backwardation standing at $4.15/b on average, compared with a backwardation of $3.34/b in March.

In the US, the structure of **NYMEX WTI** also strengthened last month, with the front of the forward curve moving into stronger backwardation. This came despite a build in US crude stocks, including at Cushing, and lower US refinery intakes. The NYMEX WTI M1/M3 spread widened by 37¢ to an average backwardation of $1.49/b in April.

The market structure of **DME Oman** strengthened on firm demand for sour crude, specifically from Asia-Pacific refiners in the spot market, and ongoing tensions in the Middle East. On a monthly average, the DME Oman M1/M3 spread widened by 66¢ to a backwardation of $1.77/b in April, from a backwardation of $1.11/b in March.

The **North Sea Brent M1/M3** spread widened on a monthly average by 76¢ to a backwardation of $2.01/b in April, compared to $1.24/b in the month before. In the US, the **WTI M1/M3** spread also widened by 45¢ to a backwardation of $1.57/b. The **Dubai M1/M3** backwardation widened on average by 69¢, m-o-m, to a backwardation of $2.08/b in April.

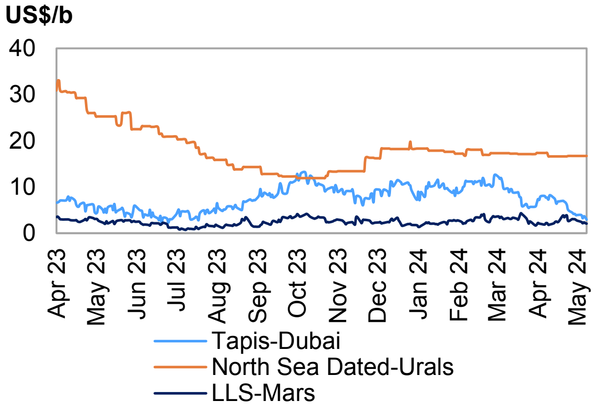
Crude spreads

The **premium of light sweet to medium sour crudes** narrowed in April across all main regions to the lowest level seen at least since last January. This is due to weaker light sweet crude market fundamentals amid refinery outages in Europe and the US which lowered demand, along with high supply availability of light sweet crude, specifically from US crude exports. The sweet-sour crude differentials also contracted because of a weakening in light and medium distillates margins in all major trading hubs, including a drop in naphtha, diesel/gasoil and gasoline margins which weighed on the value of light sweet crude.

Meanwhile, the value of the medium and heavy sour crudes performed better than light sweet crudes against a backdrop of robust demand for medium sour crude, strong fuel oil margins and the prospects for a tighter supply of sour crude in Latin America. A further narrowing of the spread between light/medium distillates and heavy distillate product margins, such as the diesel/gasoil-high sulphur fuel oil (HSFO) spread contributed to the narrowing of the the spread between sweet and sour crudes.

In **Europe**, sweet-sour crude differentials narrowed on stronger sour crude, while light sweet gain was capped by soft fundamentals. The Ekofisk–Johan Sverdrup spread narrowed significantly in April by $2.62, m-o-m, to stand at $2.39/b, as the value of the Johan Sverdrup medium sour crude rose on firm demand for prompt loading cargoes amid a lower availability of sour crude in Europe. Meanwhile, light sweet crude was under pressure in Northwest Europe amid high arrivals from the US and the availability of unsold cargoes in the Atlantic basin. A sharp drop in naphtha, gasoline and diesel margins heavily weighed on the value of light and medium sweet crudes. The spread between North Sea Dated and Urals contracted slightly last month on a higher value of Urals, which was mainly exported to Asia.

Graph 1 - 7: Differentials in Asia, Europe and USGC



Sources: Argus, OPEC and Platts.

Urals crude differentials in Northwest Europe against North Sea Dated narrowed on a monthly basis by 30¢ to stand at a discount of 17.29/b in April.

The crude quality differential followed the same trend in **Asia**, as the value of sour crude rose more than light sweet crude. This was reflected in the Tapis premium over Dubai which narrowed by $2.11/b, m-o-m, to stand at $6.79/b in April. Similarly, the Brent-Dubai differential narrowed by 46¢, m-o-m, to reach a premium of 77¢/b, compared with a $1.23/b premium recorded in March. Firm demand from Asia-Pacific buyers for medium crude in the East Suez spot market, along with higher HSFO margins, buoyed the value of sour crude. At the same time, light sweet crude in the Atlantic Basin fell sharply, which weighed on the value of similar crude in the East Suez market. This, in addition to the sharp decline in light and middle distillate margins, limited demand for lighter grades.

In the **USGC**, the value of sour crude strengthened more than light sweet last month, as the prospect of a lower supply of sour crude, including from Mexico, and stronger fuel oil margins pushed the value of sour crude higher. The value of light sweet crude was under pressure from high the availability of light sweet crude that was reflected in a large build in US crude stocks, specifically in PADD3, in addition to the narrowing of the spread between light and middle distillate margins. The LLS premium over medium sour Mars narrowed on average in April by 74¢ to stand at $2.54/b.

Commodity Markets

All commodity price indices advanced for a second consecutive month in April, supported by price gains across all selected commodities.

In the futures market, combined money managers' net length and open interest rose in April, but sentiment remained mixed, particularly around energy commodities.

Strong US macroeconomic indicators in April, coupled with persistent inflationary pressures, strengthened the US dollar and weighed on expectations of more accommodative interest rates. Against this backdrop, global industrial activity improvements and geopolitical developments continued to support commodity prices across the month.

Trends in selected commodity markets

The **energy price index** advanced for a fourth consecutive month in April, increasing by 5.2%, m-o-m. A price rally across all components supported the index, led by a rebound in US natural gas prices, and supported by consecutive monthly gains in Europe’s natural gas, average crude oil and coal prices. The index was up by 0.4%, y-o-y.

Table 2 - 1: Commodity prices

Commodity	Unit	*Monthly averages*			*% Change*	*Year-to-date*	
		Feb 24	Mar 24	Apr 24	Apr 24/Mar 24	2023	2024
Energy*	Index	**102.2**	**104.2**	**109.7**	**5.2**	**110.6**	**104.3**
Coal, Australia	US$/mt	124.2	131.5	135.0	2.6	226.7	128.9
Crude oil, average	US$/b	80.5	83.5	88.0	5.3	79.9	82.4
Natural gas, US	US$/mbtu	1.7	1.5	1.6	6.5	2.5	2.0
Natural gas, Europe	US$/mbtu	8.1	8.6	9.1	6.2	16.0	8.8
Non-energy*	Index	**106.8**	**109.2**	**115.0**	**5.3**	**113.8**	**109.5**
Base metal*	Index	**103.6**	**107.6**	**118.3**	**9.9**	**116.4**	**108.4**
Precious metals*	Index	**151.6**	**162.0**	**175.8**	**8.6**	**145.5**	**160.5**

*Note: * World Bank commodity price indices (2010 = 100).*
Sources: World Bank and OPEC.

Average crude oil prices continued their upward trajectory in April, rising by 5.3%, m-o-m. Prices were supported by stronger market fundamentals over the period. Prices were up by 6.7%, y-o-y.

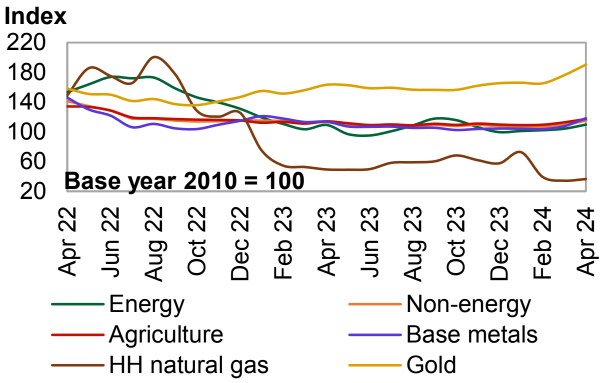
Henry Hub natural gas prices rebounded in April after two consecutive months of sharp declines. Prices rose by 6.5%, m-o-m, amid lower production and ongoing maintenance activities at key facilities. Nonetheless, prices remain at historical lows (at an average of $1.6/mmbtu in April), exacerbated by seasonal demand weakness. Prices were down by 26.1%, y-o-y.

Natural gas prices in Europe experienced a consecutive monthly increase. The average Title Transfer Facility (TTF) price went from $8.6/mmbtu in March to $9.1/mmbtu in April, a 6.2% increase, m-o-m. Geopolitical developments continued to underpin prices, despite reports of healthy inventory levels. Maintenance outages at key US production facilities added support to TTF prices amid concerns of lower US LNG inflows. Prices were down by 32.8%, y-o-y.

Australian thermal coal prices rose for a second consecutive month in April increasing by 2.6, m-o-m. A combination of higher European demand and higher transportation costs in South Africa and the US added support to prices. However, higher Indonesian exports partially offset the supply disruptions from South Africa. Prices were down by 30.5%, y-o-y.

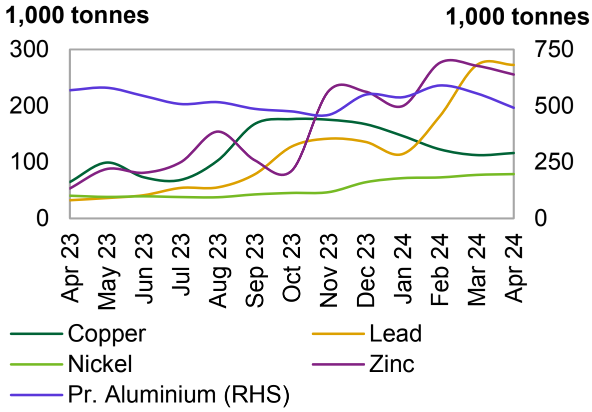
The **non-energy price index** rose for a third consecutive month in April, increasing by 5.3%, m-o-m. Both the agriculture (up by 4.1%, m-o-m) and base metals (up by 9.9%, m-o-m) indices advanced over the same period. The non-energy price index was down by 0.9%, y-o-y.

Graph 2 - 1: Major commodity price indices



Sources: World Bank, S&P Goldman Sachs, Haver Analytics and OPEC.

Graph 2 - 2: Inventories at the LME



Sources: LME, Thomson Reuters and OPEC.

The **base metal index** rose for a second consecutive month in April, increasing by 9.9%, m-o-m. All of the index components advanced over the same period. It should be noted that the global manufacturing purchasing manager's index (PMI) receded in April to 50.3, down from 50.6 in March. Nevertheless, it remained in expansionary territory, a positive factor for base metal prices. Base metal prices were further supported by another monthly improvement in China's manufacturing PMI to 51.4 in April, up from 51.1 in March. The base metal index was up by 4.1%, y-o-y.

Aluminium prices rose for a second consecutive month in April, increasing by 12.6%, m-o-m. Prices were up by 7.0%, y-o-y. At the London Metal Exchange (LME) warehouses, inventories fell by 11.5%, m-o-m, over the same period, and were down by 13.7%, y-o-y. In terms of warrants, cancelled warrants in Apri rose by 8.9%, m-o-m, and they were up by more than 100%, y-o-y. On-warrants fell by 29.1, m-o-m, and were down by 47.0%, y-o-y.

Average monthly **copper prices** advanced for a second consecutive month in April. Prices rose by 8.9%, m-o-m, and were up by 7.4%, y-o-y. At LME warehouses, inventories in April rose by 3.2%, m-o-m, and were up by 79.9%, y-o-y. In terms of warrants, cancelled warrants in April rose by 15.5%, m-o-m, and were up by 48.7%, y-o-y. On-warrants in April rose by 2.3%, m-o-m, and were up by more than 100%, y-o-y.

Lead prices rebounded in April after two consecutive monthly declines. Prices rose by 3.6%, m-o-m, recovering losses from the two previous months. Prices were down by 0.9%, y-o-y. At LME warehouses, inventories were almost flat, m-o-m, but were more than 100% higher, y-o-y. In terms of warrants, cancelled warrants were more than 100% higher both m-o-m and y-o-y. On-warrants fell by 8.5%, m-o-m, and were up by more than 100%, y-o-y.

Nickel prices rose for a third consecutive month in April, increasing by 4.2%, m-o-m. Prices were down by 24.0%, y-o-y. At LME warehouses, inventories in April rose by 1.9%, m-o-m, and were up by 96.9%, y-o-y. In terms of warrants, cancelled warrants in April rose by 41.1%, m-o-m, and were up by 53.2%, y-o-y. On-warrants fell slightly in April by 0.4%, m-o-m, and were up by 89.1%, y-o-y.

Zinc prices increased for a second consecutive month in April, rising by 11.0%, m-o-m. Prices were down by 1.3%, y-o-y. At LME warehouses, inventories fell in April by 5.7%, m-o-m, and were up by more than 100% y-o-y. In terms of warrants, cancelled warrants in April fell sharply by 33.2%, m-o-m, and were up by more than 100%, y-o-y. On-warrants rose in April by 5.3%, m-o-m, and were up by more than 100%, y-o-y.

Iron ore prices rebounded in April after three consecutive monthly losses. Prices rose by 2.7%, m-o-m, and were down by 4.0%, y-o-y. China's steel industry PMI rose to 47.9 in April, up from 44.2 in March, an 8.4% increase, m-o-m.

The **precious metals index** advanced for a second consecutive month in April, rising by 8.6%, m-o-m. All the index components experienced monthly gains over the same period. **Gold, silver and platinum** rose by 8.0%, 12.1%, and 3.5%, m-o-m, respectively. Geopolitical uncertainties, coupled with higher central bank buying, supported gold prices against a backdrop of a stronger US dollar. Moreover, silver and platinum received additional support on the manufacturing side. The index was up by 15.2%, y-o-y. Gold and silver prices were also up by 16.6% and 9.9%, y-o-y, respectively, while platinum prices were down by 10.5%, y-o-y.

Investment flows into commodities

Combined money managers' net length rose for a second consecutive month in April, up by 17.2%, m-o-m. The increase in net length was driven by copper and gold, but was partially offset by drops in natural gas and crude oil. The combined net length was up by 4.8%, y-o-y, led by copper, gold and crude oil, but partially offset by a drop in natural gas.

Combined open interest (OI) rose for a fourth consecutive month in April, increasing by 6.5%, m-o-m. OI increase was driven by copper, gold and crude oil, but was partially offset by a drop in natural gas. OI was up by 9.0%, y-o-y, driven by copper, gold and crude oil, but again was partially offset by a drop in natural gas.

Table 2 - 2: CFTC data on non-commercial positions, 1,000 contracts

Selected commodity	*Open interest*		*Long*		*Short*		*Net length*			
	Mar 24	Apr 24	Mar 24	Apr 24	Mar 24	Apr 24	Mar 24	% OI	Apr 24	% OI
Crude oil	2,222	2,327	237	263	33	64	204	9	199	9
Natural gas	1,587	1,579	239	226	331	324	-92	-6	-99	-6
Gold	759	882	186	200	29	26	157	21	174	20
Copper	294	389	83	121	68	62	15	5	59	15

Note: Data on this table is based on a monthly average.
Open interest includes both commercial and non-commercial positions.
Sources: CFTC and OPEC.

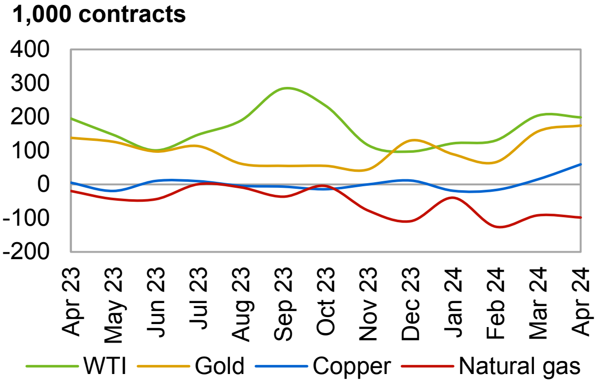
Total crude oil (WTI)'s OI rose for a fourth consecutive month in April, increasing by 4.7%, m-o-m. However, money managers cut the net length by 2.7% over the same period. The decline in net length is associated with a higher ratio of short positions to long positions. OI was down by 3.1%, y-o-y, while money managers' net length was up by 1.8% over the same period.

Total Henry Hub natural gas OI fell slightly in April after six consecutive monthly increases. OI fell by 0.5%, m-o-m, and money managers cut net length by 7.1%, m-o-m, over the same period. The historic low-price environment remained a drag on money managers' sentiment. OI was up by 17.5%, y-o-y, and net length was up by more than 100% over the same period.

Gold's OI rose for a second consecutive month in April, up by 16.3%, m-o-m. Money managers also increased their net length by 10.9% over the same period. The shift of investors towards safe haven assets supported money managers' sentiment. OI was up by 20.1%, y-o-y, with net length up by 26.4%, y-o-y.

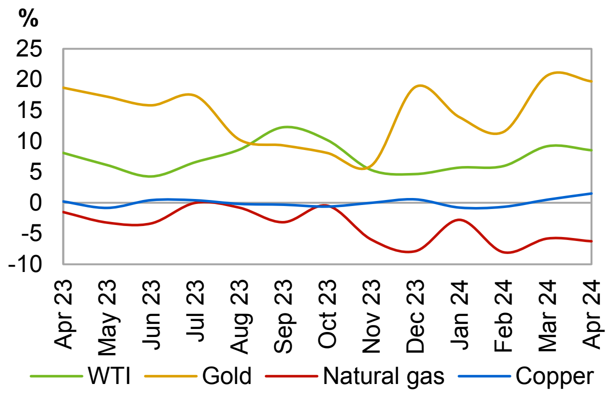
Copper's OI rose for a fourth consecutive month in April, increasing by 32.5%, m-o-m. Money managers increased their net length by more than 100% over the same period. Strong macroeconomic indicators boosted money managers' sentiment on copper. OI was up by 69.1%, y-o-y, and net length was up by more than 100%, y-o-y.

Graph 2 - 3: Money managers' activity in key commodities, net length



Note: Data on this graph is based on a monthly average.
Sources: CFTC and OPEC.

Graph 2 - 4: Money managers' activity in key commodities, as % of open interest



Note: Data on this graph is based on a monthly average.
Sources: CFTC and OPEC.

World Economy

The global economy showed resilience in 1Q24, with key economies demonstrating stable growth that, in certain instances, surpassed initial projections. While this suggests a positive trajectory, some challenges remain. However, projections for growth in 2024 and 2025 remain unchanged from the last assessment at 2.8% and 2.9%, respectively.

Within the OECD, US economic growth during 1Q24 fell short of overall expectations. However, this could be due to temporary dampening effects, with steady momentum in private household consumption expected to support a consistent growth projection. Despite ongoing challenges, the Eurozone's 1Q24 economic growth exceeded expectations, with the potential for further improvements driven by real income growth, an anticipated recovery in tourism as the summer season approaches, and a gradual rebound in industrial production (IP). Japan seems to have rebounded since the start of the year, following a decline in its economy in 2H23. In non-OECD economies, China reported better-than-expected economic growth in 1Q24, while growth figures for India, Russia, and Brazil have not been published yet but are expected to follow a similarly robust trend.

Despite certain downside risks, the continued momentum observed since the start of the year could create additional upside potential for global economic growth in 2024 and beyond. A shift towards more accommodative monetary policies by major central banks is expected in 2H24 and throughout 2025, particularly in the US, the Eurozone and the UK, depending on inflationary developments. A more robust growth trajectory in Asian economies, notably India and China, may also contribute to the acceleration of global economic growth during this period. Furthermore, Brazil and Russia may outperform expectations through increased domestic demand and expanded trade.

Table 3 - 1: Economic growth rate and revision, 2024–2025*, %

	World	OECD	US	Eurozone	UK	Japan	China	India	Brazil	Russia
2024	**2.8**	**1.4**	**2.2**	**0.5**	**0.3**	**0.8**	**4.8**	**6.6**	**1.6**	**2.3**
Change from previous month	0.0	0.1	0.1	0.0	-0.2	0.0	0.0	0.0	0.0	0.3
2025	**2.9**	**1.5**	**1.9**	**1.2**	**1.0**	**1.0**	**4.6**	**6.3**	**1.9**	**1.4**
Change from previous month	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0

*Note: * 2024-2025 = Forecast. The GDP numbers have been adjusted to reflect 2017 ppp.*

Source: OPEC.

Update on the latest global developments

The latest actual **1Q24 GDP growth numbers** confirm steady momentum in the global economy. Among non-OECD economies, the BRIC countries appear to have exceeded expectations in 1Q24, with China already reporting better-than-expected growth in the first three months of the year. While actual 1Q24 economic growth numbers for India, Russia, and Brazil have not yet been released, it is anticipated that they will follow a similarly strong growth trajectory based on available output data and economic indicators from early 2024. Although economic growth in the US for 1Q24 fell short of overall expectations – possibly due to transitory factors like seasonally high imports and a drawdown in inventories – private household consumption maintained consistent momentum and is expected to continue and support the annual growth projection. The Eurozone's GDP growth for 1Q24 surpassed expectations, with prospects for further improvement supported by real income growth, an anticipated recovery in tourism as the summer season approaches, and a gradual rebound in industrial production. Japan also appears to have rebounded since the beginning of 2024, following economic moderation in 2H23.

While underlying growth has remained steady, selective and potentially significant issues persist. Geopolitical challenges continue to be a concern. Headline inflation has stayed at persistently high levels, prompting central banks to suggest that they might need to maintain tight monetary policies, even though real interest rates in the US and the Eurozone are already relatively high. Additionally, an ongoing increase in global debt levels, combined with high real interest rates, presents a growing area of concern.

Since 2023, **headline inflation** has significantly declined across most major economies but remained largely steady in recent months, except for Brazil, which continued to show a decline. Although core inflation rates continued to retract, they remain relatively high, particularly in the US, the UK, and to some extent the Eurozone. As of the latest available data from March, core inflation stands at 3.8%, y-o-y, in the US, 2.9%, y-o-y, in the Eurozone, and 4.7%, y-o-y, in the UK. These levels are above the respective central banks' general inflation targets of 2%. A recovery in house prices in these economies over the past months, in combination with ongoing sound and sustained demand in the services sector, has led to steady wage and salary increases, reinforcing this trend. Given these circumstances, central banks have indicated their intention to maintain stringent monetary policies for now.

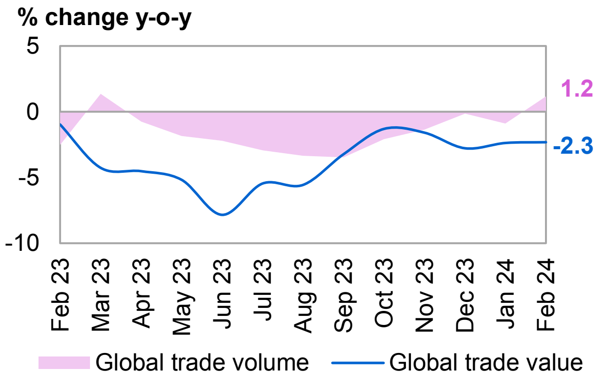
Amid elevated interest rates in advanced economies, concerns are mounting over high and rising debt levels in major economies, including both sovereign and private debt. In 2023, global debt experienced a significant increase, surpassing $15 trillion, after a reduction of roughly $7 trillion in 2022, reaching a new record of $313 trillion, according to the Institute of International Finance (IIF). Around 55% of this debt growth came from developed markets, primarily the US, France and Germany. In emerging markets, China, India and Brazil were the main drivers of debt accumulation. The global debt-to-GDP ratio declined by about 2 pp, settling at approximately 330% in 2023, marking the third consecutive year of decrease. However, the pace of reduction in 2023 was notably slower compared with 2022 and 2021, likely due to a relatively lower rate of economic expansion and diminishing inflation. The decline in debt ratios was more pronounced in developed markets, largely due to European economies. Despite elevated interest rates and record debt levels, the global economy has shown relative resilience thus far. Nonetheless, concerns remain about whether the increased cost of servicing debt could limit investments and, in turn, slow economic growth in the future.

Global trade showed a gradual improvement in both volume and value in March, continuing its rebound since the start of the year. Although commodity-related price weaknesses in 1Q24 exerted downward pressure on the trade value index, keeping the y-o-y comparison in negative territory, there was a slight uptick in February, indicating a potentially positive trend. This improvement is expected to persist in March and April, supported by a rebound in commodity prices.

Trade in value terms in February fell by 2.3%, y-o-y, following a decline of 2.4%, y-o-y, in January and a drop of 2.8%, y-o-y, in December. This is based on the CPB World Trade Monitor Index, provided by the CPB Netherlands Bureau for Economic Policy Analysis.

Trade in volume terms experienced an ongoing rebound too, moving into expansionary territory for the first time since March 2023, growing by 1.2%, y-o-y, in February, following y-o-y declines of 0.9% in January and a drop of 0.1% in December.

Graph 3 - 1: Global trade



Sources: Netherlands Bureau for Economic Policy Analysis, and Haver Analytics.

Near-term global expectations

Following estimated robust **global economic growth** of around 3%, y-o-y, in 1Q24, momentum is projected to slow somewhat for the remainder of the year. In 2025, growth rates are forecast to remain relatively consistent at an average of about 2.9%, with a potential increase to 3% towards the end of the year, consistent with earlier forecasts. However, the economic landscape could shift depending on the performance of key economies in 1Q24, with early indicators suggesting the possibility of slightly better-than-expected results.

Most of the support for global economic growth is expected to come from the US, China and India, with steady contributions from Brazil and Russia. The Eurozone and Japan are projected to rebound from their economic downturns in 2H24, contributing to global economic growth, albeit at a much lower rate.

Key **central banks** are projected to transition to a more accommodative monetary policy by 2H24, although rising uncertainties have emerged, particularly regarding the near-term trajectory of core inflation. It is assumed that elevated interest rates and their consequences – albeit currently with a limited dampening effect – will predominantly persist in 1H24, with key policy rates expected to peak in that period in especially the US, the UK and the Eurozone. Following this, more accommodative monetary policies are anticipated in 2H24, assuming a continued decline in headline inflation throughout 2024 and into 2025. Additionally, more accommodative policies may emerge in the Eurozone towards the end of 1H24, while central banks in the US and the UK are expected to reduce interest rates in 2H24. Uncertainty remains as to whether the US Federal Reserve (the Fed) will lower its key policy rate by 75 basis points this year, as projected by the Federal Open Market Committee (FOMC), the Fed's rate-setting body, or by a lesser magnitude, given the ongoing persistence of inflation.

There is a **potential for upside** for economic growth in both 2024 and 2025, provided that the current momentum in global economic growth observed in 1Q24 continues. Emerging economies such as India, Brazil and Russia might exceed expectations due to increased domestic demand and trade, while China's growth could benefit from ongoing government-led measures. The US may also sustain its projected momentum from 1H24 into 2H24 and 2025, leading to increased growth expectations for that region. Additional support for growth in both 2024 and 2025 is expected from global trade, which could improve at a higher rate than anticipated. The latest forecasts from the World Trade Organization (WTO) suggest that merchandise trade will grow by 2.6% in 2024 and 3.3% in 2025 after declining by 1.2% in 2023.

Importantly, the current forecast assumes that domestic political and geopolitical developments will not significantly impact growth momentum. However, upcoming elections in several key economies, including the US, the UK, Mexico, Indonesia, South Africa and India, require close monitoring for potential shifts in economic policy.

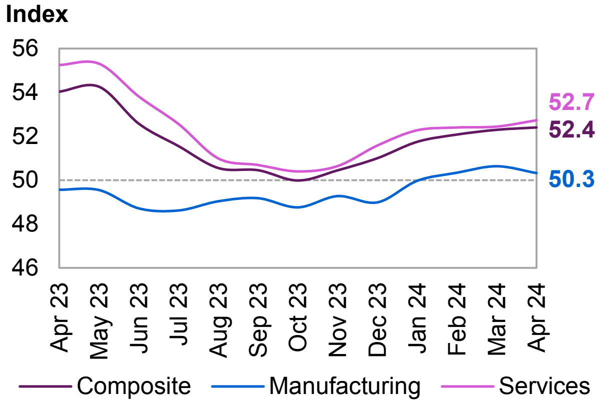
From a **sectorial perspective**, improvements in the industrial sector have been observed in non-OECD economies, while IP in OECD economies is expected to pick up gradually in 2H24, following subdued levels seen earlier in the year. Globally, the services sector maintains steady momentum and is projected to be the major contributor to economic growth in both 2024 and 2025.

Global purchasing managers' indices (PMIs) for April reflect continued weakness in manufacturing, particularly in advanced economies. However, a slight increase in the global PMI for the services sector suggests an ongoing healthy state in this segment of the global economy.

The global **manufacturing PMI** index level retracted in April to stand at 50.3, following 50.6 in March and 50.3 in February.

In a positive trend, the global **services sector PMI** increased to 52.7 in April, after reaching 52.5 in March and following 52.4 in February.

Graph 3 - 2: Global PMI



Sources: JP Morgan, S&P Global and Haver Analytics.

Although global economic growth in 1Q24 was robust and surpassed expectations in some economies, the sustainability of this momentum is uncertain. Given that certain challenges persist within the global economy, the global economic growth forecast for **2024** is maintained at 2.8%.

Looking ahead to **2025**, the economic growth forecast remains at 2.9%, consistent with the previous month's estimate.

Table 3 - 2: World economic growth rate and revision, 2024–2025*, %

	World
2024	**2.8**
Change from previous month	0.0
2025	**2.9**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*

Source: OPEC.

OECD

OECD Americas

US

Update on the latest developments

US economic growth in **1Q24** was lower than expected. The growth rate for the first three months of the year is estimated to be 1.6%, q-o-q, seasonally adjusted annualized rate (SAAR), as reported by the Bureau of Economic Analysis (BEA). This result is below general market expectations, which were at 2% or more, possibly affected by temporary dampening factors like a decline in net exports and inventory drawdowns – factors expected to rebound in 2Q24 and beyond. The negative impact from inventories was 0.4 pp, while foreign trade had a negative impact of 0.9 pp on 1Q24 economic growth. On a positive note, private household consumption held up relatively well, growing at 2.5%, q-o-q, SAAR. The Atlanta Fed's current estimate for 2Q24 economic growth is 3%, q-o-q, SAAR. However, recent signals suggest a softening in the US economy, pointing to a potential slowdown in economic growth this year compared with 2023. Business and consumer confidence indicators have weakened, IP remains relatively weak, and despite ongoing support from the services sector, inflation remains persistent. These trends have raised concerns about the expected short-term trajectory of monetary easing by the Fed.

Industrial output showed stagnant growth in March, as reported by the Federal Reserve Board on a seasonally adjusted basis. This comes after a decline of 0.3%, y-o-y, in February and a drop of 0.7%, y-o-y, in January. However, signs of recovery are evident, as manufacturing orders experienced relatively stronger growth of 1.7%, y-o-y, in March, following an increase of 0.7%, y-o-y, in February, also on a seasonally adjusted basis, according to the Bureau of Census. Meanwhile, consumer confidence dropped significantly in April. The consumer confidence index reported by the Conference Board stood at 97 for the month, a notable decrease from 103.1 in March and 104.8 in February.

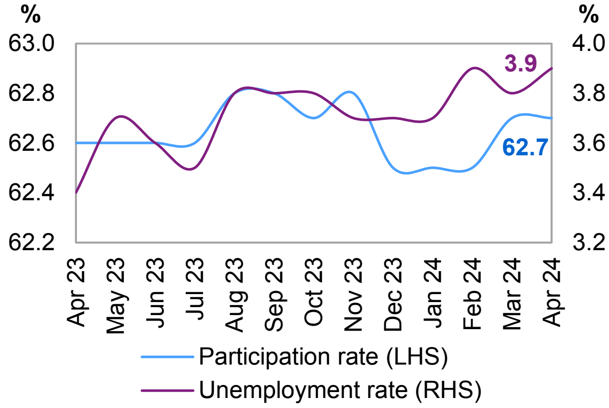
Headline **inflation** rose to 3.5%, y-o-y, in March, up from 3.2% in February and 3.1% in January. Core inflation held steady at 3.8%, y-o-y, in March and February, after reaching 3.9% in January and December. The Fed's preferred inflation indicator, core personal consumption expenditures (PCE), was at 2.8%, y-o-y, in March and February, down from 2.9% in January and December. Housing (shelter) was a key contributor to maintaining elevated inflation growth, rising by 5.7%, y-o-y, in March, the same as in February. This contrasts with pre-pandemic price increases, which were slightly above 3%. Housing represents over a third of US headline inflation, making it a significant factor in the overall inflation trend.

The labour market showed a slight weakening in April, though it remained in solid territory. The **unemployment rate** edged up to 3.9% in April, following a dip to 3.8% in March, after reaching 3.9% in February.

The **participation rate** remained stable in April, holding steady at 62.7%, the same level as in March, following an increase from 62.5% in February.

Earnings retracted slightly again in April. Y-o-y **hourly earnings** growth dropped to 3.9% in April from 4.1% in March and 4.3% in February. This trend might contribute to a reduction in inflationary pressure in the coming months.

Graph 3 - 3: US monthly labour market



Sources: Bureau of Labor Statistics and Haver Analytics.

Near-term expectations

Recent indicators of a slightly weakening labour market, decreasing hourly earnings, and the potential for continued easing in inflation, along with recent softness in purchasing managers' indices and consumer confidence, suggest a potential softening growth trend heading into 2H24. This aligns with the US economic growth forecast published last month by the Secretariat. Although the Fed emphasized the data-dependent nature of its monetary policy decisions, recent developments hint at a possible shift toward a more accommodative stance in 2H24. However, the depth and magnitude of any monetary easing measures by the Fed remain uncertain, contingent largely on the expected trajectory of inflation. The FOMC forecasted a reduction of about 75 pp in the key policy interest rate by the end of 2024 in its March projections. However, the degree to which interest rates might be lowered is still under consideration, with recent statements from Fed officials, including the Fed chairman, indicating a cautious approach. Moreover, while no significant fiscal stimulus is expected for 2024 or 2025, the results of the 4Q24 elections could potentially reshape US fiscal policies, influence monetary policies in 2025, and consequently impact growth dynamics, particularly into next year.

Although the economic growth trend appears to be well supported, there are growing concerns about high and rising debt levels in both the public and private sectors. During the Spring Meetings, the International Monetary Fund (IMF) underscored the risks posed by the US's significant fiscal deficit, indicating that it has contributed to global inflation and may impact the global economy. The IMF noted that inflationary pressure from increased fiscal spending could complicate the Feds' efforts to bring inflation back to its 2% target.

Additionally, the US bank delinquency rate for all consumer loans rose to 2.6% in 4Q23. Although this rate remains lower than the 3% to 4% range observed before the 2009 Great Recession, it has been increasing steadily since mid-2021, when it was around 1.5%.

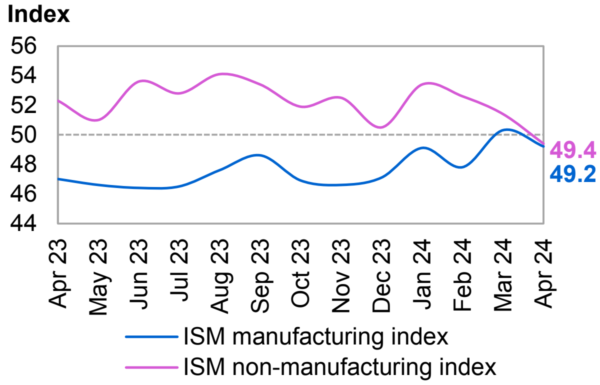
On a quarterly level, strong average quarterly growth in 2H23 of more than 4% SAAR should be followed by growth of 1.6% q-o-q SAAR in 1Q24, as reported by the BEA. The forecast indicates further slowing to 1.2%, q-o-q, SAAR in 2Q24. Annualized growth rates are then projected to continue decelerating in 2H24, with economic growth expected to be 1.1%, q-o-q, SAAR in 3Q24, and 1%, q-o-q, SAAR in 4Q24.

April's **PMI** levels, as reported by the Institute for Supply Management (ISM), indicate a softening trend in both the manufacturing and services sectors, with both showing signs of contraction.

The **manufacturing** PMI dropped to 49.2 in April, down from 50.3 in March and higher than the 47.8 recorded in February.

The index level for the **services** sector, which accounts for about 70% of the US economy, fell notably from 51.4 in March to 49.4 in April.

Graph 3 - 4: US-ISM manufacturing and non-manufacturing indices



Sources: Institute for Supply Management and Haver Analytics.

Given the robust indicators of private household consumption in 1Q24, along with the understanding that the negative impact from external trade and inventory changes is likely a transitory dynamic in 1Q24, the economic growth forecast for **2024** has been revised upward to 2.2%, from 2.1% the previous month. This revision accounts for a projected gradual moderation in headline GDP growth during 2H24.

The growth forecast for **2025** was revised up by 0.2 pp to stand at 1.9%.

Table 3 - 3: US economic growth rate and revision, 2024–2025*, %

	US
2024	**2.2**
Change from previous month	0.1
2025	**1.9**
Change from previous month	0.2

*Note: * 2024-2025 = Forecast.*

Source: OPEC.

OECD Europe

Eurozone

Update on the latest developments

The Eurozone appears to be recovering from the decline it experienced in 2H23. According to the latest data from Eurostat, economic growth for 1Q24 was at 1.3%, q-o-q, SAAR. This follows a decline of 0.2%, q-o-q, SAAR, in 4Q23, which was preceded by a similar drop of 0.2%, q-o-q, SAAR, in 3Q23. Furthermore, recent business and consumer confidence indicators suggest ongoing improvements in 1H24. Importantly, the German economy, which declined in 4Q23, showed signs of recovery, with economic growth of 0.9%, q-o-q, SAAR. However, challenges remain, particularly in the German industrial sector. IP in the country declined by 4.5%, y-o-y in the first three months of the year. Manufacturing orders in the Eurozone's largest economy fell by 5.3%, y-o-y, in both value and volume terms during the same period. These trends indicate a mixed outlook, with some signs of recovery but ongoing challenges in specific sectors.

The **Eurozone**'s **IP index** dropped by 5.9%, y-o-y, in January and by 7.1%, y-o-y, in February, underscoring the challenging conditions for industrial output in the region. This decline in IP suggests a continued reliance on the services sector's rebound for economic support. A significant source of strength within the services sector is anticipated to come from tourism, travel and leisure spending, with signs of robust momentum as the summer holiday season approaches. Data from February and January this year indicated that Europe's tourism industry is on a steady recovery path, with the number of international arrivals growing by 7.2% above pre-pandemic levels and overnight stays increasing by 6.5% compared with 2019's pre-pandemic figures, according to data from reporting destinations and based on reporting by the European Travel Commission. Moreover, this summer, Europe will host two major sporting events – the Olympic Games in France and the

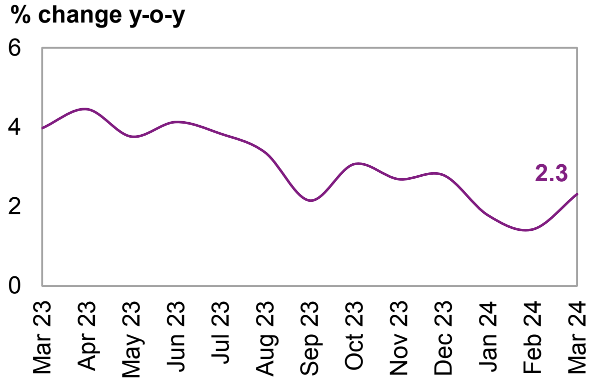
UEFA European Football Championship in Germany – which are both expected to boost travel and tourism demand in these countries. These events are likely to contribute positively to the services sector and, consequently, the broader Eurozone economy.

On a positive note, headline **inflation** has seen a noticeable decrease in recent months, partly due to lower energy prices. In April, headline inflation held steady at 2.4%, y-o-y, matching March's level, after increases of 2.6% and 2.8%, y-o-y, were witnessed in February and January, respectively. Core inflation in April was 2.8%, y-o-y, down from 3.1% in March and 3.3% in February. This trend brings headline inflation closer to the 2% target set by the European Central Bank (ECB), albeit core inflation remains above the ECB target, also approximately 2%.

The **labour market** has stayed relatively tight despite some weakness in the economy. According to the latest Eurostat data, the unemployment rate in March held steady at 6.5% for the fifth consecutive month, with little variation over the past year.

Retail sales continued to grow in value terms. In March, retail sales spending increased by 2.3%, y-o-y, compared with a 1.4%, y-o-y, rise in February and a 1.8% increase in January. These trends suggest a stable labour market and consistent consumer spending, contributing to economic resilience in the Eurozone.

Graph 3 - 5: Eurozone retail sales



Sources: Statistical Office of the European Communities and Haver Analytics.

Near-term expectations

Relatively better-than-expected economic growth figures in 1Q24 suggest that **economic growth** could experience some acceleration this year. While the recovery in the industrial sector is still uncertain, improvements in the services sector are expected to support growth, particularly in 2Q24 and 3Q24. Although the full scope and scale of the momentum are yet to be determined, emerging indicators point to potential support from tourism as the summer season approaches, along with a gradual rebound in IP, particularly led by the German economy, which could offer some additional upside potential compared with current expectations. Nonetheless, the economic growth rebound is anticipated to be gradual and slow. Support in this year's growth dynamic has already come from a rise in real income, with further improvement expected in 2024.

While uncertainty remains regarding how events will unfold, sustained tight **monetary policy** is projected to become more accommodative in 2H24, which could lead to continued support for growth towards the end of the year. Given relatively low inflation, monetary easing could potentially start as early as the end of 1H24, with the upcoming rate-setting meeting scheduled for early June playing a critical role in determining the direction of policy. Near-term inflation expectations will be a key factor to watch. The forecast for headline inflation in 2024 remains around 2.5%, and an estimated 2% in 2025, consistent with the previous month's projections and accounting for the 2.6% observed in 1Q24.

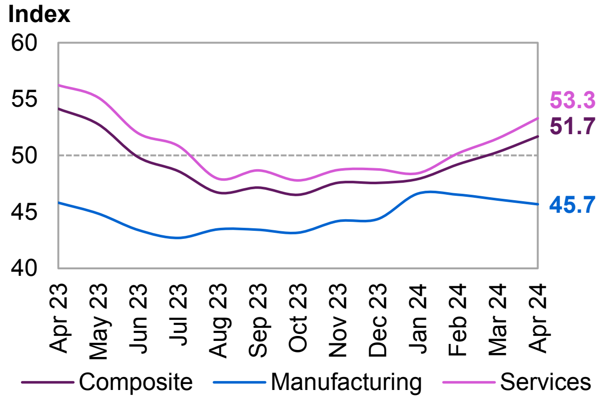
Expected annualized **quarterly growth** for 2024 is anticipated to remain relatively stable, with an average increase of 1% in 1H24, followed by a 0.2% rise in 2H24. Forecasts for 2024 suggest a gradual improvement in the industrial sector, driven by both domestic and external demand, particularly in the latter part of the year. The resurgence of tourism and service-related spending, along with an expected recovery in German IP, is expected to play a key role in supporting overall growth in 2024, with a potentially more significant impact in 2025. The gradual increase in real income is also likely to boost consumer spending in the latter half of 2024. This, coupled with a possible shift to a more accommodative monetary policy by the ECB, is expected to support projected economic acceleration in 2025. Growth for 2025 is forecast to more than double compared with modest levels seen in 2023 and 2024, indicating a positive outlook for the following year.

The **Eurozone's April PMIs** indicated improvement in the services sector, but ongoing challenges in manufacturing.

The **PMI for services**, representing the largest sector in the Eurozone rose to 53.3 in April, compared to 51.5 in March and 50.2 in February, indicating an ongoing improving trend.

The **manufacturing PMI** continued to decline in April, falling to 45.7 from 46.1 in March, 46.5 in February, and 46.6 in January, signalling ongoing challenges in the manufacturing sector.

Graph 3 - 6: Eurozone PMIs



Sources: S&P Global and Haver Analytics.

Following the confirmation of a slight decline in GDP in 2H23, the economic outlook is projected to gradually improve in **2024**. The forecast for economic growth over the year is expected to remain at 0.5%, the same as in 2023.

Potential improvements in 2H24 are expected to continue into **2025**, with the Eurozone's economic growth forecast to gain momentum, reaching 1.2%, unchanged from the last month.

Table 3 - 4: Eurozone economic growth rate and revision, 2024–2025*, %

	Eurozone
2024	**0.5**
Change from previous month	0.0
2025	**1.2**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*
Source: OPEC.

OECD Asia Pacific

Japan

Update on latest developments

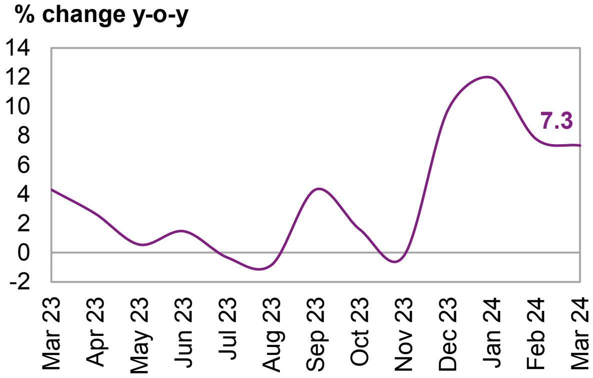
Japan's economic growth in **1Q24** appears to have slightly rebounded from the decline seen in 2H23, though momentum appears sluggish. Consumption remained weak in 1Q24, due to ongoing negative real income and a decline in IP, heavily influenced by the automobile sector's challenges. Japan's economy experienced a 3.2%, q-o-q, SAAR, contraction in 3Q23, followed by a modest 0.4%, q-o-q SAAR rise in economic activity in 4Q23. Inflation remained relatively persistent, and while the Bank of Japan (BoJ) ended its negative interest rate policy in March, it left the policy rate unchanged in April. On a positive note, recent business and consumer confidence indices, including PMIs and the Bank of Japan's Tankan survey, suggest a potential further uptick in economic activity. Additionally, the weaker yen has been a significant boost to Japan's tourism industry, with hotel stays in the 2023 calendar year reaching 594 million, back to pre-pandemic levels, according to government data.

Retail sales growth in Japan continued to expand but remained low in March, increasing by 1.2% y-o-y, after rising 4.7%, y-o-y, in February, 2.1% in January and 2.4% in December. These figures are based on non-seasonally adjusted value terms. **Inflation** remained persistent, with a slight decrease in March, which was at 2.7%, y-o-y, compared with 2.8% in February, 2.2% in January and 2.6% in December. While headline inflation showed little change, core inflation, which excludes food and energy and is a key metric for central bank policies, retracted to 2.2%, y-o-y, in March, down from 2.5% in February, 2.6% in January and 2.8% in December. The BoJ kept its monetary policy unchanged during its latest April meeting. This decision followed the central bank's first interest rate increase since 2007 in March, signalling a significant shift as Japan transitions from decades of deflation. The BoJ's quarterly outlook report indicated that it is confident in achieving its 2% inflation target in the coming years.

IP in March continued a significant decline, falling by 3.0%, y-o-y, following a contraction of 6.7%, y-o-y, in February and 3.2%, y-o-y, in January, all data on a seasonally adjusted basis.

Goods exports continued their recovery, although at a slowing trend. Exports rose by 7.3%, y-o-y, in March, following an increase of 7.8%, y-o-y, in February and 11.9%, y-o-y, in January. Weakening exports and a drop in IP in Japan were significantly impacted by a decline in motor vehicle manufacturing. Passenger car production declined by 11.5%, y-o-y, in February, following a fall of 2.8%, y-o-y, in January. Truck production even declined by 45.3%, y-o-y, in February, following a decline of 32.6%, y-o-y, in January. These declines are attributed to the effects of certification test issues at major car manufacturers, which have undermined consumer confidence, in combination with a slowdown in domestic and global pent-up demand for autos.

Graph 3 - 7: Japan's exports



Sources: Ministry of Finance, Japan Tariff Association and Haver Analytics.

On a positive note, the weakening yen has bolstered Japan's **tourism** revenue, which surpassed pre-pandemic levels, according to government data. Visitor arrivals reached a record high of 3.1 million in March, after seeing 2.8 million in February. Tourist spending also rose to a historical high in 1Q24, reaching JP¥1.8 trillion, owing to the combined effect of increased visitor numbers and higher per capita spending, driven by the yen's weakness.

In the meantime, **consumer confidence** remained sound, though it experienced a slight downturn, reaching 37.8 in April, compared with 39.1 in March, 38 in February and 37.3 in January. Despite the recent dip, the overall trend still reflects the robust momentum observed since the end of last year, suggesting a steady and positive, albeit low-growth, consumption trend.

Near-term expectations

After a sluggish 1Q24, the Japanese economy is expected to gradually rebound in 2Q24. There are already signs of recovery, as indicated by leading indicators such as the Tankan survey, consumer confidence data, and recent PMIs. Additionally, the tourism sector is expected to continue its boom, supported by the low yen and ongoing pent-up demand for global tourism and travel.

However, while a recovery from the downturn in 2H23 is anticipated, annual growth in 2024 is expected to be lower, returning to pre-pandemic levels. Quarterly average growth rates are forecast to be around 1.2% in 1H24, with a modest increase in activity in the latter half of the year, aligning with global growth projections. The forecast for 2H24 indicates quarterly average growth rates of approximately 2% on a seasonally adjusted annualized basis. This outlook follows a slowdown in 2H23, when GDP declined by nearly 2% on a seasonally adjusted and annualized quarterly average, primarily due to weakness in the services sector. IP and exports are expected to gradually strengthen in 2024. With momentum anticipated to improve in the latter part of 2024, this positive trend is projected to continue into 2025.

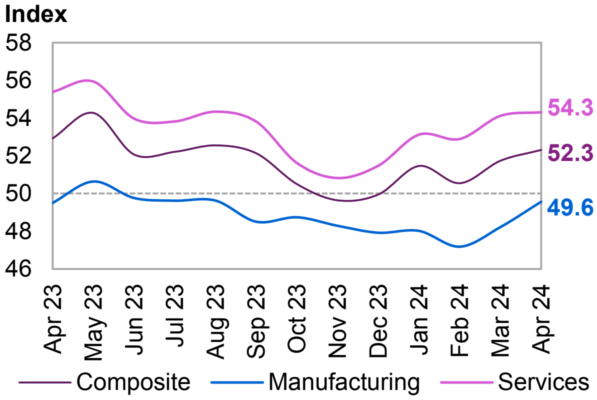
Following the BoJ's decision to shift the **key policy rate** into positive territory and considering recent stagnant inflationary developments, it is expected that the bank will pivot towards a less accommodative monetary policy stance in 2024 and 2025. This strategy is likely to involve a continued emphasis on Yield Curve Control (YCC) policies, including maintaining monthly purchases of approximately ¥6 trillion worth of Japanese government bonds. The BoJ may opt to wait for another lift in its policy rate until 1H25, contingent upon further robust developments in wages and salaries. However, there is also an increasing possibility that the BoJ might raise its policy rate as early as this autumn, driven by the bank's upgraded inflation outlook and considerations for policy normalization among the G4 central banks.

April PMI numbers indicate continued strength in the services sector and signs of improvement in the manufacturing sector. The services sector remained well above the 50-point threshold, indicating sustained growth.

The **services sector PMI**, constituting around two-thirds of the Japanese economy, increased to 54.3, slightly up from 54.1 in March and following 52.9 in February and 53.1 in January.

The **manufacturing PMI** also showed improvement, but remained in contractionary territory, registering an index level below 50. It rose by 1.4 index points from 48.2 in March to 49.6 in April, following an index level of 47.2 in February and 48 in January.

Graph 3 - 8: Japan's PMIs



Sources: S&P Global and Haver Analytics.

The growth projection for **2024** remains unchanged at 0.8%, anticipating a pick-up in economic activity in 1H24 and further accelerated growth in 2Q24.

Improving momentum, particularly in 2H24, is forecast to carry over into 2025. While the BoJ is predicted to gradually tighten its monetary policies closer to next year, economic growth in **2025** is expected to slightly pick up and reach a level of 1%, also unchanged from the previous month.

Table 3 - 5: Japan's economic growth rate and revision, 2024–2025*, %

	Japan
2024	**0.8**
Change from previous month	0.0
2025	**1.0**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Non-OECD

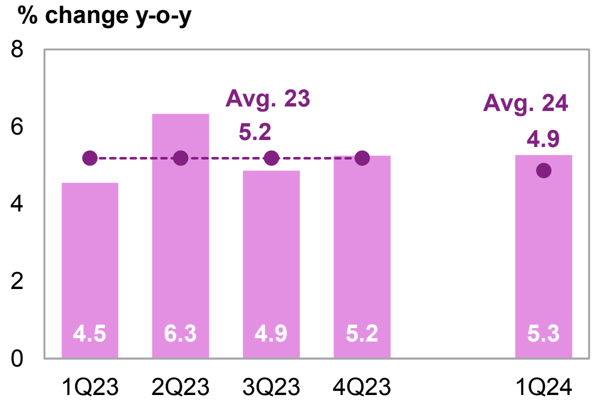
China

Update on the latest developments

China's economy expanded by 5.3%, y-o-y, in 1Q24, slightly exceeding the 4Q23 growth rate of 5.2%. The government established a target of 5% growth for 2024 during the National People's Congress (NPC) in March. In 2023, China grew by 5.2%, supported by a lower 2022 baseline and the one-time effect of reopening the economy following pandemic-related lockdowns.

The government's plan focuses on supporting manufacturing, especially high-tech manufacturing. Even before the announcement, IP in 1Q24 was demonstrating robust growth, rising by 7%, y-o-y, in January and February, though it slowed to 4.5%, y-o-y, in March.

Graph 3 - 9: China's economic growth



Sources: National Bureau of Statistics and Haver Analytics.

The property sector recorded a steeper decline in March, with prices dropping by 6.5%, y-o-y. This follows a decline of 5.6%, y-o-y, in February and 4.6%, y-o-y, in January. In May, further easing of restrictions was announced in Shenzhen and Wuhan, in addition to earlier announcements in Shanghai, Beijing and Chengdu. These measures could help mitigate the sector's decline in 2H24.

The **Consumer Price Index (CPI)** increased slightly to 0.3%, y-o-y, in April from 0.1%, y-o-y, in March. In February, China emerged from four consecutive months of deflation and registered a positive inflation rate of 0.7%, y-o-y. When adjusted for seasonal variations to account for timing differences in the Chinese New Year holiday between last year and this year, inflation remained roughly flat at 0.0% in 1Q24.

Core inflation, which excludes food and energy, increased to 0.7%, y-o-y, in April, from 0.6%, y-o-y, in March, but down from the February level of 1.2%, y-o-y.

Unemployment edged slightly downward to 5.2% in March, reversing three consecutive months of increases in the unemployment rate, down from 5.3% in February. Youth urban unemployment remained stable between February and March.

Near-term expectations

The government’s policy to support manufacturing and high-tech industries includes various elements, such as providing technical assistance to companies, supporting the building and expansion of global brands, and implementing advanced quality standards. The effects of this policy are anticipated to become evident in manufacturing output data for 2Q24 and 2H24, which is expected to bolster overall economic growth. However, with pent-up demand tapering off, as reflected in sluggish retail sales figures, and with manufacturing output exceeding domestic demand, exports are likely to increase. Improving economic conditions outside China, notably in the US, the EU and Russia will offer expanding export destinations to accommodate China's growing manufacturing output. The downside risk to this strategy lies in escalating tensions with major trading partners. However, early evidence suggests that trade tensions are not substantially affecting trade flows between China and its partners.

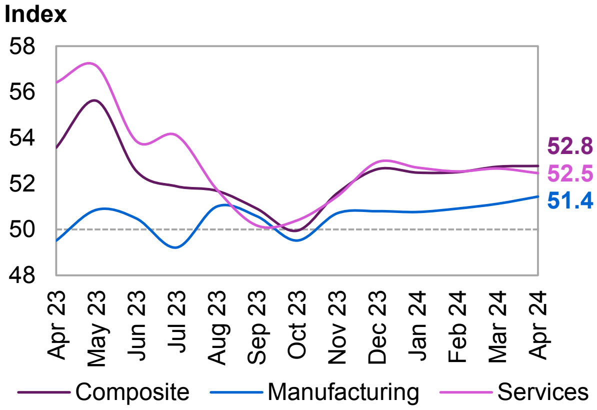
Meanwhile, support measures for the housing sector have been limited. The People’s Bank of China (PBC) reduced the five-year loan prime rate by 25 basis points to 3.95% in February and lowered the floor on mortgage rates for first-time and second-time homebuyers to provide some basic support as the government oversees a controlled decline in the sector. Further support measures could be introduced, such as additional cuts to the five-year loan prime rate or a reduction in the reserve requirement ratio (RRR), to inject more capital into the housing market.

April PMI data indicate that China remains in expansionary territory in both manufacturing and services.

The **manufacturing PMI** rose to 51.4 in April, up from 51.1 in March and 50.9 in February. This upward trend in manufacturing could be largely driven by government support for the sector.

The **services PMI** edged slightly lower, but still maintained its expansionary position. The April reading was 52.5, down from 52.7 in March and 52.5 in January. Despite this minor decline, the services sector continues to show signs of strength.

Graph 3 - 10: China’s PMI



Sources: Caixin, S&P Global and Haver Analytics.

The expanding manufacturing sector and improving economic outlook for major economies outside of China provide a strong potential upside. However, continuing sluggish domestic demand and a declining property sector provide a counterbalancing force. The **2024** forecast for economic growth in China remains at 4.8%, unchanged from the previous month’s report.

The forecast for China's **2025** growth rate remains unchanged from the previous month's report at 4.6%.

Table 3 - 6: China’s economic growth rate and revision, 2024–2025*, %

	China
2024	**4.8**
Change from previous month	0.0
2025	**4.6**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Other Asia

India

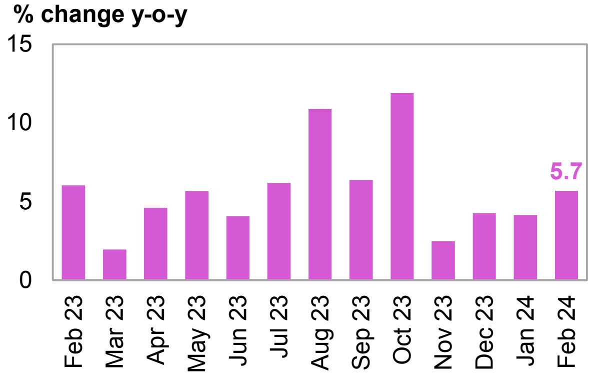
Update on the latest developments

The strong growth seen in India during 4Q23 appears to be carrying over into 2024. **India's economy** grew by 8.4%, y-o-y, in 4Q23, with services expanding by 7.0%, y-o-y, and manufacturing by 11.6%, y-o-y.

IP also maintained momentum into 2024, with a 5.7%, y-o-y, increase in February and 4.1% growth in January, following a 4.3%, y-o-y, rise in December.

Amidst these positive trends, **consumer confidence** rose to 98.5 in March, up from 95.1 in January. The ongoing election cycle is expected to boost spending, especially in rural areas. Combined with more efficient delivery mechanisms, the impact of election-related spending is expected to be significant.

Graph 3 - 11: India's industrial production

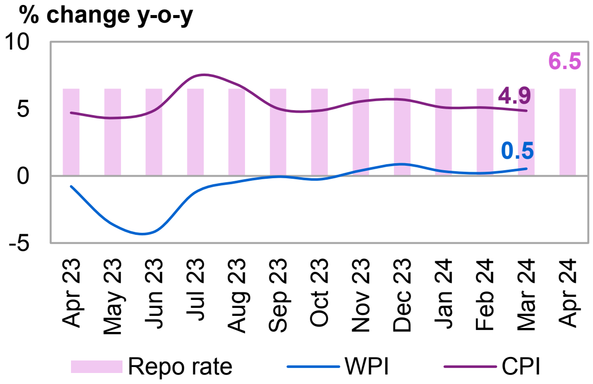


Sources: Ministry of Statistics and Program Implementation of India and Haver Analytics.

Food inflation showed signs of easing in March, decreasing from 7.8%, y-o-y, in February to 7.7%, y-o-y. Vegetable prices, which had been a major source of food inflation following an irregular monsoon season in late 2023, saw inflation rates exceeding 30%, y-o-y, in February. In March, vegetable price inflation fell to 28.3%, y-o-y. Headline inflation declined as food prices eased to 4.9%, y-o-y, in March from 5.1%, y-o-y, in both February and January. Core inflation, which excludes food and energy prices, also dropped, falling to 3.3%, y-o-y, in March from 3.4%, y-o-y, in February and 3.5%, y-o-y, in January.

The Reserve Bank of India (RBI) held the **key repo rate** steady at 6.5% in April. With inflation trending toward the target rate of 4%, there is an increasing possibility that the RBI may ease monetary policy, although food inflation continues to be a concern.

Graph 3 - 12: Repo rate and inflation in India



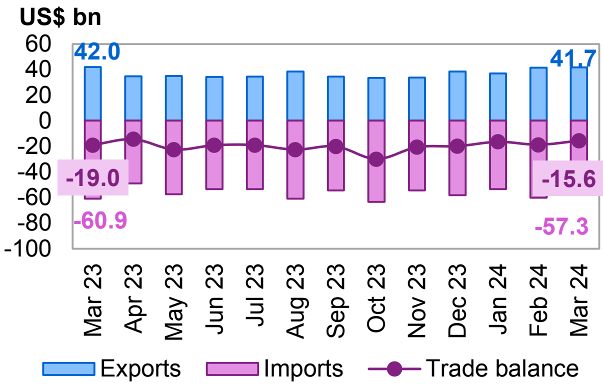
Sources: Ministry of Commerce and Industry, Reserve Bank of India and Haver Analytics.

India's **trade balance** in February narrowed to $15.6 bn, down from $18.7 bn in February and $19.0 bn in March of the previous year.

Monthly **exports** increased to $41.7 bn in March, up from $41.4 bn in February.

Conversely, monthly **imports** declined to $57.3 bn in March, compared with $60.1 bn in February.

Graph 3 - 13: India's trade balance



Sources: Ministry of Commerce and Industry and Haver Analytics.

Near-term expectations

With robust growth momentum projected to continue, manufacturing is expected to be a key driver of economic expansion in 2024. Government support policies, particularly through Production Linked Incentive (PLI) schemes, are likely to sustain growth in IP and manufacturing. This will be especially apparent in key sectors such as electronics, pharmaceuticals and steel, which are the major focus areas of PLI schemes.

The S&P Global Manufacturing PMI indicates a strengthening trend, rising from 56.5 in January and 56.9 in February to 59.1 in March and 58.8 in April. Additionally, agricultural output is anticipated to rebound from the lower production seen in 2023. The agricultural sector grew by only 2.9% in 2023, compared with an average of 4.5% over the previous three years. With monsoon patterns expected to stabilize, the sector is likely to return to previous growth levels.

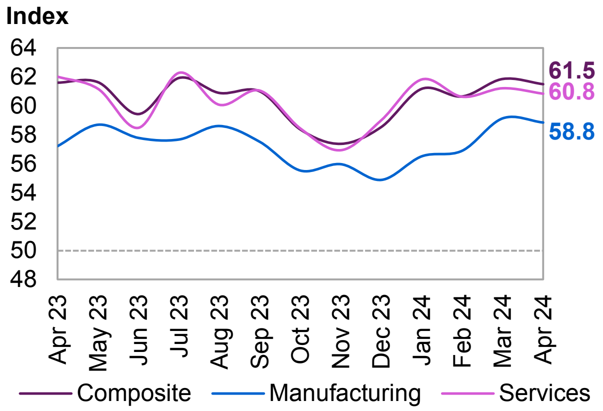
The stabilization in agricultural output is expected to positively impact inflation by easing food prices, particularly in the case of vegetables. However, given the uncertainty around inflation and the high growth rate, monetary policy is expected to remain relatively tight. The spending push associated with the election cycle is likely to impact consumer spending, especially in rural areas. The extended election campaign, with over seven weeks of phased voting, has likely seen record levels of spending. While this spending surge could boost demand, it may also contribute to sustained inflation levels over a longer period.

Quarterly growth rates are projected to reach 7.0%, y-o-y, in 1Q24, sustaining the strong momentum observed at the close of 2023. This momentum is anticipated to gradually slow, with growth rates projected at 6.7%, y-o-y, in 2Q24, 6.4%, y-o-y, in 3Q24, and 6.4%, y-o-y, in 4Q24.

The **S&P global manufacturing PMI** remains in expansionary territory, but saw a slight contraction in April, decreasing to 58.8 from 59.1 in March. Despite this dip, the index remains higher than the February level of 56.9.

The **services PMI** also experienced a slight contraction, falling to 60.8 in April from 61.2 in March, yet it continues to indicate strong expansion. The index has consistently stayed above 60 since January, with a February level of 60.6.

Graph 3 - 14: India's PMIs



Sources: S&P Global and Haver Analytics.

The growth forecast for India in **2024** remains at 6.6%, unchanged from the previous month's report. Continued support for manufacturing and an anticipated recovery in the agricultural sector is likely to play a significant role in sustaining this growth.

For **2025**, the growth rate is expected to decelerate slightly but remain robust at 6.3%, also unchanged from the previous month. This suggests a stable outlook, with the manufacturing and agricultural sectors being key contributors.

Table 3 - 7: India's economic growth rate and revision, 2024–2025*, %

	India
2024	**6.6**
Change from previous month	0.0
2025	**6.3**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Latin America

Brazil

Update on latest developments

Several months of relatively low and stable unemployment in Brazil, combined with falling interest rates, led to increased real income for households and individuals. This is reflected in the latest retail sales data, which showed a significant increase of 10.9%, y-o-y, in February, following increases of 5.7%, y-o-y, in January and 3.9%, y-o-y, in December. According to the Instituto Brasileiro de Geografia e Estatistica (IBGE), all federative units saw growth in retail sales volumes in February, a trend not seen since April 2021 during the pandemic recovery. At a subsector level, motor vehicles, motorcycles, parts and accessories grew by 15.6% in February, y-o-y, continuing robust growth of 10.5%, y-o-y, seen in January. Hypermarkets and supermarkets, along with food, beverages and tobacco also experienced strong growth, with February seeing an 11.8%, y-o-y, increase, up from 7.8%, y-o-y, in January and 5.6%, y-o-y, in December. This broad-based growth across sectors supports the trend of retail sales growth across geographical regions.

The unemployment rate experienced a slight uptick to 7.9% in March, from 7.8% in February and 7.6% in January, yet it remains lower than the previous year. The unemployment rate had been gradually declining from 8.8% in March 2023.

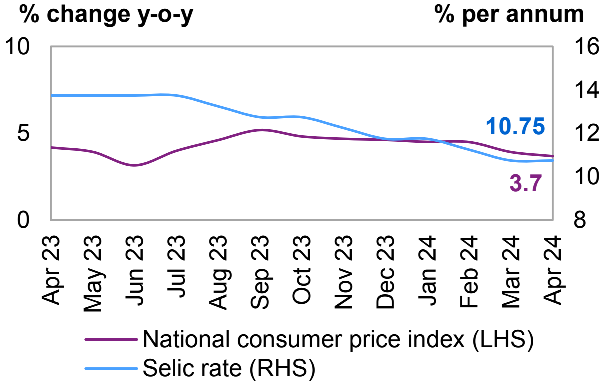
The agricultural sector showed early signs of a slowdown in 2024, following a record harvest in 2023. The three main agricultural products – soybeans, corn and rice – collectively accounting for over 90% of Brazil's grain production, declined in February and March compared with the same period last year. Heavy rains in some regions and insufficient rainfall in others contributed to reduced agricultural output in 4Q23, which carried over into second crops in 1Q24.

IP also saw a decline, dropping by 2.8% in March, y-o-y, following growth rates of 5.4% in February and 3.7% in January.

The key **SELIC interest rate** was held steady at 10.75% in April by the Banco Central do Brasil (BCB) following two consecutive cuts of 50 basis points in February and March.

Inflation declined to 3.7%, y-o-y, in April, down from 3.9%, y-o-y, in March. This drop brings inflation closer to the BCB's 3% target rate and remains below the upper limit of 4.5%. Given the declining inflation trend, expectations are for further monetary easing in 2024.

Graph 3 - 15: Brazil's inflation vs. interest rate



Sources: Banco Central do Brasil, Instituto Brasileiro de Geografia e Estatística and Haver Analytics.

Near-term expectations

Rising real income due to relatively low unemployment and falling interest rates are expected to continue driving consumer spending, likely boosting demand in the services sector, the largest segment of the Brazilian economy. However, this positive momentum may be partially offset by a slowdown in agricultural output, which could impact Brazil's economic growth in 2024. The effects of a slower agricultural sector could also create a drag on related services, particularly transportation and logistics, which are important for agricultural exports.

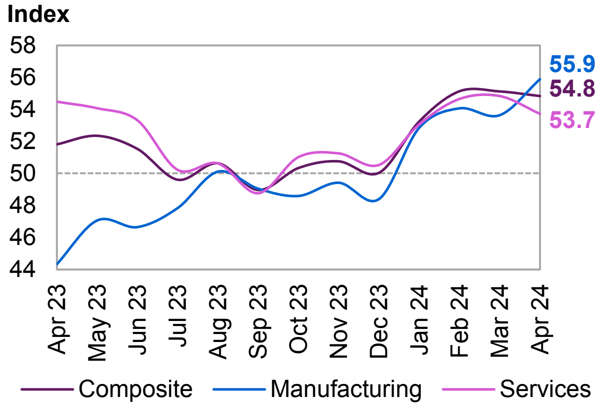
IP is anticipated to recover after its decline in March, as investments are expected to increase with lower interest rates. Government support for the industrial sector is projected to continue, with a focus on mineral extraction and construction. Gross fixed capital formation declined for three consecutive quarters, with the most recent data from 4Q23 showing a y-o-y decrease of 4.4%. This trend is expected to reverse with further monetary easing, but not until the end of the year. The key SELIC rate is likely to decrease by 100 basis points in 2024, potentially bringing it below 10%. This forecast assumes inflation averaging around 3.5% in 2024.

In April, **PMI** data indicate a mixed trend, with a slowdown in services activity and an increase in manufacturing, though both sectors remain in expansionary territory.

The **manufacturing PMI** rose to 55.9 in April, up from 53.6 in March and 54.1 in February. This increase is likely driven by continued expansion in mineral extraction and construction.

Conversely, the **services PMI** decreased to 53.7 in April, down from 54.8 in March and 54.6 in February. Despite the decline, the services sector still indicates growth, though at a slower pace compared with previous months.

Graph 3 - 16: Brazil's PMIs



Sources: HSBC, S&P Global and Haver Analytics.

Strong consumer spending, driven by rising real wages, lower inflation and declining interest rates, is expected to be the main driver of growth in Brazil in **2024**, though a slowdown in agricultural output could impact exports and transportation services. As a result, the forecast for Brazil's 2024 growth remains unchanged at 1.6%, consistent with the previous month.

For **2025**, the growth forecast remains at 1.9%, unchanged from the previous month. The expected acceleration in Brazil's economy will likely stem from fiscal consolidation and the early benefits of tax reforms.

Table 3 - 8: Brazil's economic growth rate and revision, 2024–2025*, %

	Brazil
2024	**1.6**
Change from previous month	0.0
2025	**1.9**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*

Source: OPEC.

Africa

South Africa

Update on the latest developments

South Africa's economic growth came in at 1.2%, y-o-y, in 4Q23 after contracting in 3Q23 by 0.75%, y-o-y. Private consumption expenditure grew by 0.6%, y-o-y, in 4Q23, slightly down from 0.8%, y-o-y in 3Q23. The country's labour market continued to be under strain, with the unemployment rate at 32.1% in 4Q23, weighing on private spending. In contrast, government spending increased by 3.2%, y-o-y, in 4Q23, up from 2.6%, y-o-y, in 3Q23.

South Africa experienced a slight easing of inflation in March coming down to 5.3%, y-o-y, from 5.6% in February and 5.4% in January. This decrease indicates a reversal of the previously observed upward trend that saw inflation rise from 5.2%, y-o-y, in December. Despite this decrease, inflation remained above the South African Reserve Bank's (SARB) target of 4.5%, but below the upper limit of 6%. The SARB previously held the main repo rate steady at 8.25% in March, reflecting ongoing concerns over inflation. Notably, food inflation continued to decline, falling to 5.0%, y-o-y, in March from 6.1% in February and 7.0% in January.

Chronic power shortages remain a significant challenge for the economy, with Eskom, the state-owned electric utility, grappling with persistent outages that disrupt large urban areas. These rolling blackouts significantly hamper daily life and economic activities. Furthermore, Transnet, the state-operated freight rail and port authority, continues to face operational challenges that obstruct the transportation of goods. Late in 2023, the government extended financial assistance to Transnet to help it meet its debt obligations.

Near-term expectations

High interest rates are expected to persist, which will continue to pressure both investment and consumer spending. Upcoming elections could potentially change economic conditions and create further uncertainty for the economy. At the same time, the elections open the possibility of policy shifts toward economic liberalization. By 2025, major issues related to the power grid and logistics are expected to be addressed more permanently.

A persistently high unemployment rate, exceeding 30%, is expected to continue dampening consumer expenditure. The Absa seasonally adjusted PMI moved into positive territory with 54.0 in April after declining to 49.2 in March from the February level of 51.7. A positive outlook reflected improving developments in power generation ahead of upcoming elections at the end of May. This led to the business activity PMI increased strongly to 57.2 in April from 44.5 in March and 48.6 in February.

With a high level of uncertainty remaining in the South African economy and high levels of unemployment persisting, the **2024** economic growth forecast for South Africa remains at 0.9%, unchanged from the previous month.

Expectations of sustained improvement in the power grid and business activity will lead the South African economy to accelerate to growth of 1.4% in **2025**, in line with the previous month's forecast.

Table 3 - 9: South Africa's economic growth rate and revision, 2024–2025*, %

	South Africa
2024	**0.9**
Change from previous month	0.0
2025	**1.4**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*

Source: OPEC.

Russia and Central Asia

Russia

Update on the latest developments

A robust growth rate of 4.9%, y-o-y, in 4Q23 shows signs of continuing into 2024. While gross capital formation was the primary contributor to growth in 4Q23, early indicators point to rising incomes and higher consumer spending in 1Q24. Household consumption grew by 7.3%, y-o-y, in 4Q23, while gross capital formation grew by 18.6%, y-o-y, during the same period. Retail sales recorded 11.9% y-o-y growth in March, following a 12.6%, y-o-y, increase in February and 9.4% in January. This comes as unemployment continues to decline since December, with March showing an unemployment rate of 2.7%, down from 2.8% in February and 2.9% in January.

The latest data shows that Russia's trade balance improved. Exports in February stood at $30.3 bn, recovering from a dip to $28.0 bn in January, although lower than the December level of $38.6 bn. At the same time, imports rose to $22.6 bn in February, up from $21.3 bn in January, though still below the December level of $27.9 bn. The overall trade surplus improved to $7.7 bn in February from $6.8 bn in January but remained below the December figure of $10.8 bn.

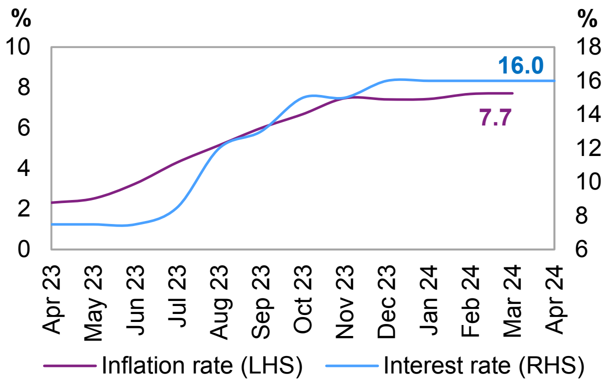
The Russian government maintained subsidized mortgage rates at 8%, which is half the Reserve Central Bank's official policy rate. This policy has continued to boost domestic demand for real estate, driven by rising household incomes. According to the Federal State Statistics Service, housing prices in 1Q24 surged by 19.0%, y-o-y, a significant jump from the 1.75% annual increase seen in 2023. However, upon closer examination, the sharp rise in housing prices is mainly attributed to the luxury segment in major cities, as buyers seek to hedge against persistent inflation. In contrast, growth in prices in the new and secondary segments for standard apartments remained below the recent inflation trend.

IP maintained a growth trend, but at a slower pace in March, posting a 3.8%, y-o-y, increase. This is down from 8.5% growth seen in February and 4.7% in January. Manufacturing remains the primary driver of IP growth, up by 6.1%, y-o-y, in March, though this is down from robust growth of 13.5% seen in February and 7.6% in January.

In March, **inflation** in Russia held steady at 7.7%, y-o-y, matching the February level and showing a slight increase from January's 7.4%. Core inflation, which excludes food and energy prices, saw an upward trend, reaching 7.8%, y-o-y, in March, up from 7.6% in February.

The Russian Central Bank (RCB) maintained its **key policy interest rate** at 16% in April for the fifth consecutive month. Ongoing high inflation is mainly attributed to a continuing high proportion of imported goods, especially in the consumer goods sector. This is compounded by rising household income, unanchored inflationary expectations driven by exchange rate volatility, and external pressures.

Graph 3 - 17: Russia's inflation vs. interest rate



Sources: Federal State Statistics Service, Central Bank of Russian Federation and Haver Analytics.

Near-term expectations

The solid expansion of the Russian economy in 4Q23 is expected to sustain momentum, particularly into 1H24. IP, though showing a slight slowdown in March, remains a key driver of growth. Consumer spending is anticipated to continue its expansion due to low unemployment and rising wages, with retail sales figures for 1Q24 indicating robust growth. While rising housing prices pose a potential risk to inflation and could undermine the RCB's policy effectiveness, they also point to increased spending and demand.

The key policy interest rate is expected to be maintained at 16%. As inflation is largely driven by structural factors, including the significant proportion of imports relative to rising demand, a potential reduction in inflation may come from the rapidly expanding manufacturing sector in Russia and increased exports from developing country partners, particularly China. Policy measures that address exchange rate volatility and encourage an investment cycle are also likely to reinforce this trend.

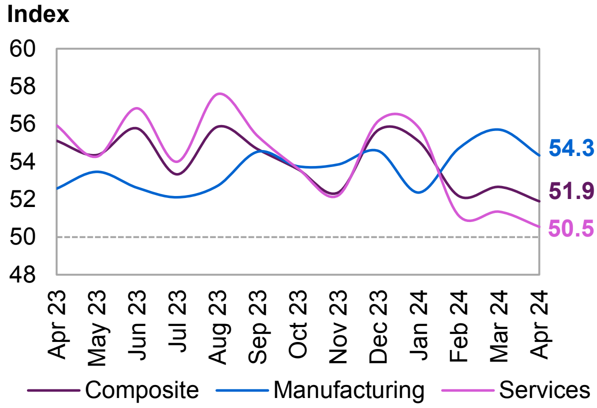
Quarterly, the economy is projected to grow at 3.4%, y-o-y, in 1Q24 and 2.8%, y-o-y, in 2Q24, before potentially moderating to 1.8% in 3Q24 and 1.5% in 4Q24, y-o-y. In 2025, growth rates are anticipated to continue softening, averaging annually 1.4%, as household consumption decelerates.

The **PMI** indices for manufacturing and services eased slightly, though both remained in expansionary territory.

The S&P Global **manufacturing PMI** retracted to 54.3 in April, down from 55.7 in March and 54.7 in February.

Similarly, the **services PMI** decreased to 50.5 in April from 51.4 in March and 51.1 in February.

Graph 3 - 18: Russia's PMI



Sources: HSBC, S&P Global and Haver Analytics.

With the strong growth rate from 4Q23 indicating carryover effects into 1H24, the economic growth forecast for Russia in **2024** has been revised upward by 0.3 pp to 2.3%.

However, the expected slowdown in momentum in 2H24 holds the **2025** economic growth forecast unchanged at 1.4%.

Table 3 - 10: Russia's economic growth rate and revision, 2024–2025*, %

	Russia
2024	**2.3**
Change from previous month	0.3
2025	**1.4**
Change from previous month	0.0

*Note: * 2024-2025 = Forecast.*

Source: OPEC.

OPEC Member Countries

Saudi Arabia

According to the General Authority for Statistics (GSA) flash GDP estimate for 1Q24, the Saudi economy showed signs of improvement, with a smaller contraction of 1.8%, y-o-y, compared with a 4.3% contraction in 4Q23. While non-oil sectors remained resilient, their growth rate slowed from 4.2% in 4Q23 to 2.8% in 1Q24. Similarly, growth in government activities decreased from 3.1% to 2.0% over the same time frame. The Riyadh Bank's PMI figures suggest that the non-oil economy is expanding in 2024, with the index steady at 57.0 in April, similar to March's level. This is slightly lower than the 57.1 recorded in February, but remains solidly in positive territory. New orders and business activity in the non-oil sector continued to grow. Domestic demand showed signs of improvement, contributing to ongoing efforts under Vision 2030 to reduce dependence on the oil sector. Additionally, the tourism sector is expected to continue its gains into 2024 and 2025. In 2023, spending by foreign visitors in Saudi Arabia hit a record high, representing a 42.8% increase from 2022.

Nigeria

Nigeria's economy grew by 3.2%, y-o-y, in 4Q23, leading to an overall annual growth rate of 2.9% for 2023. The Stanbic IBTC PMI in April remained relatively stable at 51.1, indicating a modest but consistent improvement in Nigeria's private sector, which finds itself for the fifth consecutive month in expansionary territory. The PMI was 51.0 in March and 51.1 in February. Nigeria reported a significant trade surplus of NGN1,703 bn in December 2023, the most since August 2014, and an increase from NGN1,117 bn in December 2022. According to the National Bureau of Statistics, exports in 4Q23 surged by 99.6%, y-o-y. Exports of agricultural goods in this period represented the largest growth outside the oil sector, reaching NGN464 bn, a 172% increase y-o-y. Crude oil exports grew by 110%, y-o-y in 4Q23, while other oil product exports increased by 80%, y-o-y, during the same period. Total imports also increased by 163.1%, y-o-y, in 4Q23, leading to a total trade balance surplus of NGN1,418 bn, up from NGN997 bn in 4Q22. At the same time, inflation rose to 33.2%, y-o-y, in March, from 31.17% in February and 29.9% in January. The inflation spike is largely attributed to a devaluation of the local currency and the removal of fossil fuel subsidies.

Food inflation, a key component of the consumer price index, rose to 40% in March from 37.9% in February, while core inflation, which excludes farm produce and energy, increased to a multi-year high of 25.9% in March.

The United Arab Emirates (UAE)

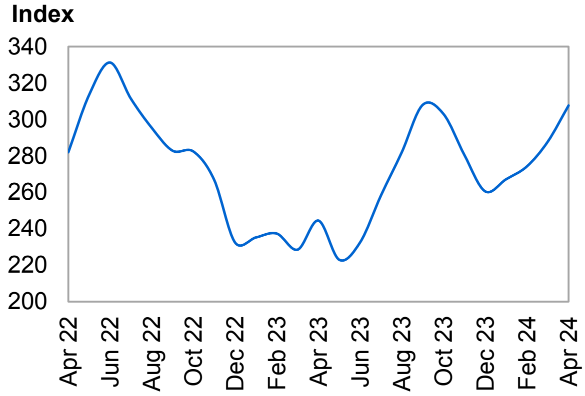
The UAE continues to demonstrate robust growth in its non-oil sectors, driven by strong government support and solid demand. The UAE's non-oil GDP registered a significant y-o-y increase of 7.3% in 2Q23, with major contributions from the construction, finance and insurance sectors. This momentum appears to have carried through 2023, particularly in Abu Dhabi, where non-oil GDP grew by 10.4%, y-o-y, in 4Q23. In Dubai, the economy expanded by 3.5%, y-o-y, in 3Q23, with notable growth in transportation and storage of 12.0%, and accommodation and food services activities at 16.1%. The construction sector in Dubai expanded at a more moderate pace of 1.1%. Inflation dynamics between the two emirates diverged slightly, with Abu Dhabi maintaining a lower inflation rate, which fell to 0.7%, y-o-y, in February from January’s 1.5%. In contrast, Dubai recorded higher inflation rates, with 3.3% in both February and March, down from 3.6% in January. The Central Bank of the UAE has kept its key policy rate steady at 5.4%, unchanged since July 2023. The seasonally adjusted S&P Global PMI for the UAE decreased slightly to 55.3 in April, down from 56.9 in March and 57.1 in February, but remains in expansionary territory, indicating continued growth. This growth, particularly in the manufacturing sector, was supported by a 51% increase in the issuance of new industrial licenses in 2023.

The impact of the US dollar (USD) and inflation on oil prices

The **US Dollar Index** recovered from the previous month's losses in April, increasing by 1.4%, m-o-m. The strength of the USD came following strong US macroeconomic indicators that weighed on expectations of more accommodative interest rates. The index was up by 3.6%, y-o-y.

On **developed market (DM) currencies**, the USD rebounded against the euro and pound, increasing by 1.4% and 2.5%, m-o-m, respectively in April. At the same time, it advanced for the fourth consecutive month against the yen, by 2.6%, m-o-m. Compared with the same period last year, the USD was up against the euro and the yen by 2.2% and 15.1%, y-o-y, respectively. However, it was down against the pound by 0.6%, y-o-y, over the same period.

Graph 3 - 19: The Modified Geneva I + US$ Basket (base June 2017 = 100)



Sources: IMF and OPEC.

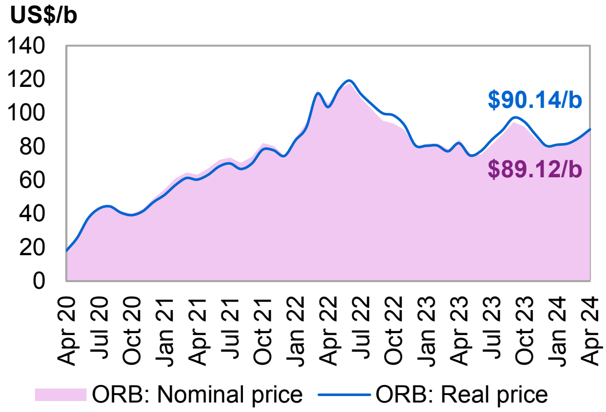
In terms of **emerging market (EM) currencies**, the USD advanced against all major currencies in April. It rose against the real, yuan and rupee by 3.0%, 0.5%, and 0.5%, m-o-m, respectively. Compared with the same period last year, the USD was also up against the yuan, real, and rupee, by 5.1%, 2.2%, and 1.7%, y-o-y, respectively.

The differential between nominal and real ORB prices widened further in April. **Inflation** (nominal price minus real price) went from a discount of 94¢/b in March to a discount of $1.02/b in April, an 8.5% increase, m-o-m.

In **nominal terms**, accounting for inflation, the ORB price went from $84.22/b in March to $89.12/b in April, a 5.8% increase, m-o-m. The ORB was up by 5.9%, y-o-y, in nominal terms.

In **real terms** (excluding inflation), the ORB went from $85.16/b in March to $90.14/b in April, a 5.8% increase, m-o-m. The ORB was up by 9.9%, y-o-y, in real terms.

Graph 3 - 20: Impact of inflation and currency fluctuations on the spot ORB price (base June 2017 = 100)



Source: OPEC.

World Oil Demand

The 2024 global oil demand growth forecast remains broadly unchanged from last month's assessment at 2.2 mb/d. However, there are some minor adjustments within the quarters, due to actual data received, as well as consideration of expected near term developments. In general, the upward adjustment in oil demand for China mostly in 1Q24, was offset by downward adjustments to OECD Americas in 1Q24 and the Middle East for the second and third quarters.

OECD oil demand is projected to grow by around 0.3 mb/d, y-o-y, in 2024, with Americas leading the growth, supported by a slight uptick from both OECD Europe and Asia Pacific. In the non-OECD, oil demand is forecast to expand by nearly 2.0, mb/d, y-o-y, driven mostly by China, and supported by the Middle East, India, Other Asia and Latin America.

In 1Q24, global oil demand is expected to have grown, y-o-y by 2.4 mb/d. For 2024, total world oil demand is anticipated to reach 104.5 mb/d, supported by strong air travel demand and healthy road mobility, including trucking, as well as industrial, construction and agricultural activities in non-OECD countries. Similarly, petrochemical capacity additions in non-OECD countries – mostly China and the Middle East – are anticipated to contribute to oil demand growth. This forecast is subject to many uncertainties, however, including the trajectory of global economic developments.

The 2025 global oil demand growth forecast shows robust growth of 1.8 mb/d, y-o-y, unchanged from the previous month's assessment. Within the main regions, the OECD is expected to grow by 0.1 mb/d, y-o-y, while demand in the non-OECD is forecast to expand by 1.7 mb/d. In terms of products, transportation fuels are forecast to drive the growth, with jet/kerosene and gasoline each expanding by around 0.5 mb/d.

Table 4 - 1: World oil demand in 2024*, mb/d

							Change 2024/23	
World oil demand	**2023**	**1Q24**	**2Q24**	**3Q24**	**4Q24**	**2024**	**Growth**	**%**
Americas	25.03	24.57	25.38	25.58	25.44	25.25	0.22	0.88
of which US	*20.36*	*19.98*	*20.67*	*20.67*	*20.85*	*20.54*	*0.18*	*0.90*
Europe	13.40	13.15	13.56	13.69	13.35	13.44	0.04	0.28
Asia Pacific	7.32	7.80	6.97	7.09	7.49	7.34	0.01	0.16
Total OECD	**45.75**	**45.53**	**45.92**	**46.36**	**46.28**	**46.02**	**0.27**	**0.59**
China	16.26	16.50	16.81	17.23	17.33	16.97	0.71	4.38
India	5.34	5.66	5.64	5.40	5.59	5.57	0.23	4.26
Other Asia	9.28	9.69	9.74	9.49	9.51	9.61	0.33	3.56
Latin America	6.69	6.79	6.88	6.97	6.88	6.88	0.19	2.84
Middle East	8.63	8.76	8.56	9.23	9.00	8.89	0.26	2.96
Africa	4.46	4.64	4.37	4.39	4.82	4.56	0.10	2.19
Russia	3.84	3.89	3.80	3.99	4.08	3.94	0.10	2.61
Other Eurasia	1.17	1.28	1.24	1.08	1.28	1.22	0.05	4.09
Other Europe	0.78	0.82	0.78	0.77	0.84	0.80	0.02	2.07
Total Non-OECD	**56.46**	**58.03**	**57.83**	**58.54**	**59.34**	**58.44**	**1.98**	**3.50**
Total World	**102.21**	**103.56**	**103.75**	**104.90**	**105.61**	**104.46**	**2.25**	**2.20**
Previous Estimate	102.21	103.53	103.82	104.90	105.57	104.46	2.25	2.20
Revision	0.00	0.03	-0.08	0.00	0.04	0.00	0.00	0.00

*Note: * 2024 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Table 4 - 2: World oil demand in 2025*, mb/d

World oil demand	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24 Growth	%
Americas	25.25	24.64	25.43	25.70	25.52	25.33	0.08	0.31
of which US	*20.54*	*20.02*	*20.70*	*20.73*	*20.89*	*20.59*	*0.04*	*0.21*
Europe	13.44	13.17	13.57	13.71	13.36	13.46	0.02	0.12
Asia Pacific	7.34	7.81	6.98	7.10	7.50	7.35	0.01	0.14
Total OECD	**46.02**	**45.62**	**45.99**	**46.51**	**46.38**	**46.13**	**0.11**	**0.23**
China	16.97	16.93	17.19	17.67	17.72	17.38	0.41	2.42
India	5.57	5.88	5.88	5.61	5.82	5.80	0.23	4.09
Other Asia	9.61	9.98	10.07	9.82	9.81	9.92	0.31	3.24
Latin America	6.88	6.99	7.07	7.19	7.07	7.08	0.20	2.90
Middle East	8.89	9.14	8.90	9.69	9.35	9.27	0.38	4.30
Africa	4.56	4.76	4.47	4.52	4.93	4.67	0.11	2.47
Russia	3.94	3.95	3.85	4.05	4.12	3.99	0.05	1.37
Other Eurasia	1.22	1.32	1.27	1.12	1.31	1.25	0.03	2.58
Other Europe	0.80	0.83	0.79	0.78	0.85	0.81	0.01	1.40
Total Non-OECD	**58.44**	**59.77**	**59.50**	**60.45**	**60.99**	**60.18**	**1.74**	**2.98**
Total World	**104.46**	**105.38**	**105.48**	**106.96**	**107.37**	**106.31**	**1.85**	**1.77**
Previous Estimate	104.46	105.35	105.56	106.96	107.33	106.31	1.85	1.77
Revision	0.00	0.03	-0.08	0.00	0.04	0.00	0.00	0.00

*Note: * 2025 = Forecast. Totals may not add up due to independent rounding.*
Source: OPEC.

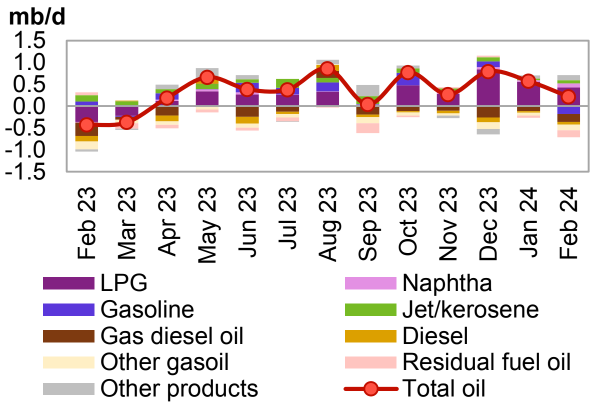
OECD

OECD Americas

Update on the latest developments

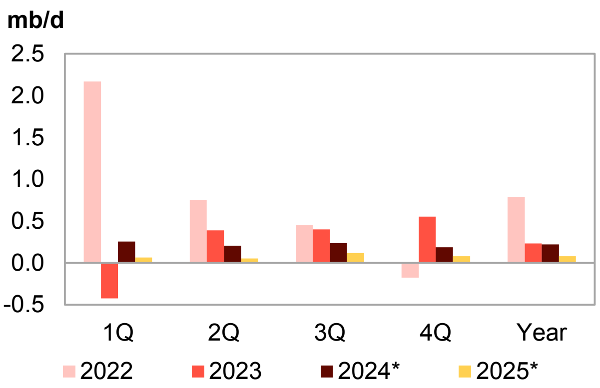
Oil demand in OECD Americas in February expanded by 217 tb/d, y-o-y. Oil demand growth in the region was almost entirely based in the US, which saw an increase for the fifth consecutive month. Demand in Mexico was broadly unchanged, y-o-y, and Canada posted a decline of 25 tb/d, y-o-y. Oil demand growth in February can largely be attributed to strong petrochemical feedstock requirements in the US. Details of various product contributions in the US are discussed below.

Graph 4 - 1: OECD Americas' oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, OPEC and national sources.

Graph 4 - 2: OECD Americas' oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

US

Oil demand in the US increased by 190 tb/d, y-o-y, in February, down from growth of nearly 440 b/d, y-o-y, in January. Growth was driven by healthy petrochemical sector requirements. LPG recorded the largest increase of 454 tb/d, y-o-y, on the back of a normal seasonal demand spike for petrochemical feedstock amid a weak baseline effect, while naphtha saw growth of 68 tb/d, y-o-y. Demand for diesel declined by 99 tb/d, y-o-y, down from a 32 tb/d annual decline the previous month. Jet/kerosene increased by 34 tb/d, y-o-y, up from a mere 5 tb/d growth seen previous month. According to a report from the International Air Travel Association (IATA), domestic air traffic in the US experienced 5.7% growth, y-o-y, in February. The annual growth rate in domestic traffic remains resilient and higher than the pre-pandemic average of 2019.

Gasoline declined by 114 tb/d, y-o-y, down from growth of 44 tb/d, y-o-y, seen in the previous month. Diesel also softened by 99 tb/d, y-o-y, down from a decline of 32 tb/d, y-o-y, in January. Diesel was subdued by weak manufacturing activity. Finally, residual fuels and the ´other products´ category declined by 52 tb/d, y-o-y, and 101 tb/d, y-o-y, respectively

Table 4 - 3: US oil demand, mb/d

US oil demand			*Change*	*Feb 24/Feb 23*
By product	**Feb 23**	**Feb 24**	**Growth**	**%**
LPG	3.41	3.86	0.45	13.3
Naphtha	0.11	0.18	0.07	60.7
Gasoline	8.72	8.60	-0.11	-1.3
Jet/kerosene	1.54	1.57	0.03	2.2
Diesel	4.02	3.92	-0.10	-2.5
Fuel oil	0.37	0.26	-0.10	-27.7
Other products	1.89	1.84	-0.05	-2.8
Total	**20.05**	**20.24**	**0.19**	**0.9**

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

Sources: EIA and OPEC.

Near-term expectations

In the near term, the current ongoing sound economic dynamic including strong private household consumption, is expected to continue into 2H24. Steady air travel and road mobility are set to continue, particularly during the summer driving season, supporting transportation fuel demand. Furthermore, the anticipated transitioning of the Federal Reserve to a more accommodative policy stance by 2H24 should continue to support consumption. Accordingly, these factors are anticipated to support jet/kerosene and gasoline demand primarily in the services sector. Further, healthy petrochemical feedstock requirements for ethylene are also expected to bolster LPG demand. It should be noted, however, that the US manufacturing sector continues to exhibit lacklustre trend, affecting demand for diesel. Thus, US oil demand is forecast to increase by an average of about 180 tb/d, y-o-y, in 2H24, mostly supported by demand for jet/kerosene, gasoline and LPG. However, diesel demand is projected to continue to be subdued given the expected weak manufacturing activity. Overall, US oil demand in **2024** is forecast to increase by 182 tb/d, y-o-y, to average 20.54 mb/d, mostly supported by transportation fuels and light distillates.

In **2025**, US transportation activity is expected to be solid, supporting transportation fuel demand and driving oil demand growth. Further, healthy demand for LPG from petrochemical requirements is forecast to continue. However, demand for diesel and naphtha is expected to remain subdued amid softer manufacturing activity. In 2025, US oil demand is projected to increase by 42 tb/d, y-o-y, to average 20.59 mb/d.

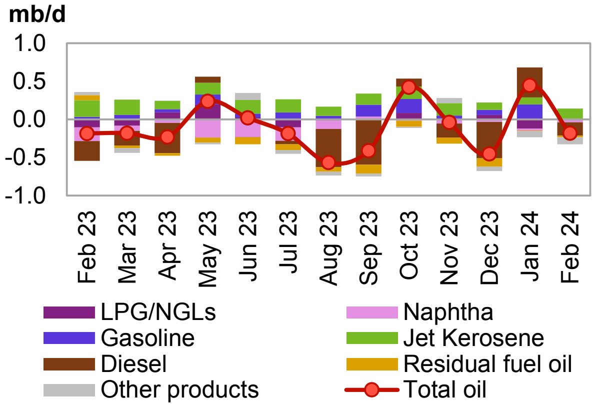
OECD Europe

Update on the latest developments

Oil demand in OECD Europe in February fell by 180 tb/d, y-o-y, after growth of 450 tb/d, y-o-y, the previous month. The largest decline was from diesel. Diesel demand was subdued by weakening manufacturing activity amid unseasonably mild weather, which lessened demand for heating oil.

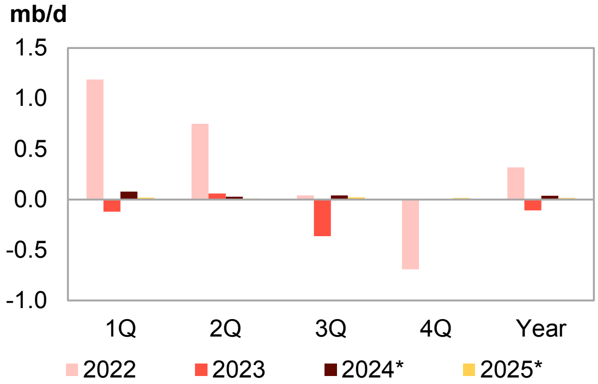
In terms of products, diesel demand declined by 174 tb/d, y-o-y, down from growth of 390 tb/d, y-o-y, the previous month. Furthermore, the ´other products´ category declined by 89 tb/d and residual fuels saw a decline of 24 tb/d, y-o-y. In terms of petrochemical products, ongoing weak regional petrochemical steam cracker unit demand subdued naphtha requirements. This fell by 36 tb/d, y-o-y, from a drop of 26 tb/d, y-o-y, seen in January.

Graph 4 - 3: OECD Europe's oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, OPEC and national sources.

Graph 4 - 4: OECD Europe's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

On the positive side, Europe's air traffic recovery rebounded further in February, reaching 91% of pre-pandemic levels, with jet/kerosene expanding by 127 tb/d, y-o-y, up from growth of 94 tb/d, y-o-y, in January. A report from the IATA's Air Passenger Market Analysis states that Europe's international (revenue passenger kilometres) RPKs grew in February by 15.9%, y-o-y. Additionally, Europe surpassed pre-pandemic levels in terms of RPKs. Gasoline was broadly flat, down from growth of 198 tb/d, y-o-y, seen in the previous month. Demand for LPG increased slightly by 10 tb/d, y-o-y, up from an annual decline of 121 tb/d in January.

Near-term expectations

Despite the challenges faced by the Eurozone's industrial production in 2023, there have been some positive indicators since the start of 2024, including gradual improvements in consumer confidence and an uptick in the services sector. In addition, emerging signals suggest that support from tourism, and more generally, the services sector, toward the summer season, as well as a gradual improvement in industrial production, particularly from the German economy, could offer some additional upside potential for economic growth compared to current expectations.

Transportation and air travel activity in the region are expected to continue with jet/kerosene and gasoline consumption expected to drive regional oil demand. Demand for diesel could pick up in the near term with seasonal consumption from agricultural and construction companies starting to increase. Oil demand growth in the region is expected to average nearly 30 tb/d, y-o-y, in 2Q24. Petrochemical activity is expected to show some improvement supporting naphtha demand, albeit it remains at low levels. LPG and residual fuels are expected to record a slight uptick. Overall, the region is set to see growth of 38 tb/d, y-o-y, in 2024 to average at 13.44 mb/d, mostly supported by transportation fuels.

Potential improvements towards the end of 2024 are expected to carry over into **2025,** with anticipated continued positive GDP growth in the region. OECD Europe oil demand growth is forecast at 17 tb/d, y-o-y, supported by air travel and driving activity. An increase in the penetration of electrical vehicles amid ongoing environmental regulations may have an impact on gasoline and, to a lesser degree, diesel demand. Similarly, the European LPG market is poised for major changes in fundamentals, mostly due to environmental regulations and high production costs, which could weigh on demand going forward. Overall, the region is projected to consume an average of 13.46 mb/d in 2025.

OECD Asia Pacific

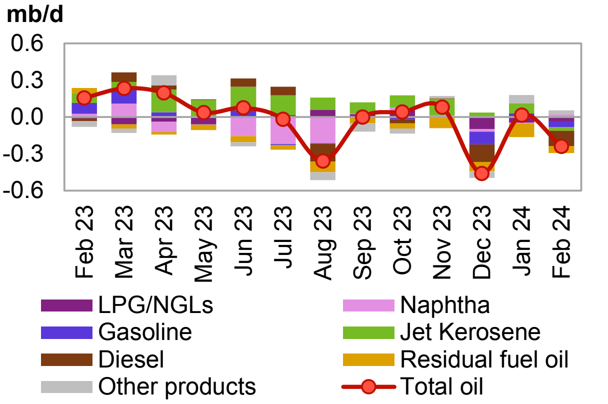
Update on the latest developments

Oil demand in OECD Asia Pacific contracted by 240 tb/d, y-o-y, from growth of 16 tb/d, y-o-y, seen in January. Most of the decline is seen coming from Japan. In terms of products, diesel recorded the region's largest decline, given the weak manufacturing activity in Japan and South Korea. It should be noted that a stronger baseline also significantly influenced the y-o-y growth numbers.

Demand for diesel posted the largest decline of 123 tb/d, y-o-y, down from growth of 2 tb/d, y-o-y, seen in the previous month. Diesel requirements were suppressed by prolonged weakness in manufacturing activity, particularly in Japan, the region's largest economy. Residual fuel and gasoline declined, y-o-y, by 58 tb/d and 46 tb/d, respectively. In addition, jet/ kerosene softened by 31 tb/d, y-o-y.

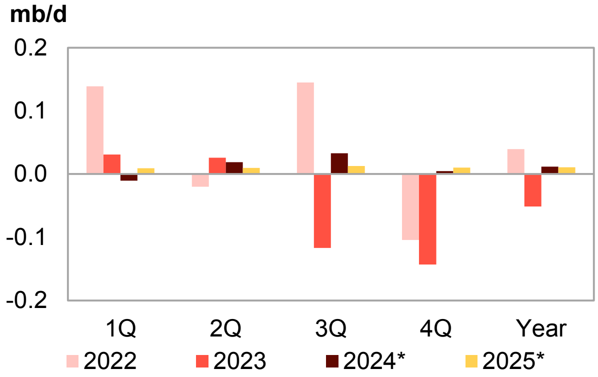
In terms of petrochemical feedstock, demand for naphtha increased by 21 tb/d, y-o-y, up from a marginal annual decline of 3 tb/d seen in the previous month. However, the region's lacklustre demand continued to subdue LPG requirements, which fell by 36 tb/d, y-o-y, albeit an improvement from a contraction of 48 tb/d, y-o-y, seen in December 2023.

Graph 4 - 5: OECD Asia Pacific oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, METI and OPEC.

Graph 4 - 6: OECD Asia Pacific oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Near-term expectations

Following a slight rebound in Japan's economic activity in 1Q24, the March PMI numbers for the country indicate ongoing sound developments in the services sector and improvements in the manufacturing sector. Similarly, South Korea's manufacturing PMI indicated a gradual improvement from previously sluggish numbers. A steady recovery in air traffic, along with improvements in driving activity and petrochemical industry operations, are anticipated to support the region's oil demand growth, which is projected to increase in 2Q24 by 20 tb/d, y-o-y. Overall, OECD Asia Pacific is expected to see moderate oil demand growth of 12 tb/d, y-o-y, in 2024, with the region expected to consume an average of 7.34 mb/d.

The expected positive economic activity momentum, particularly in 2H24, is forecast to carry over into 2025. In addition, transportation and petrochemical sector requirements are expected to continue to support OECD Asia Pacific oil demand, which is forecast to grow moderately by 11 tb/d, y-o-y, to average 7.35 mb/d.

Non-OECD

China

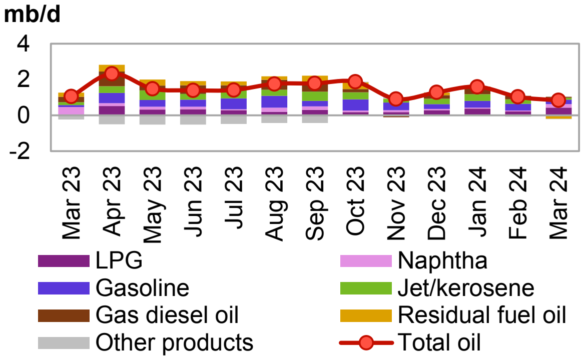
Update on the latest developments

China's oil demand in March surged by 834 tb/d, y-o-y, with demand driven by strong petrochemical feedstock requirements, amid healthy road driving activity and the ongoing air travel recovery.

The strong petrochemical activity supported LPG, which surged by 439 tb/d, y-o-y, up from a still healthy growth of 225 tb/d, y-o-y, seen in February. Moreover, naphtha expanded by 182 tb/d, y-o-y, up from growth of 52 tb/d, y-o-y, seen the previous month.

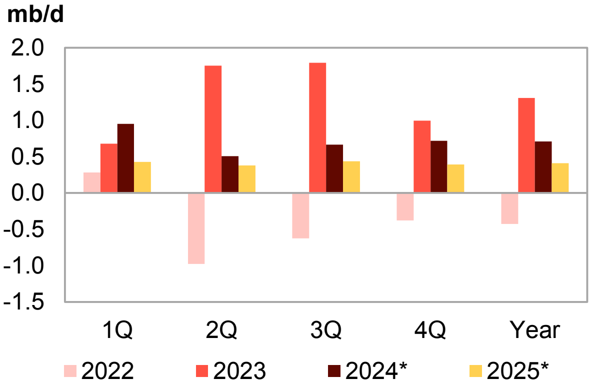
Gasoline saw growth of 256 tb/d, y-o-y, slightly down from growth of 372 tb/d, y-o-y, see in February. China's driving mobility stabilized in March after surging during the Lunar year celebrations. Data from China's National Bureau of Statistics/Haver Analytics indicates that passenger traffic (per 100 million persons) rose by 17.7%, y-o-y, in March. This compares to a jump of 23.7%, y-o-y, in January-February. Jet/kerosene posted growth of 117 tb/d, y-o-y, on the back of the ongoing air travel recovery. Strong growth in jet/kerosene demand in March is consistent with a report from China's Civil Aviation Administration, which shows that domestic and international air travel turnover increased by 18% and 86.9%, y-o-y, respectively. Diesel saw an uptick of 43 tb/d, y-o-y, in March, down from growth of 197 tb/d, y-o-y, seen in February. The slight deceleration in diesel demand was caused by a minor decline in China's industrial production due to cold weather, which limited industrial activity.

Graph 4 - 7: China's oil demand by main petroleum product category, y-o-y change



Sources: Chinese Petroleum Data Monthly, Chinese National Bureau of Statistics, JODI, Non-OECD Energy Statistics, Argus Global Markets, Argus China, and OPEC.

Graph 4 - 8: China's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Residual fuels declined by 194 tb/d, y-o-y, down from a drop of 29 tb/d, y-o-y, seen in February. Residual fuel was partly affected by a strong baseline comparison. The ´other products´ category, which includes bitumen, fell by a slight 9 tb/d, y-o-y, albeit an improvement from an annual decline of 37 tb/d seen in the previous month.

Table 4 - 4: China's oil demand*, mb/d

China's oil demand			Change	Mar 24/Mar 23
By product	Mar 23	Mar 24	Growth	%
LPG	2.26	2.70	0.44	19.4
Naphtha	1.90	2.08	0.18	9.6
Gasoline	3.12	3.38	0.26	8.2
Jet/kerosene	0.71	0.82	0.12	16.5
Diesel	3.63	3.68	0.04	1.2
Fuel oil	0.83	0.63	-0.19	-23.4
Other products	2.32	2.31	-0.01	-0.4
Total	**14.77**	**15.61**	**0.83**	**5.6**

*Note: * Apparent oil demand. Totals may not add up due to independent rounding.*
Sources: Argus Global Markets, China OGP (Xinhua News Agency), Facts Global Energy, JODI, National Bureau of Statistics China and OPEC.

Near-term expectations

Looking ahead, after surging by 1.0 mb/d, y-o-y, in 1Q24, China's oil demand is expected to decelerate to more normal pre-pandemic levels in 2Q24. Ongoing headwinds in the real estate sector and anticipated lower industrial activity are expected to subdue diesel demand. On the other hand, however, air travel and road mobility are expected to remain healthy. Similarly, petrochemical feedstock requirements are set to be resilient. Accordingly, in 2Q24, China's oil demand is expected to grow by 0.5 mb/d, y-o-y.

Petrochemical feedstock and the transportation sector are expected to continue to support China's oil product demand, with additional propane dehydration units are expected to come online around mid-year. By the end of the year, Shandong Yulong Petrochemical will also commission a 3 metric ton p.a. steam cracker integrated with a 400,000 b/d new refinery. Accordingly, the new upcoming capacity additions are expected to support more demand for petrochemical feedstocks later this year. In 2H24, China's oil product demand is expected to expand by almost 0.7 mb/d, y-o-y, to average 16.97 mb/d.

In **2025**, steady economic activity and healthy travel activity is expected to support oil demand, with China remaining the global leader in oil demand growth. China is also projected to lead global petrochemical feedstock demand growth, with jet fuel demand set to rise on the prospect of further growing air transportation requirements. In 2025, the country is expected to post strong oil demand growth of 410 tb/d, y-o-y, to average 17.38 mb/d.

India

Update on the latest developments

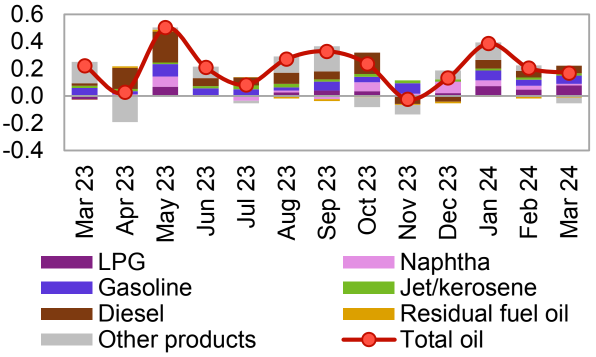
In March, **India's oil demand** grew by 169 tb/d, y-o-y, down slightly from growth of 207 tb/d, y-o-y, seen in February. The annual demand increase was largely supported by LPG, gasoline and diesel.

The largest oil demand increase in March was recorded for LPG, which expanded by 77 tb/d, y-o-y, up from growth of 47 tb/d, y-o-y, seen in February. Supported by healthy mobility, gasoline grew by 59 tb/d, y-o-y, up from an increase of 43 tb/d, y-o-y, seen the previous month. A report from the Society of Indian Automobile Manufacturers indicates that March vehicle sales in India rose by 10%, y-o-y.

With India's manufacturing industry seeing solid growth in March, diesel requirements grew by 56 tb/d, y-o-y, up from growth of 49 tb/d, y-o-y, seen the previous month. Naphtha saw an uptick of 12 tb/d, y-o-y, from y-o-y growth of 29 tb/d in February.

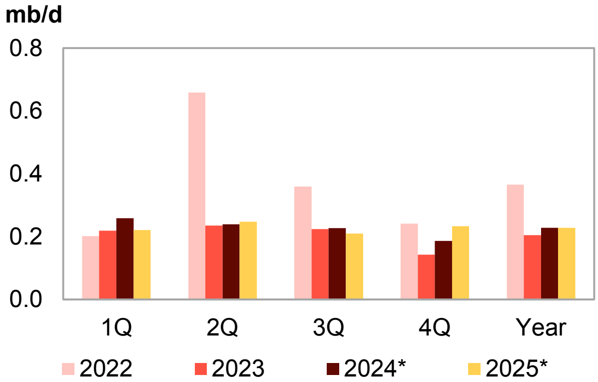
Jet/kerosene increased by 18 tb/d, y-o-y, up from an increase of 17 tb/d, y-o-y, seen the previous month. According to a report from Indian Directorate General of Civil Aviation, Indian domestic airlines recorded a 3.7% increase in passenger traffic over February, with 4.4% growth, y-o-y.

Graph 4 – 9: India's oil demand by main petroleum product category, y-o-y change



Sources: PPAC, JODI, Non-OECD Energy Statistics and OPEC.

Graph 4 – 10: India's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

The ´other products´ category and residual fuels, however, saw a decline of 44 tb/d and 11 tb/d, y-o-y, respectively.

Table 4 - 5: India's oil demand, mb/d

India's oil demand			Change	Mar 24/Mar 23
By product	**Mar 23**	**Mar 24**	**Growth**	**%**
LPG	0.90	0.98	0.08	8.6
Naphtha	0.33	0.34	0.01	3.8
Gasoline	0.85	0.91	0.06	7.0
Jet/kerosene	0.18	0.20	0.02	9.9
Diesel	1.89	1.95	0.06	3.0
Fuel oil	0.12	0.11	-0.01	-8.7
Other products	1.28	1.23	-0.04	-3.4
Total	**5.57**	**5.73**	**0.17**	**3.0**

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

Sources: JODI, Petroleum Planning and Analysis Cell of India and OPEC.

Near-term expectations

In the near term, the current strong economic growth in India is expected to continue in 2Q24. Strong investment is expected to drive economic growth, together with an expansion in manufacturing activity with the government focusing on this sector to further support the economy amid an expected surge in construction. Overall, these factors are expected to bolster India's oil demand in 2Q24. Additionally, the country's annual traditional festivities are set to support transportation activity and boost gasoline demand. Finally, the ongoing air travel recovery is anticipated to support jet/kerosene demand. In 2024, India is expected to see healthy oil demand growth of 228 tb/d, y-o-y, to average 5.57 mb/d.

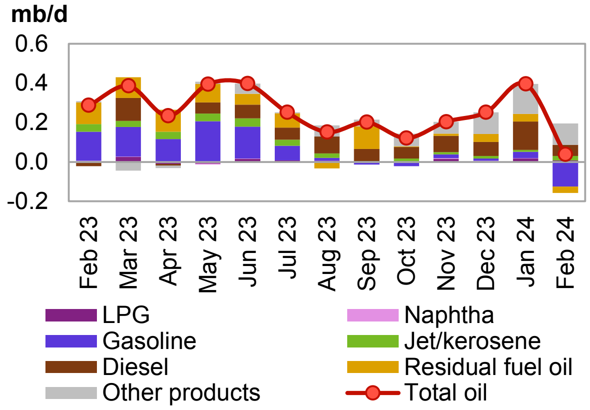
Healthy economic momentum in 2024 is expected to continue into 2025. Manufacturing and business activities are expected to be steady, supporting oil demand growth of 227 tb/d, y-o-y, to average 5.80 mb/d. Transportation and industrial fuels are expected to continue to drive demand, followed by the 'other products' category, mostly bitumen. LPG and naphtha are also expected to support oil demand over the year.

Latin America

Update on the latest developments

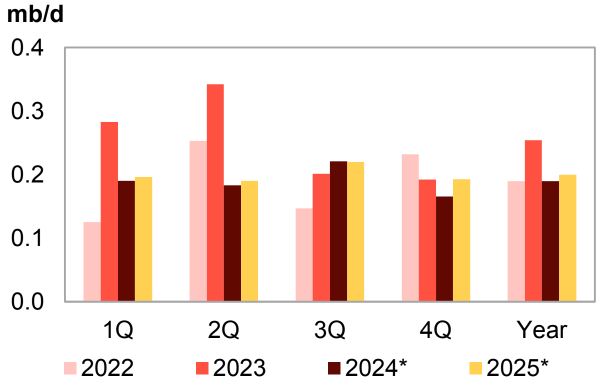
Oil demand in Latin America in February increased slightly by 38 tb/d, y-o-y, from growth of 395 tb/d, y-o-y, in January. The relative decline from the previous month was largely due to a strong baseline effect. Oil demand growth in the region was driven by the ´other products´ category for the third consecutive month, mostly from Brazil and Argentina, in addition to regional diesel requirements.

Graph 4 - 11: Latin America's oil demand by main petroleum product category, y-o-y change



Sources: JODI, Non-OECD Energy Statistics and OPEC.

Graph 4 - 12: Latin America's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

In terms of demand by product, the ´other products´ category accounted for the largest increase in February, with growth of 108 tb/d, y-o-y, albeit slightly below growth of 152 tb/d, y-o-y, seen in the previous month. Diesel expanded by 57 tb/d, y-o-y, although this was a decline from an increase of 143 tb/d, y-o-y, seen in January. On the back of ongoing air travel recovery, jet/kerosene saw growth of 23 tb/d, y-o-y, up from growth of 10 tb/d, y-o-y, in the previous month. A report from the IATA's Air Passenger Market Analysis states that Latin America's international RPKs grew by 21.0% in February. In terms of petrochemical feedstock, while LPG increased by 7 tb/d, y-o-y, and demand for naphtha was flat.

Elsewhere, gasoline demand contracted by 124 tb/d, y-o-y, down from growth of 33 tb/d, y-o-y, in the previous month. Gasoline demand was subdued by a strong baseline comparison. Finally, residual fuels softened by 32 tb/d, y-o-y.

Near-term expectations

Looking ahead, the latest data from the region's major oil consuming country, Brazil, indicates growing service sector confidence, which is expected to continue into 2Q24. Additionally, the air travel recovery is set to continue and boost oil demand, with growth of 183 tb/d, y-o-y, in 2Q24. In **2024**, oil demand in the region is expected to expand by 190 tb/d, y-o-y, to average 6.88 mb/d. Specifically, gasoline and diesel are projected to drive overall oil demand growth. In addition, the ongoing air travel recovery is expected to support jet/kerosene demand.

In **2025**, economic activity in the region is set to improve further. Both transportation and manufacturing activities are expected to support average oil demand growth of 200 tb/d, y-o-y, to average 7.08 mb/d. Transportation fuels, including gasoline, jet/ kerosene and diesel, are anticipated to drive demand growth.

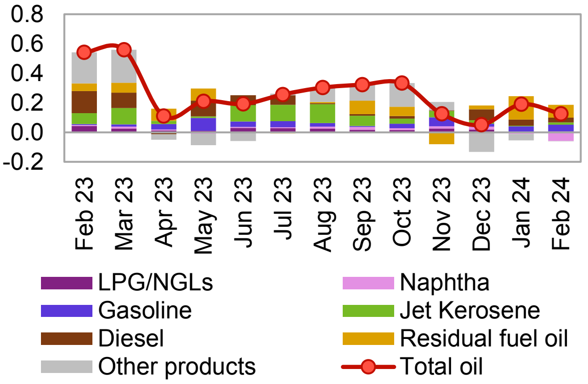
Middle East

Update on the latest developments

Oil demand in the Middle East in February grew by 126 tb/d, y-o-y. This is slightly below the growth of 190 tb/d, y-o-y, recorded in January.

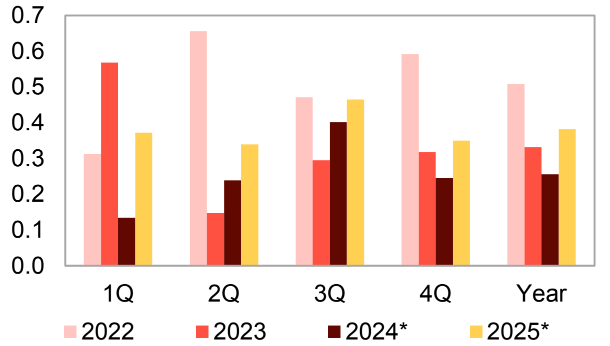
Residual fuel was the main oil demand growth driver for the second consecutive month. It increased by 87 tb/d, y-o-y, which was down from growth of 157 tb/d, y-o-y, seen in the previous month. Gasoline saw growth of 44 tb/d, y-o-y, broadly in line with the growth of 41 tb/d, y-o-y, witnessed a month earlier. On the back of ongoing air travel recovery in the region, jet/ kerosene saw an uptick of 16 tb/d, y-o-y, compared to growth of 5 tb/d, y-o-y, seen in the previous month. Diesel increased by 34 tb/d, y-o-y, albeit a decline from growth of 42 tb/d, y-o-y, in January. In terms of petrochemical feedstock, LPG saw an uptick of 7 tb/d, y-o-y, a slight improvement from no change in the previous month. Naphtha demand declined by 59 tb/d, y-o-y, a drop from a contraction of 10 tb/d in the previous month.

Graph 4 - 13: Middle East's oil demand by main petroleum product category, y-o-y change



Sources: JODI, Non-OECD Energy Statistics and OPEC.

Graph 4 - 14: Middle East's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Finally, the 'other products' category contracted by 2 tb/d, y-o-y, from a contraction of 44 tb/d, y-o-y, in the previous month.

Table 4 - 6: Iraq's oil demand, mb/d

Iraq's oil demand By product	Mar 23	Mar 24	Change Mar 24/Mar 23 Growth	%
LPG	0.07	0.04	-0.03	-37.5
Naphtha	0.01	0.02	0.01	253.6
Gasoline	0.18	0.18	0.00	0.3
Jet/kerosene	0.03	0.06	0.03	132.9
Diesel	0.16	0.16	0.00	1.6
Fuel oil	0.26	0.19	-0.07	-26.8
Other products	0.14	0.14	0.00	0.9
Total	**0.84**	**0.80**	**-0.04**	**-5.0**

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

Sources: JODI and OPEC.

Near-term expectations

In the near term, ongoing strong growth in transportation fuels demand is expected to continue. Moreover, the current focus on petrochemical sector development is set to bolster petrochemical feedstock requirements in the region. Accordingly, these factors are projected to support overall oil demand growth, which is forecast to expand by an average of 239 tb/d, y-o-y, in 2Q24. Middle East oil demand in 2024 is expected to expand by 255 tb/d, y-o-y, to average 8.89 mb/d.

In 2025, healthy economic activity in the region is projected to continue. In addition, mobility and petrochemical sector requirements are expected to remain steady. These factors should support demand for transportation fuels and other distillates. Accordingly, regional oil demand in 2025 is expected to expand by an average of 382 tb/d, y-o-y, to average 9.27 mb/d.

World Oil Supply

The non-DoC liquids supply (i.e. liquids supply from countries not participating in the Declaration of Cooperation) is expected to grow by 1.2 mb/d in 2024, unchanged from the previous month's assessment, to average 53.0 mb/d.

US crude and condensate, as well as NGL production, recovered in February following a weather-related disruption in Janaury. Accordingly, US liquids supply growth for 2024 is estimated at 0.4 mb/d. In addition to the US, the main drivers for expected growth in 2024 are Canada, Brazil and Norway.

Non-DoC liquids supply growth in 2025 is expected at 1.1 mb/d, broadly unchanged from the previous month's assessment, to average 54.1 mb/d. Growth is mainly driven by the US, Brazil, Canada and Norway, while the main decline is expected in Angola.

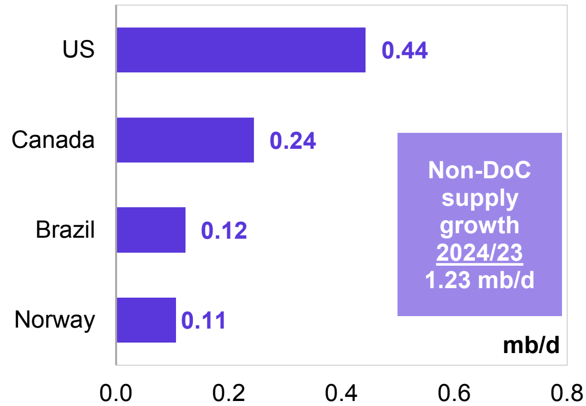
DoC NGLs and non-conventional liquids are forecast to grow by around 0.1 mb/d to average 8.3 mb/d this year, followed by a minor decline of about 10 tb/d to average 8.3 mb/d in 2025. Meanwhile, OPEC NGLs and non-conventional liquids production is expected to increase by around 60 tb/d to average 5.5 mb/d in 2024, and additional growth of 110 tb/d is forecast for 2025 to average 5.6 mb/d.

DoC crude oil production in April decreased by 246 tb/d, m-o-m, averaging 41.02 mb/d, as reported by available secondary sources.

Key drivers of growth and decline

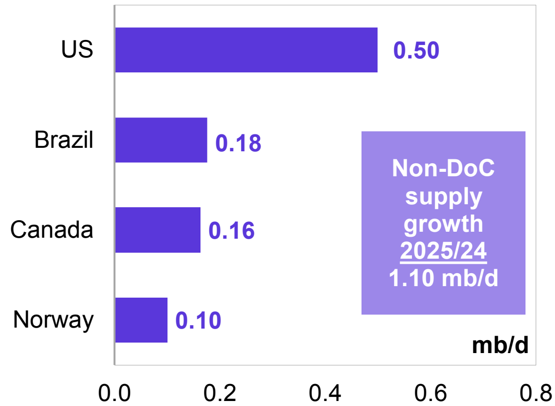
The **non-DoC liquids supply** (i.e. liquids supply from countries not participating in the Declaration of Cooperation) is expected to grow by 1.2 mb/d in 2024, broadly unchanged from the previous month's assessment. In **2024**, the main drivers for liquids supply growth in this category are expected to be the US, Canada, Brazil and Norway.

Graph 5 - 1: Annual liquids production changes, y-o-y, for selected countries in 2024*



*Note: * 2024 = Forecast. Source: OPEC.*

Graph 5 - 2: Annual liquids production changes, y-o-y, for selected countries in 2025*



*Note: * 2025 = Forecast. Source: OPEC.*

Non-DoC liquids supply growth in **2025** is expected to be 1.1 mb/d, largely unchanged from the previous month's assessment. Growth will be mainly driven by the US, Brazil, Canada and Norway.

Non-DoC liquids production in 2024 and 2025**

Table 5 - 1: Non-DoC liquids production in 2024*, mb/d

Non-DoC liquids production	2023	1Q24	2Q24	3Q24	4Q24	2024	Change 2024/23 Growth	%
Americas	26.60	26.87	27.00	27.37	27.88	27.28	0.69	2.58
of which US	*20.90*	*20.93*	*21.20*	*21.42*	*21.81*	*21.34*	*0.44*	*2.12*
Europe	3.65	3.67	3.75	3.73	3.91	3.76	0.11	3.02
Asia Pacific	0.44	0.44	0.42	0.43	0.43	0.43	-0.01	-2.90
Total OECD	**30.69**	**30.99**	**31.17**	**31.53**	**32.22**	**31.48**	**0.78**	**2.56**
China	4.52	4.62	4.59	4.46	4.46	4.53	0.02	0.35
India	0.77	0.78	0.79	0.79	0.78	0.78	0.01	1.32
Other Asia	1.61	1.62	1.58	1.57	1.57	1.58	-0.03	-1.68
Latin America	6.96	7.27	7.33	7.36	7.41	7.35	0.39	5.55
Middle East	2.02	2.00	2.02	2.01	2.02	2.01	-0.01	-0.57
Africa	2.22	2.26	2.22	2.24	2.26	2.24	0.03	1.17
Other Eurasia	0.36	0.36	0.36	0.36	0.36	0.36	0.00	0.28
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	-1.15
Total Non-OECD	**18.57**	**19.00**	**19.00**	**18.89**	**18.96**	**18.96**	**0.40**	**2.15**
Total Non-DoC production	49.26	49.99	50.17	50.42	51.18	50.44	1.18	2.40
Processing gains	2.47	2.52	2.52	2.52	2.52	2.52	0.05	2.03
Total Non-DoC liquids production	**51.73**	**52.51**	**52.69**	**52.94**	**53.70**	**52.96**	**1.23**	**2.38**
Previous estimate	51.73	52.57	52.68	52.92	53.66	52.96	1.23	2.38
Revision	0.00	-0.05	0.01	0.01	0.04	0.00	0.00	0.01

*Note: * 2024 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Table 5 - 2: Non-DoC liquids production in 2025*, mb/d

Non-DoC liquids production	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24 Growth	%
Americas	27.28	27.88	27.67	27.92	28.30	27.94	0.66	2.43
of which US	*21.34*	*21.74*	*21.77*	*21.82*	*22.03*	*21.84*	*0.50*	*2.34*
Europe	3.76	3.94	3.82	3.80	3.90	3.87	0.10	2.67
Asia Pacific	0.43	0.43	0.42	0.43	0.43	0.42	-0.01	-1.81
Total OECD	**31.48**	**32.25**	**31.91**	**32.14**	**32.64**	**32.23**	**0.75**	**2.40**
China	4.53	4.57	4.55	4.51	4.52	4.54	0.01	0.13
India	0.78	0.78	0.79	0.80	0.80	0.79	0.01	1.00
Other Asia	1.58	1.58	1.56	1.54	1.54	1.55	-0.03	-1.83
Latin America	7.35	7.50	7.54	7.63	7.76	7.61	0.26	3.58
Middle East	2.01	2.01	2.04	2.04	2.03	2.03	0.02	1.01
Africa	2.24	2.27	2.26	2.26	2.25	2.26	0.02	0.76
Other Eurasia	0.36	0.36	0.36	0.36	0.36	0.36	0.00	0.07
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	1.97
Total Non-OECD	**18.96**	**19.18**	**19.21**	**19.25**	**19.37**	**19.25**	**0.29**	**1.51**
Total Non-DoC production	50.44	51.43	51.12	51.39	52.00	51.48	1.04	2.07
Processing gains	2.52	2.58	2.58	2.58	2.58	2.58	0.06	2.38
Total Non-DoC liquids production	**52.96**	**54.01**	**53.70**	**53.97**	**54.58**	**54.06**	**1.10**	**2.08**
Previous estimate	52.96	54.01	53.69	53.96	54.58	54.06	1.10	2.08
Revision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

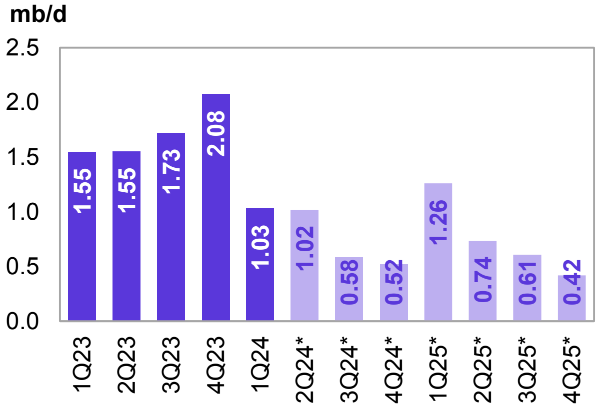
*Note: * 2025 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

OECD

For **2024**, **OECD liquids production** (excluding Mexico) is likely to grow by 0.8 mb/d to average 31.5 mb/d. Growth is set to be led by OECD Americas, with an expected increase of 0.7 mb/d to average 27.3 mb/d. This is largely unchanged compared with the previous month's assessment. Yearly liquids production in OECD Europe is expected to rise by 0.1 mb/d to average 3.8 mb/d, which is broadly unchanged compared with the previous assessment. OECD Asia Pacific is expected to decline by 13 tb/d, y-o-y, to average 0.4 mb/d.

Graph 5 - 3: OECD quarterly liquids supply, y-o-y changes



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

OECD liquids production is forecast to grow by 0.8 mb/d to average 32.2 mb/d in **2025**. OECD Americas is expected to be the main growth driver, with an expected increase of 0.7 mb/d for an average of 27.9 mb/d. Yearly liquids production in OECD Europe is expected to grow by 0.1 mb/d to average 3.9 mb/d, while OECD Asia Pacific is expected to decline by a minor 8 tb/d, y-o-y, to average 0.4 mb/d.

OECD Americas

US

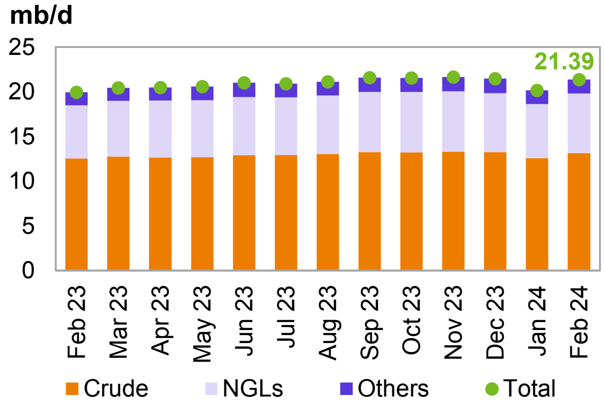
US liquids production in **February** jumped by 1.2 mb/d, m-o-m, to average 21.4 mb/d, after recovering from disruption due to a cold wave in January. This was 1.4 mb/d higher than in February 2023.

Crude oil and condensate production rose by 0.6 mb/d, m-o-m, to average 13.2 mb/d in **February**, up by 0.6 mb/d, y-o-y.

In terms of **crude and condensate production breakdown by region (PADDs)**, production increased on the US Gulf Coast (USGC) by 0.4 mb/d to average 9.5 mb/d. Production on the East and West Coasts remained broadly unchanged, while output in the Midwest and Rocky Mountain regions rose by 196 tb/d and 41 tb/d, m-o-m, respectively.

A jump in production in the main producing regions can primarily be attributed to higher output in Texas, New Mexico, North Dakota and offshore Gulf of Mexico (GoM), as well as onshore production recovering from low January levels.

Graph 5 - 4: US monthly liquids output by key component



Sources: EIA and OPEC.

NGL production jumped by 0.6 mb/d, m-o-m, to average 6.6 mb/d in February. This was 0.7 mb/d higher y-o-y. According to the US Department of Energy (DoE), the production of **non-conventional liquids** (mainly ethanol) rose by 80 tb/d, m-o-m, to average 1.6 mb/d. Preliminary estimates show non-conventional liquids averaging about 1.6 mb/d in March, largely unchanged, m-o-m.

GoM production rose by 53 tb/d, m-o-m, to average 1.8 mb/d in February. Output is still lower than expectations due to ongoing oil spill outages and several operational issues on a number of platforms. However, GoM production was still supported by new project ramp-ups. In the **onshore Lower 48**, crude and condensate production rose by 0.6 mb/d, m-o-m, to an average of 10.9 mb/d in February.

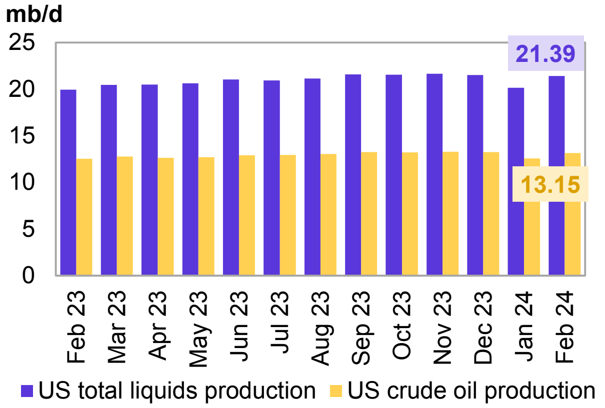
Table 5 - 3: US crude oil production by selected state and region, tb/d

State	Feb 23	Jan 24	Feb 24	*Change* m-o-m	y-o-y
Texas	5,306	5,376	5,548	*172*	*242*
New Mexico	1,799	1,862	1,982	*120*	*183*
Gulf of Mexico (GOM)	1,828	1,747	1,800	*53*	*-28*
North Dakota	1,128	1,114	1,287	*173*	*159*
Colorado	420	445	467	*22*	*47*
Alaska	446	427	432	*5*	*-14*
Oklahoma	422	389	399	*10*	*-23*
Total	**12,532**	**12,576**	**13,154**	***578***	***622***

Sources: EIA and OPEC.

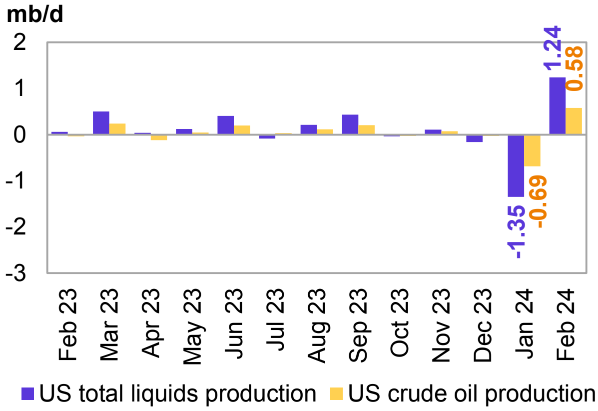
Looking at **individual US states**, New Mexico's oil production rose by 120 tb/d to average 2.0 mb/d, which is 0.2 mb/d higher than a year ago. Production from Texas was up by 172 tb/d to average 5.5 mb/d, which is 242 tb/d higher than a year ago. In the Midwest, North Dakota's production rose by 173 tb/d, m-o-m, to average 1.3 mb/d, up 159 tb/d, y-o-y, while Oklahoma's production increased by 10 tb/d, averaging 0.4 mb/d, m-o-m. Production in Colorado rose by 22 tb/d, m-o-m, while output in Alaska remained mostly unchanged.

Graph 5 - 5: US monthly crude oil and total liquids supply



Sources: EIA and OPEC.

Graph 5 - 6: US monthly crude oil and total liquids supply, m-o-m changes



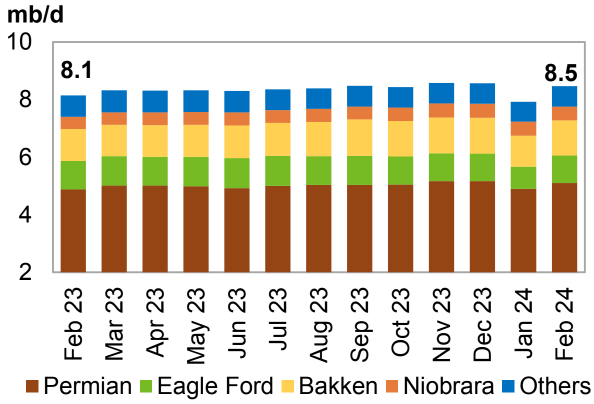
Sources: EIA and OPEC.

US tight crude output in **February** is estimated to have increased by 540 tb/d, m-o-m, to average 8.5 mb/d, according to the latest estimates by the US Energy Information Administration (EIA). This was 0.3 mb/d higher than in the same month last year.

The m-o-m increase from shale and tight formations using horizontal wells came mainly from Permian shale production in Texas and New Mexico, where output rose by 196 tb/d for an average of 5.1 mb/d. This was up by 0.2 mb/d, y-o-y.

In North Dakota, Bakken shale oil output rose, m-o-m, averaging 1.2 mb/d, up by 110 tb/d, y-o-y. Tight crude output at Eagle Ford in Texas rose by 184 tb/d to average 0.9 mb/d, down by 38 tb/d, y-o-y. Production at Niobrara-Codell in Colorado and Wyoming was largely unchanged at an average of 477 tb/d.

Graph 5 - 7: US tight crude output breakdown

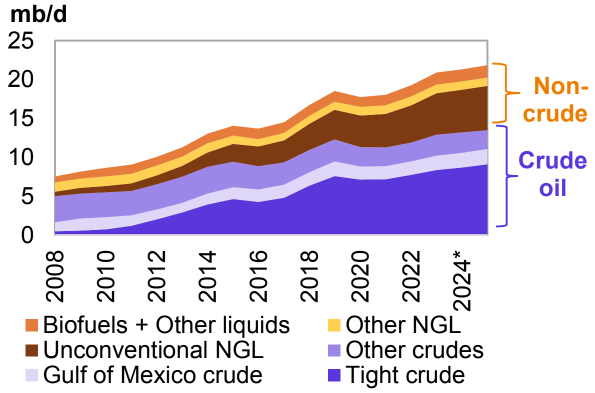


Sources: EIA and OPEC.

US liquids production in **2024**, excluding processing gains, is expected to grow by 0.4 mb/d, y-o-y, to average 21.3 mb/d. This is broadly unchanged from the previous assessment. The forecast assumes a modest level of drilling activity and fewer supply chain/logistical issues at the prolific Permian, Bakken and Eagle Ford shale sites this year.

Crude oil and condensate output in 2024 are expected to jump by 0.3 mb/d, y-o-y, to average 13.2 mb/d. At the same time, NGL production and that of non-conventional liquids, particularly ethanol, is projected to increase by 0.1 mb/d and 30 tb/d, y-o-y, to average 6.6 mb/d and 1.6 mb/d, respectively.

Graph 5 - 8: US liquids supply developments by component



Note: * 2024-2025 = Forecast.
Source: OPEC.

Average **tight crude** output in 2024 is expected to reach 8.7 mb/d, up by 0.4 mb/d, y-o-y. The 2024 forecast assumes ongoing capital discipline and less inflationary pressure, as well as moderating supply chain issues and oil field service constraints. At the same time, well productivity and operational efficiency improvements are expected to support crude production amid moderate drilling activity increases.

US liquids production, excluding processing gains, is expected to grow by 0.5 mb/d, y-o-y, to average 21.8 mb/d in **2025**, assuming a mild increase in drilling activity, lower service cost inflation and well productivity improvements in key shale basins. **Crude oil and condensate** output is expected to rise by 0.3 mb/d, y-o-y, to average 13.5 mb/d. At the same time, NGLs production and that of non-conventional liquids, particularly ethanol, is projected to increase, y-o-y, by 0.2 mb/d and 20 tb/d, and average 6.7 mb/d and 1.6 mb/d, respectively. Average **tight crude** output in 2025 is expected to reach 9.1 mb/d, up by 0.4 mb/d, y-o-y. The 2025 forecast assumes ongoing capital discipline and less inflationary pressure in the US upstream sector.

Table 5 - 4: US liquids production breakdown, mb/d

US liquids	2023	*Change* 2023/22	2024*	*Change* 2024/23	2025*	*Change* 2025/24
Tight crude	8.36	0.59	8.72	0.36	9.11	0.40
Gulf of Mexico crude	1.86	0.13	1.86	0.00	1.95	0.09
Conventional crude oil	2.71	0.29	2.64	-0.06	2.44	-0.20
Total crude	**12.93**	**1.02**	**13.22**	**0.30**	**13.51**	**0.29**
Unconventional NGLs	5.31	0.53	5.46	0.15	5.67	0.21
Conventional NGLs	1.12	-0.03	1.09	-0.03	1.07	-0.02
Total NGLs	**6.43**	**0.50**	**6.55**	**0.12**	**6.74**	**0.19**
Biofuels + Other liquids	1.54	0.10	1.57	0.03	1.59	0.02
US total supply	**20.90**	**1.61**	**21.34**	**0.44**	**21.84**	**0.50**

*Note: * 2024-2025 = Forecast.*

Sources: EIA, OPEC and Rystad Energy.

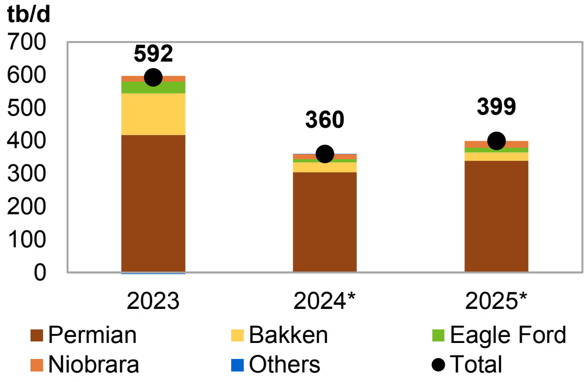
US tight crude production in the **Permian** during 2024 is expected to increase by 0.3 mb/d, y-o-y, to average 5.3 mb/d. In 2025, it is forecast to grow by 0.3 mb/d, y-o-y, to average 5.7 mb/d.

In North Dakota, **Bakken** shale production is still expected to remain below the pre-pandemic average of 1.4 mb/d. Growth of just 30 tb/d and 25 tb/d is expected for 2024 and 2025, respectively, for an average of 1.2 mb/d over both years. These trends could indicate maturity in the basin.

Eagle Ford in Texas saw an output of 1.2 mb/d in 2019, followed by declines from 2020 to 2021 and no growth in 2022. With estimated growth of about 35 tb/d for 2023, output rests at an average of 1.0 mb/d. At the same time, minor growth of 10 tb/d and 15 tb/d is expected for 2024 and 2025, respectively.

Niobrara's production is expected to rise by around 15 tb/d, y-o-y, in 2024, to average 0.5 tb/d. With an expected growth of 20 tb/d, the output is forecast to remain at 0.5 mb/d for 2025. In the remaining tight plays, which are experiencing a modest pace in drilling and completion activities, production is expected to stabilize both this year and in 2025.

Graph 5 - 9: US tight crude output by shale play, y-o-y changes



*Note: * 2024-2025 = Forecast.*
Sources: EIA and OPEC.

Table 5 - 5: US tight oil production growth, mb/d

US tight oil	2023	Change 2023/22	2024*	Change 2024/23	2025*	Change 2025/24
Permian tight	5.02	0.42	5.32	0.30	5.66	0.34
Bakken shale	1.16	0.13	1.19	0.03	1.21	0.03
Eagle Ford shale	1.00	0.04	1.01	0.01	1.03	0.02
Niobrara shale	0.45	0.02	0.47	0.02	0.49	0.02
Other tight plays	0.73	0.00	0.73	0.00	0.73	0.00
Total	**8.36**	**0.59**	**8.72**	**0.36**	**9.11**	**0.40**

*Note: * 2024-2025 = Forecast.*

Source: OPEC.

US rig count, spudded, completed, DUC wells and fracking activity

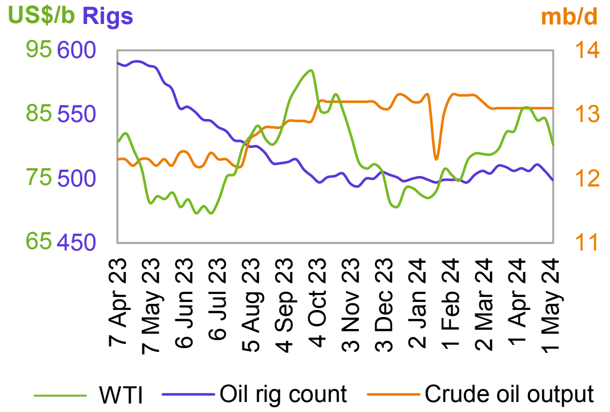
The total number of **active US drilling rigs** in the week ending 3 May 2024 dropped by eight to 605, according to Baker Hughes, 143 fewer rigs than a year ago. The number of active offshore rigs rose by one, w-o-w, to 18. This is three less than in the same month a year earlier. The number of onshore oil and gas rigs dropped by nine, w-o-w, to stand at 587, with no rigs in inland waters. This is down by 138 rigs, y-o-y.

The **US horizontal rig count** remained unchanged, w-o-w, at 552, compared with 676 horizontal rigs a year ago. The number of drilling rigs for oil decreased by seven, w-o-w, to 499, while the number of gas-drilling rigs fell by three, w-o-w, to 102.

The Permian's rig count fell by one, w-o-w, to 316. Rig counts remained unchanged in Williston and DJ-Niobrara at 34 and 10, respectively. Meanwhile, the number of rigs fell by three and one, w-o-w, in Eagle Ford and Cana Woodford to 52 and 21, respectively.

No operating oil rig has been reported in the Barnett Basin since 19 January.

Graph 5 - 10: US weekly rig count vs. US crude oil output and WTI price



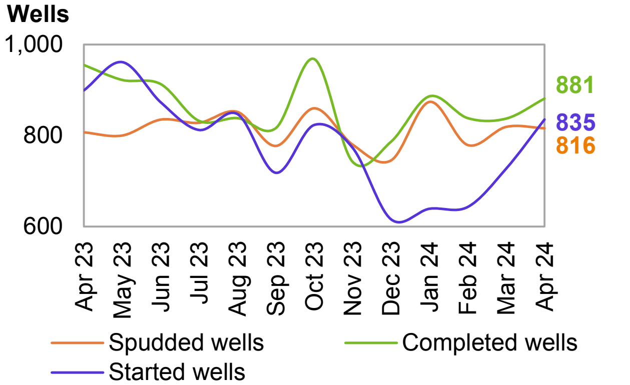
Sources: Baker Hughes, EIA and OPEC.

Drilling and completion (D&C) activities for spudded, completed and started oil-producing wells in all US shale plays included 819 horizontal wells spudded in March (as per preliminary data), based on US Energy Information Administration Drilling Productivity Report (EIA-DPR) regions. This is up by 46, m-o-m, and 18% lower than in March of last year.

Preliminary data for March indicates the same number of completed wells, m-o-m, at 837, though the number is down by 2%, y-o-y. The number of started wells is estimated at 727, which is 14% lower than a year earlier.

Preliminary data for April saw 816 spudded, 881 completed and 835 started wells, according to Rystad Energy.

Graph 5 - 11: Spudded, completed and started wells in US shale plays

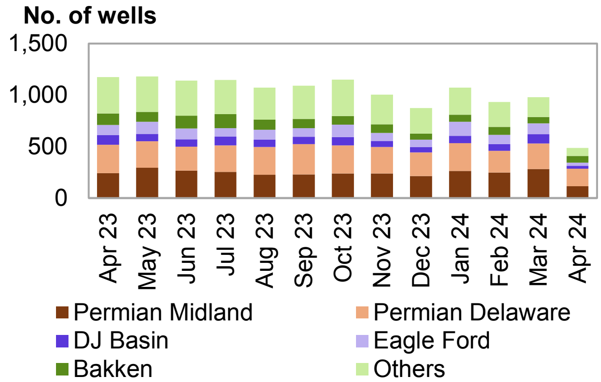


Note: Mar 24-Apr 24 = Preliminary data.
Sources: Rystad Energy and OPEC.

In terms of identified **US oil and gas fracking operations** by region, Rystad Energy reported that 933 wells were fracked in February. In March and April, it stated that 979 and 570 wells began fracking, respectively, according to preliminary numbers based on an analysis of high-frequency satellite data.

In regional terms, preliminary March data shows that 283 and 246 wells were fracked in the Permian Midland and Permian Delaware regions, respectively. There was an increase of 36 wells in the Midland region and a rise of 34 in Delaware compared with February. Data also indicates that 91 wells were fracked in the DJ Basin, 106 in Eagle Ford and 60 in Bakken during March.

Graph 5 - 12: Fracked wells count per month



Note: Mar 24-Apr 24 = Preliminary data.
Sources: Rystad Energy Shale Well Cube and OPEC.

Canada

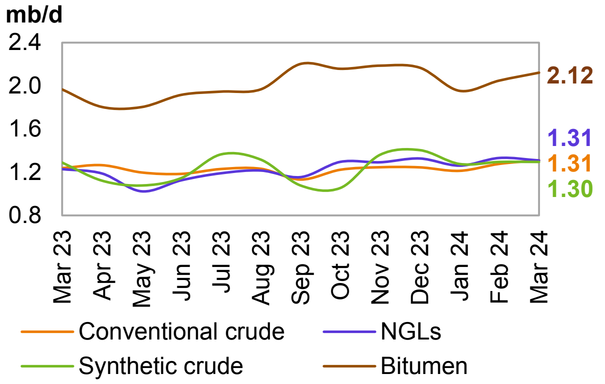
Canada's liquids production in **March** is estimated to have risen by 80 tb/d, m-o-m, to average 6.1 mb/d.

Conventional crude production rose by 33 tb/d, m-o-m, in March to an average of 1.3 mb/d. NGL output was down by 23 tb/d, m-o-m, averaging 1.3 mb/d.

Crude bitumen production output rose in March by 73 tb/d, m-o-m, while synthetic crude remained unchanged, m-o-m. Taken together, crude bitumen and synthetic crude production rose by 73 tb/d to 3.4 mb/d.

Wildfires erupted across Canada's main oil-producing province – Alberta – in late April. This could affect expected production this year as the region braces for a repeat of last year's unprecedented fires.

Graph 5 - 13: Canada's monthly liquids production development by type

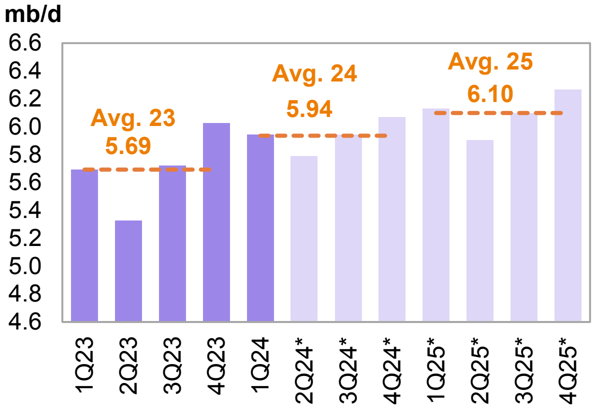


Sources: Statistics Canada, Alberta Energy Regulator and OPEC.

In **2024**, Canada's liquids production is forecast to increase at a much faster pace compared with 2023, rising by 0.2 mb/d to an average of 5.9 mb/d. Incremental production is expected to come from oil sands project ramp-ups, optimization, and the expansion of existing facilities in areas like Montney, Kearl and Fort Hills, in addition to some conventional field growth.

Canada's liquids production is forecast to grow by 0.2 mb/d to average 6.1 mb/d in **2025**. Additional production is expected to come from expanding oil sands projects and some growth in conventional fields. Sources of production are primarily expected from the Athabasca, Syncrude Mildred Lake, Kearl, Horizon, Christina Lake, Suncor and Foster Creek oil Sands projects. The main start-ups in 2025 are expected to be Syncrude Mildred Lake/Aurora, Narrows Lake, Lloyd Thermal, Cold Lake Oil Sands and Montney Play.

Graph 5 - 14: Canada's quarterly liquids production and forecast



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

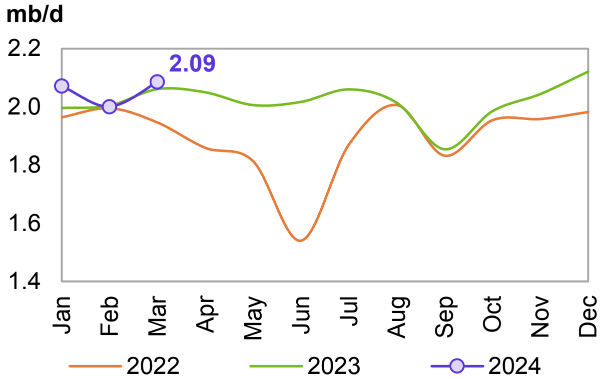
OECD Europe

Norway

Norwegian liquids production in **March** rose by 86 tb/d, m-o-m, to average 2.1 mb/d. Norway's crude production increased by 79 tb/d, m-o-m, in March to average 1.8 mb/d. This remained close to historical highs and was up by 9 tb/d, y-o-y. Monthly oil production was 4.6% higher than the Norwegian Offshore Directorate's (NOD's) forecast.

Production of NGLs and condensate, in the meantime, rose by 7 tb/d, m-o-m, to average 0.2 mb/d, according to NOD data.

Graph 5 - 15: Norway's monthly liquids production development



Sources: The Norwegian Petroleum Directorate (NPD) and OPEC.

For **2024**, Norwegian liquids production is forecast to increase by 0.1 mb/d to average 2.1 mb/d. This was revised down by a minor 7 tb/d from the previous assessment. Several projects are scheduled to ramp up this year. At the same time, start-ups are expected at the Balder/Ringhorne, Eldfisk, Kristin, Hanz and PL636 offshore projects, along with the Alvheim and Skarv Aasgard floating, production, storage and offloading (FPSO) projects. Johan Castberg is projected to be the main source of output increase this year, with the first oil planned in 4Q24. In April, the Hanz crude field started production. The field, a tie-back to the Ivar Aasen platform in the North Sea, feeds into the Grane blend.

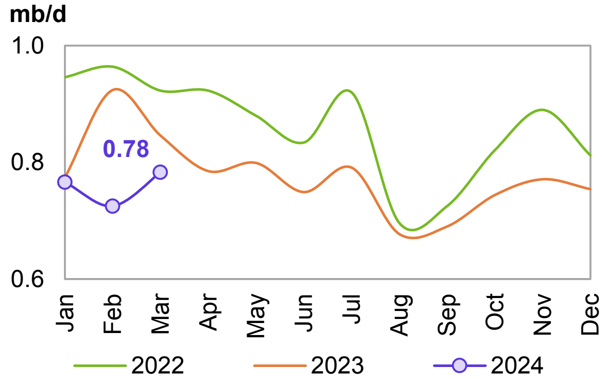
Norwegian liquids production is forecast to grow by 0.1 mb/d to average 2.2 mb/d in **2025**. Several small-to-large-scale projects are scheduled to ramp up in 2025, including Johan Castberg, Kristin, Eldfisk and Balder/Ringhorne. At the same time, start-ups are expected at the Ormen Lange, Snohvit, Halten East, Tyrving, Eirin, Norne FPSO, Maria and Verdande projects.

UK

In **March**, **UK liquids production** rose by 58 tb/d, m-o-m, to average 0.8 mb/d. Crude oil output increased by 62 tb/d, m-o-m, to average 0.6 mb/d, but was lower by 77 tb/d, y-o-y, according to official data. NGL output dropped by a minor 4 tb/d, averaging 77 tb/d.

For **2024**, UK liquids production is forecast to remain largely unchanged at an average of 0.8 mb/d. Production ramp-ups will be seen at the ETAP and Clair sites, as well as at the Anasuria and Captain enhanced oil recovery (EOR) start-up projects. The Penguins FPSO is expected to be towed out to the UK North Sea field in 1H24.

Graph 5 - 16: UK monthly liquids production development

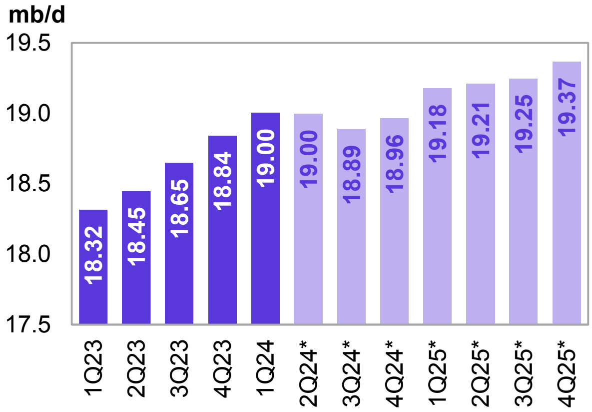


Sources: UK Department for Business, Energy and Industrial Strategy and OPEC.

UK liquids production is forecast to stay steady at an average of 0.8 mb/d in **2025**. Production ramp-ups will be seen at the Clair sites and Schiehallion. Meanwhile, project start-ups are expected at the Alwyn, Laggan-Tormore, Murlach (Skua redevelopment) and Janice's assets. However, decline rates from mature fields are expected to offset these additional volumes.

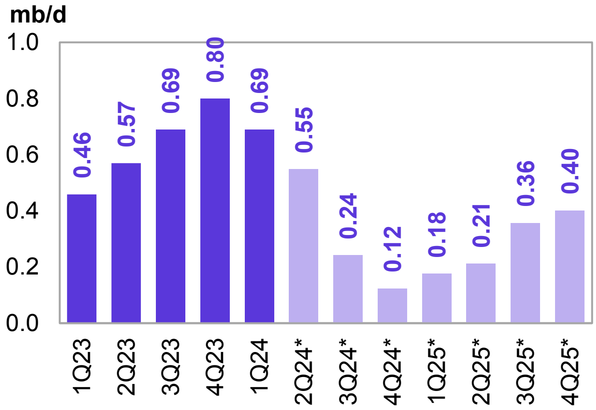
Non-OECD

Graph 5 - 17: Non-OECD quarterly liquids production and forecast



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

Graph 5 - 18: Non-OECD quarterly liquids supply, y-o-y changes

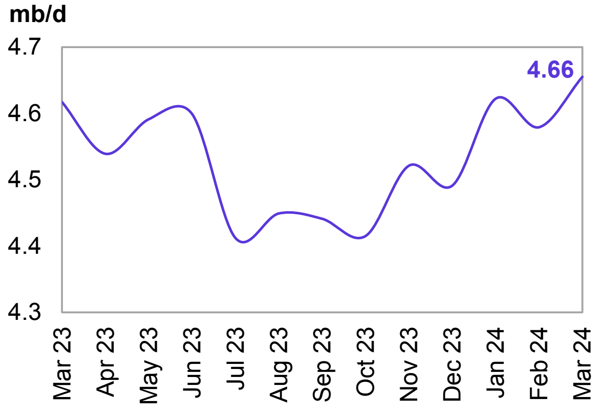


*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

China

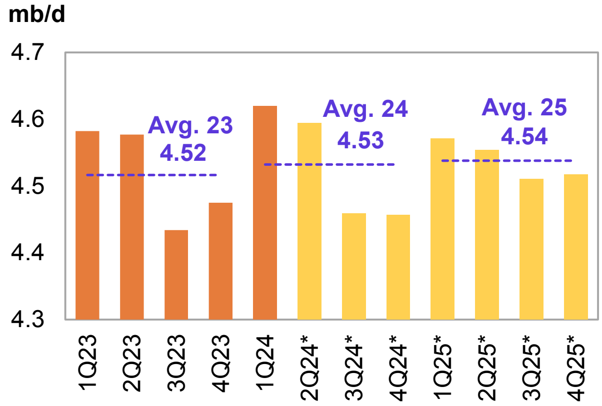
China's liquids production rose by 76 tb/d, m-o-m, to average 4.7 mb/d in **March**. This is up by 38 tb/d, y-o-y, according to official data. Crude oil output in March averaged 4.3 mb/d, up by 76 tb/d compared with the previous month, and higher by 44 tb/d, y-o-y. Conversely, NGL and condensate production remained unchanged, m-o-m, averaging 40 tb/d.

Graph 5 - 19: China's monthly liquids production development



Sources: CNPC and OPEC.

Graph 5 - 20: China's quarterly liquids production and forecast



*Note: * 2Q24-4Q25 = Forecast. Sources: CNPC and OPEC.*

For **2024**, China's liquids production is expected to rise by about 15 tb/d, y-o-y, and is forecast to average 4.5 mb/d. This is largely unchanged from the previous assessment. Natural decline rates are expected to be offset by additional growth through more infill wells and EOR projects. For this year, Lingshui 17-2, Lufeng, Liuhua 11-1, Xi'nan, Bozhong 19-2 Oilfield Development, Shayan and Liuhua 4-1 (redevelopment), which are operated by CNOOC, PetroChina and Sinopec, are planned to come on stream. At the same time, key ramp-ups are expected from Changqing, Kenli 10-2, Wushi 17-2 and Kenli 6-4. Chinese majors are expected to maintain high upstream Capex in 2024 to meet the growth requirements stated in 2019's seven-year plan.

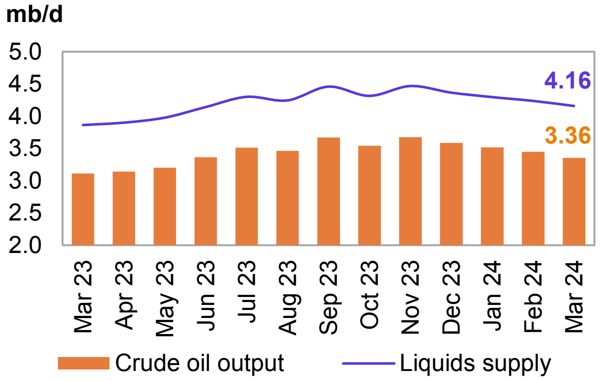
Chinese liquids production is expected to remain steady, y-o-y, and is forecast to average 4.5 mb/d in **2025**. For next year, oil and gas condensate projects like Bozhong 19-6, Huizhou 26-6, Peng Lai 19-9, Shengli, Wushi 17-2, Liaohe and Xijiang 30-2, which are operated by CNOOC and Sinopec, are planned to come on stream. At the same time, key ramp-ups are expected from Changqing, Tarim, Xibei, Peng Lai 19-9 and Xi'nan.

Latin America

Brazil

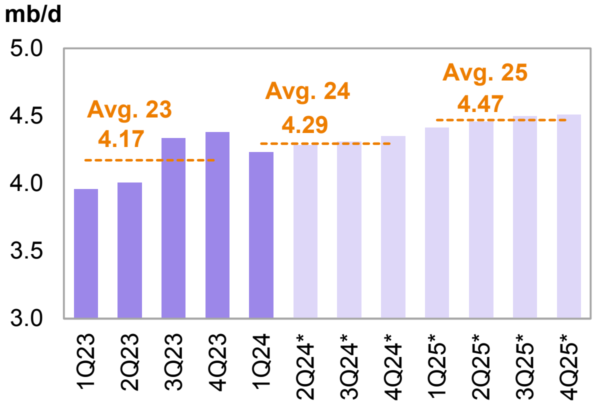
Brazil's crude output in **March** fell by 92 tb/d, m-o-m, to average 3.4 mb/d. The March drop in output was primarily driven by post-salt production due to maintenance and natural decline. NGL production, however, remained largely unchanged, at an average of around 80 tb/d, and is expected to remain flat in April 2024. Biofuel output (mainly ethanol) increased by 13 tb/d to an average of 0.7 mb/d, with preliminary data showing a stable trend in April. The country's total liquids production decreased by 78 tb/d in March to average 4.2 mb/d, but was higher by 0.3 mb/d, y-o-y.

Graph 5 - 21: Brazil's monthly liquids production development by type



Sources: Brazilian National Agency of Petroleum, Natural Gas and Biofuels (ANP) and OPEC.

Graph 5 - 22: Brazil's quarterly liquids production



*Note: * 2Q24-4Q25 = Forecast. Sources: ANP and OPEC.*

For **2024**, Brazil's liquids supply, including biofuels, is forecast to increase by about 120 tb/d, y-o-y, to average 4.3 mb/d. Crude oil output is expected to increase through production ramp-ups in the Buzios (Franco), Mero (Libra NW), Tupi (Lula) and Itapu (Florim) fields. Oil project start-ups are expected at the Buzios, Atlanta, Pampo-Enchova Cluster and Vida sites. However, increasing costs in the offshore market and inflation might continue to delay projects and could temper growth in the short term. The platform ship Marechal Duque de Caxias (Mero 3) is expected to come into operation from September this year and has the capacity to produce up to 180 tb/d of oil and compress up to 12 mcf/d of gas.

Brazil's liquids supply, including biofuels, is forecast to increase by about 180 tb/d, y-o-y, to average 4.5 mb/d in **2025**. Crude oil output is expected to increase through production ramp-ups in the Buzios (Franco), Mero (Libra NW), Tupi (Lula), Marlim and Atlanta fields. Oil project start-ups are expected at the Buzios, Bacalhau (x-Carcara), Parque das Baleias and Lapa (Carioca) fields.

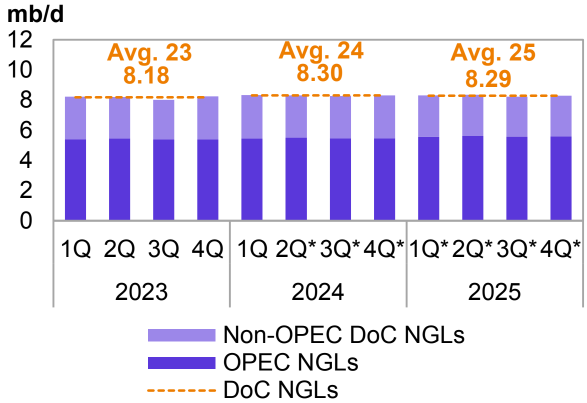
DoC NGLs and non-conventional oils

DoC NGLs and non-conventional liquids are estimated to expand by about 0.1 mb/d in **2024** to average 8.3 mb/d.

Preliminary data shows NGL and non-conventional liquids output in 1Q24 averaging 8.3 mb/d. According to preliminary data in March, 5.5 mb/d and 2.8 mb/d of NGL and non-conventional liquids are estimated to be produced by OPEC Member Countries and non-OPEC DoC countries, respectively.

The primary **2025** forecast points toward a combined decline of just 10 tb/d for an average of 8.3 mb/d. NGL and non-conventional liquids production is projected to grow by 0.1 mb/d to average 5.5 mb/d for OPEC Member Countries. However, it is expected to drop by 0.1 mb/d for non-OPEC DoC member countries.

Graph 5 - 23: DoC NGLs and non-conventional liquids quarterly production and forecast



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

Table 5 - 6: DoC NGLs + non-conventional oils, mb/d

DoC NGL and non-coventional oils	2023	Change 23/22	2024	Change 24/23	1Q25	2Q25	3Q25	4Q25	2025	Change 25/24
OPEC	**5.41**	*0.05*	**5.47**	*0.06*	5.55	5.61	5.58	5.58	**5.58**	*0.11*
Non-OPEC DoC	**2.77**	*0.20*	**2.83**	*0.06*	2.75	2.73	2.63	2.71	**2.71**	*-0.12*
Total	**8.18**	***0.25***	**8.30**	***0.13***	**8.30**	**8.34**	**8.21**	**8.30**	**8.29**	***-0.01***

Note: 2024-2025 = Forecast.
Source: OPEC.

DoC crude oil production

According to secondary sources, total **OPEC-12 crude oil production** averaged 26.58 mb/d in April 2024, 48 tb/d lower, m-o-m. Crude oil output increased mainly in Congo and IR Iran, while production in Nigeria, Iraq and Venezuela decreased.

At the same time, total **non-OPEC DoC crude oil production** averaged 14.44 mb/d in April 2024, 198 tb/d lower, m-o-m. Crude oil output increased mainly in Bahrain, while production in Russia and Kazakhstan decreased.

Table 5 - 7: DoC crude oil production based on *secondary sources*, tb/d

Secondary sources	2022	2023	3Q23	4Q23	1Q24	Feb 24	Mar 24	Apr 24	*Change Apr/Mar*
Algeria	1,013	973	949	957	907	905	908	909	*1*
Congo	261	261	259	251	246	243	250	271	*21*
Equatorial Guinea	84	56	59	53	54	51	58	49	*-9*
Gabon	195	203	201	216	214	214	222	219	*-3*
IR Iran	2,554	2,859	3,005	3,152	3,174	3,161	3,198	3,212	*14*
Iraq	4,439	4,287	4,308	4,324	4,226	4,230	4,212	4,181	*-32*
Kuwait	2,704	2,595	2,560	2,552	2,431	2,434	2,430	2,436	*6*
Libya	981	1,162	1,158	1,170	1,119	1,161	1,171	1,179	*8*
Nigeria	1,210	1,314	1,279	1,381	1,421	1,411	1,400	1,354	*-46*
Saudi Arabia	10,531	9,609	8,994	8,954	9,003	9,016	9,027	9,029	*2*
UAE	3,066	2,950	2,912	2,906	2,928	2,931	2,925	2,930	*4*
Venezuela	684	749	767	774	817	824	822	809	*-13*
Total OPEC	**27,721**	**27,018**	**26,452**	**26,689**	**26,541**	**26,581**	**26,623**	**26,575**	***-48***
Azerbaijan	560	503	496	487	477	477	480	484	*5*
Bahrain	193	182	176	182	167	155	165	178	*13*
Brunei	75	72	70	77	80	79	78	78	*0*
Kazakhstan	1,489	1,597	1,529	1,606	1,613	1,608	1,610	1,560	*-50*
Malaysia	395	374	361	376	359	362	360	352	*-8*
Mexico	1,667	1,645	1,645	1,624	1,613	1,594	1,638	1,635	*-3*
Oman	850	819	807	807	773	771	766	768	*2*
Russia	9,771	9,581	9,493	9,496	9,415	9,408	9,446	9,292	*-154*
Sudan	62	54	53	47	35	34	29	26	*-3*
South Sudan	144	146	151	153	107	103	71	71	*1*
Total Non-OPEC DoC	**15,206**	**14,972**	**14,780**	**14,855**	**14,639**	**14,590**	**14,643**	**14,445**	***-198***
Total DoC	**42,927**	**41,990**	**41,232**	**41,544**	**41,180**	**41,171**	**41,266**	**41,020**	***-246***

Notes: Totals may not add up due to independent rounding, given available secondary sources to date.

Source: OPEC.

OPEC crude oil production

OPEC crude oil production for April, as reported by OPEC Member Countries, is shown in the table below.

Table 5 - 8: OPEC crude oil production based on *direct communication*, tb/d

Direct communication	2022	2023	3Q23	4Q23	1Q24	Feb 24	Mar 24	Apr 24	*Change Apr/Mar*
Algeria	1,020	973	951	958	907	906	907	907	*0*
Congo	262	271	269	259	252	245	254	259	*5*
Equatorial Guinea	81	55	58	53	53	47	60	60	*0*
Gabon	191	223	232	234	..	..	..	..	..
IR Iran	..	..	..	..	..	..	..	..	..
Iraq	4,453	4,117	4,101	4,123	3,957	3,992	3,903	3,891	*-12*
Kuwait	2,707	2,590	2,548	2,548	2,413	2,413	2,413	2,413	*0*
Libya	..	1,189	1,187	1,191	1,149	1,173	1,236	..	..
Nigeria	1,138	1,234	1,201	1,313	1,327	1,322	1,231	1,281	*51*
Saudi Arabia	10,591	9,606	8,969	8,901	8,979	9,011	8,973	8,986	*13*
UAE	3,064	2,944	2,904	2,892	2,919	2,914	2,918	2,917	*-1*
Venezuela	716	783	797	796	864	877	874	878	*4*
Total OPEC	..	..	..	..	..	..	..	..	..

Notes: .. Not available. Totals may not add up due to independent rounding.
Source: OPEC.

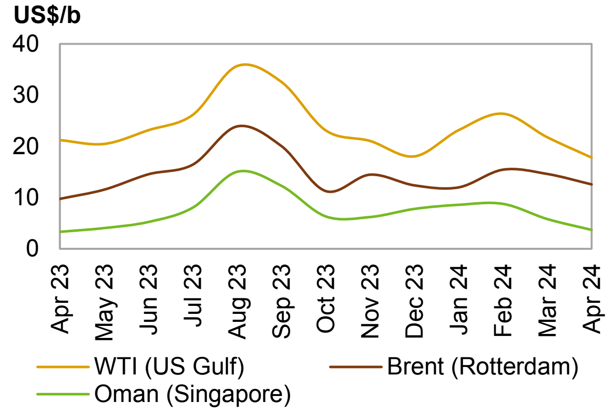
Product Markets and Refinery Operations

In April, refinery margins continued to trend downwards, showing losses for the second consecutive month in all main trading hubs, as the recovery in refinery processing rates and stronger product output weighed on product markets. Most of the weakness stemmed from falling naphtha and diesel crack spreads due to low demand, which led to a lengthening balance for the corresponding products, particularly in the Atlantic Basin. In Singapore, high middle distillate imports from India contributed to the downward pressure on Southeast Asian refining profitability despite limited fuel oil crack spread gains and healthy regional gasoline requirements.

Global refinery intake increased 170 tb/d in April to average 80.0 mb/d, compared to 79.8 mb/d in the previous month, but was 1.1 mb/d lower, y-o-y. As the heavy maintenance season comes to an end, oil markets are expected to be supported in the coming months.

Refinery margins

Graph 6 - 1: Refining margins



Sources: Argus and OPEC.

US Gulf Coast (USGC) refining margins against WTI declined further for the second consecutive month, albeit limited compared to the previous month. Product output recovered as the heavy refinery maintenance season came to an end, contributing to abundant supplies. Refinery processing rates rose by the largest amount m-o-m in the US and was 190 tb/d higher, m-o-m. In addition, lower diesel exports to Europe and Latin America further contributed to a sizeable fall in diesel crack spreads, which broke into negative territory in April and reached the lowest level registered since June 2023. Middle distillates and naphtha were the main drivers behind the downturn, as ample availability weighed their prices. Although gasoline and residual fuel posted gains on sustained prices and a more optimistic outlook for the coming month, this gain was rather limited and insufficient to lift US refining economics, particularly for complex configurations. The new 340 tb/d Olmeca refinery in Dos Bocas, Mexico is set to start producing ultra-low sulphur diesel in the immediate near term, even though full-scale commercial production is expected to materialise around 2025. In addition, March diesel production in Brazil was reported to have increased y-o-y in anticipation of increased economic activity, particularly in the agricultural sector for 2Q24. The additional diesel output into the South American market could place pressure on US diesel exports. US refiners are set to cautiously manage refinery intakes to prevent further oversupply and keep margins sustained until the summer season-related boost in demand starts to materialise. In terms of operations, the US refinery intake increased 190 tb/d, m-o-m, to average 16.32 mb/d in April. USGC margins against WTI averaged $17.80/b, down by $3.97, m-o-m, and by $17.80, y-o-y.

Refinery margins in Rotterdam against Brent decreased to reach a three-month low, with solid loss well distributed across the barrel and led by naphtha and diesel. Refinery product output rose m-o-m significantly by a magnitude comparable to the rise recorded in the US. This led to inventory stock builds and pressure in the regional product market amid subdued domestic demand. Rising refinery runs following heavy turnarounds and the subsequent rise in product output are set to weigh further on regional product crack spreads in the near term. Most recent data towards the end of April show improvement in jet fuel demand as air travel activities start to pick up, although remaining well below its historic seasonal highs. Going forward, jet fuel crack spreads are expected to benefit from growing support in the coming months and partially offset the regional diesel and naphtha supply-related weakness.

Strong naphtha supplies from within the region, particularly from Russia, coupled with subdued demand from the petrochemical sector, have posed challenges to the product margin performance. Despite an optimistic outlook for naphtha requirements for gasoline blending, no substantial support is visible in the near term from the petrochemical sector. Moreover, y-o-y growth in the products supply is set to keep the products' margins under pressure for the time being. Refinery throughput in Europe rose in April, according to preliminary data, and was 180 tb/d higher, m-o-m, averaging 9.59 mb/d. Refinery margins against Brent in Europe averaged $12.58/b in April, which is $2.04 lower, m-o-m, and 12.58 lower, y-o-y.

Singapore's refining margins against Oman followed the same trend compared to its Western counterparts, showing a significant loss in April. Despite a slight downturn in product supplies and firm gasoline demand from Vietnam, Malaysia, and Australia, heavy middle distillate and naphtha pressure due to high inventories dragged refining economics in Southeast Asia. According to most recent reports, China has issued 114 mb of oil product export quotas in its second release this year, a 56% increase from last year. The government granted the quotas to seven state-controlled and private-sector refiners for exporting gasoline, diesel, and kerosene, as reported by Argus in early May. This upside potential in Chinese product exports is expected to increase the bearishness in the regional product market. This development calls for careful export volume management to prevent or minimize the pressure on regional crack spreads in the immediate near term.

In April, combined refinery intakes for Japan, China, India, Singapore and South Korea experienced a decrease of 140 tb/d relative to the previous month, averaging 27.49 mb/d, according to preliminary data. Refinery margins against Oman in Asia experienced a $2.12 decline, m-o-m, to average $3.68/b, which was $13.68 lower, y-o-y.

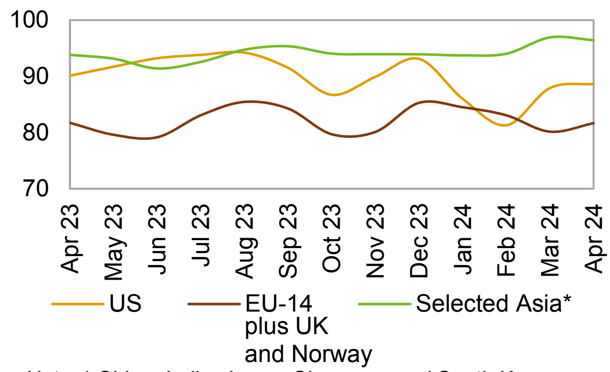
Refinery operations

US refinery utilization rates showed a slight rise to average 88.64%, corresponding to a throughput of 16.32 mb/d. This represents a rise of 0.7 pp and 190 tb/d relative to March. Compared with the previous year, the April refinery utilization rate was down by 1.5 pp, with throughput showing a 148 tb/d drop.

European refinery utilization averaged 81.63% in April, corresponding to a throughput of 9.59 mb/d. This represents a rise of 1.5 pp or 180 tb/d, m-o-m. On a yearly basis, the utilization rate was down by 0.1 pp, and throughput was 28 tb/d lower.

In Selected Asia – Japan, China, India, Singapore and South Korea – refinery utilization rates decreased marginally to average 96.43% in April, corresponding to a throughput of 27.49 mb/d.

Graph 6 - 2: Refinery utilization rates



*Note: * China, India, Japan, Singapore and South Korea.*
Sources: Argus, EIA, Euroilstock, PAJ and OPEC.

Compared with the previous month, utilization rates were down by 0.5 pp, and throughput was lower by 140 tb/d. Relative to the previous year, utilization rates were 2.6 pp higher, and throughput was up by 515 tb/d.

Table 6 - 1: Refinery operations in selected OECD countries

	Refinery throughput, mb/d				Refinery utilization, %			
	Feb 24	Mar 24	Apr 24	Change Apr/Mar	Feb 24	Mar 24	Apr 24	Change Apr/Mar
US	**14.91**	**16.12**	**16.32**	**0.19**	**81.29**	**87.91**	**88.64**	**0.7 pp**
Euro-14, plus UK and Norway	**9.76**	**9.42**	**9.59**	**0.18**	**83.03**	**80.12**	**81.63**	**1.5 pp**
France	0.86	0.80	0.87	0.07	74.98	69.60	75.96	6.4 pp
Germany	1.68	1.79	1.57	-0.22	81.79	87.25	76.75	-10.5 pp
Italy	1.22	1.20	1.29	0.09	64.00	63.21	67.75	4.5 pp
UK	0.96	0.99	1.02	0.03	82.10	84.31	86.71	2.4 pp
Selected Asia*	**26.91**	**27.63**	**27.49**	**-0.14**	**94.01**	**96.93**	**96.43**	**-0.5 pp**

*Note: * Includes Japan, China, India, Singapore and South Korea.*
Sources: Argus Media, EIA, Euroilstock, NBS, PAJ and OPEC.

Table 6 - 2: Refinery crude throughput, mb/d

Refinery crude throughput	2021	2022	2023	2Q23	3Q23	4Q23	1Q24	2Q24
OECD Americas	**17.79**	**18.68**	**18.71**	**19.05**	**19.27**	**18.47**	**18.23**	**19.16**
of which US	*15.66*	*16.48*	*16.50*	*16.75*	*17.02*	*16.47*	*15.63*	*16.80*
OECD Europe	**10.93**	**11.44**	**11.38**	**11.11**	**11.72**	**11.40**	**11.44**	**11.48**
of which:								
France	*0.69*	*0.84*	*0.93*	*0.87*	*1.06*	*0.95*	*0.83*	*0.92*
Germany	*1.72*	*1.83*	*1.62*	*1.59*	*1.67*	*1.59*	*1.73*	*1.60*
Italy	*1.23*	*1.32*	*1.30*	*1.26*	*1.32*	*1.32*	*1.25*	*1.26*
UK	*0.92*	*1.04*	*0.97*	*1.01*	*0.96*	*0.89*	*0.98*	*1.02*
OECD Asia Pacific	**5.79**	**6.10**	**5.88**	**5.68**	**5.74**	**5.94**	**5.96**	**5.73**
of which Japan	*2.49*	*2.71*	*2.56*	*2.38*	*2.54*	*2.54*	*2.59*	*2.61*
Total OECD	**34.51**	**36.23**	**35.97**	**35.84**	**36.73**	**35.81**	**35.63**	**36.36**
Latin America	**3.50**	**3.37**	**3.51**	**3.55**	**3.48**	**3.56**	**3.50**	**3.53**
Middle East	**6.80**	**7.28**	**7.56**	**7.58**	**7.86**	**7.37**	**7.94**	**7.98**
Africa	**1.77**	**1.73**	**1.65**	**1.66**	**1.62**	**1.66**	**1.97**	**2.06**
India	**4.73**	**5.00**	**5.18**	**5.22**	**5.03**	**5.10**	**5.30**	**5.40**
China	**14.07**	**13.49**	**14.78**	**14.78**	**15.19**	**14.57**	**14.64**	**15.03**
Other Asia	**4.72**	**4.89**	**5.00**	**5.15**	**4.88**	**5.12**	**5.16**	**5.21**
Russia	**5.61**	**5.46**	**5.50**	**5.40**	**5.49**	**5.43**	**5.33**	**5.34**
Other Eurasia	**1.23**	**1.15**	**1.15**	**1.10**	**1.06**	**1.20**	**1.18**	**1.15**
Other Europe	**0.41**	**0.48**	**0.46**	**0.43**	**0.51**	**0.46**	**0.42**	**0.47**
Total Non-OECD	**42.85**	**42.85**	**44.79**	**44.87**	**45.13**	**44.47**	**45.43**	**46.17**
Total world	**77.36**	**79.08**	**80.76**	**80.71**	**81.86**	**80.27**	**81.06**	**82.53**

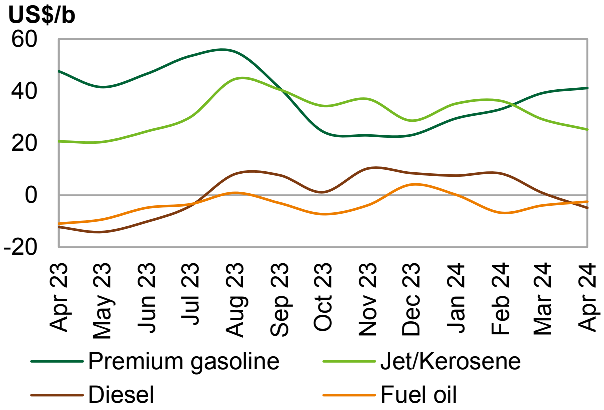
Note: Totals may not add up due to independent rounding.
Sources: AFREC, APEC, EIA, IEA, Euroilstock, PAJ, Ministry data, including Ministry of Energy of the Russian Federation, Ministry of Petroleum and Natural Gas of India, OPEC and JODI.

Product markets

US market

The **USGC gasoline crack against WTI** spread continued its gradual upward trend to reach a six-month high in April, although gains were much more limited relative to what was recorded in the previous month. Improvement in gasoline demand as the driving season approaches has already started being absorbed by the market. An increase in total gasoline imports and a slight decline in exports, according to preliminary EIA data, further support strengthening domestic demand. Total gasoline stock levels gained traction and stabilized relative to the sharp drop registered since January 2024, to post a slight decline m-o-m. Most likely, the recovery in US refinery processing rates over the month with the conclusion of heavy turnarounds helped stabilize stock levels.

Graph 6 - 3: US Gulf crack spread vs. WTI



Sources: Argus and OPEC.

Going forward, domestic gasoline consumption levels are set to continue to improve, along with the strong upside potential in road transportation activity. The USGC gasoline crack spread gained $1.94/b, m-o-m, to average $41.17/b in April.

The **USGC jet/kerosene crack spread against WTI** dropped, losing solid ground for the fourth consecutive month, as the market factored in an expansion in inventories up to mid-April. According to secondary sources, US airlines' jet fuel consumption rose by 3.6% in March, supported by greater demand for flights. Domestic flight consumption rose on the year by 0.64%, while fuel demand for international flights grew by 10%. Air travel activities are expected to improve further going forward; however, stronger refinery output could initially limit the upside in jet/kero crack spreads in the immediate near term. Jet fuel/kerosene wholesale prices saw a 16¢/b increase, m-o-m, averaging $109.82/b. The USGC jet/kerosene crack spread lost $3.94, m-o-m, to average $25.23/b in April.

The USGC gasoil crack spreads against WTI continued to register sizeable losses, becoming the strongest source of weakness across the barrel in the USGC, followed by jet/kerosene. In April, USGC gasoil crack spreads entered negative territory and reached the lowest value registered since June 2023. An expanding global gasoil balance, resulting from a growing supply-demand mismatch amid weak industrial data in the US and a lengthening global balance as a result of higher output, contributed to the weakness. New supplies of very low sulphur diesel from the new 340 tb/d Olmeca refinery in Mexico, amid recent reports of stronger y-o-y Brazilian gasoil production and the end of refinery maintenance season in the US, set the stage for added challenges for US gasoil markets in the immediate near term. Gasoil wholesale prices averaged $79.76/b in April, down $1.62 compared to March. The US gasoil crack spread against WTI averaged minus $4.83/b, down by $5.72, m-o-m, but $7.34/b higher, y-o-y.

The USGC fuel oil crack spread against WTI continued to move upwards and represented the second-strongest positive performer in April, following gasoline. Renewed heavy crude supply restrictions out of the Latin American region led to bullish residual fuel market sentiment and likely contributed to the rise in global high sulphur fuel oil crack spreads. The reduction of heavy feedstock availability signalled suppressed residual fuel production. In April, high sulphur fuel oil prices rose $5.54, m-o-m, to average $82.13/b, the highest level registered since September 2023. This, amid potential upside for fuel-to-gasoline conversion margins along with expectations for a pick-up in utility demand in the Middle East and Asia over the summer season, should support HSFO cracks moving forward. In April, the US fuel oil crack spread against WTI gained $1.44, m-o-m, to average minus $2.45/b and was $8.46 higher, y-o-y.

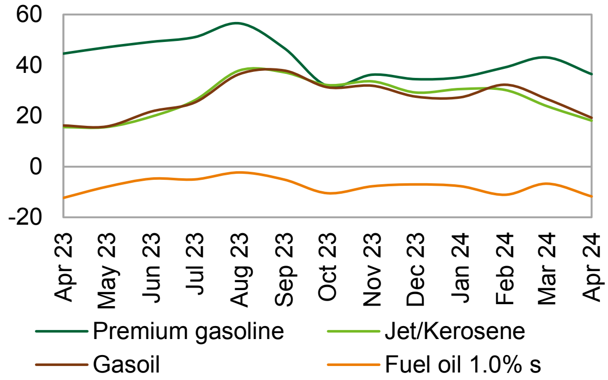
European market

The gasoline crack spread in Rotterdam against Brent reversed course to exhibit considerable loss, completely shedding off the gains attained in the previous months. Lower export volumes to the US due to challenging spot arbitrage economics weighed on European gasoline markets despite firm exports to Nigeria. Octane prices have receded due to abundant availability because of the high volumes purchased in the two previous months. Nevertheless, octane prices remained relatively high given the historical trends, which most likely, despite a monthly loss, kept gasoline prices sustained. In the immediate near term, the gasoline crack spread is expected to face challenges as the impact of rising gasoline production counterbalances growing demand-side support. However, strengthening demand amid the expectation of a pick-up in road transport activities well into the summer months is expected to eventually outweigh the supply-side factors and provide support to gasoline crack spread performance as we move deeper into the peak driving and travelling season. The gasoline crack spread against Brent averaged $36.50/b in April, which was $6.55 lower, m-o-m, and $8.07 lower, y-o-y.

In April, the **jet/kerosene crack spread** showed a solid loss, having declined for the third consecutive month affected by demand-side pressures, although the loss was lower compared to that registered in the previous month. Toward the end of the month, jet/kerosene fundamentals showed signs of improvement as production restrictions due to the heavy refinery maintenance works while requirements from the regional aviation sector started to increase. However, the upside was insufficient to avert the impact of demand side weakness experienced in the first weeks of April. Going forward, European jet/kerosene demand is expected to see upward pressure as consumption levels from the aviation sector continue to pick up for the summer months. However, the product crack spreads could initially remain under pressure and are expected to firm up once demand catches up and exerts downward pressure on inventory levels. The Rotterdam jet/kerosene crack spread against Brent averaged $18.18/b, down by $5.72, m-o-m, but was $2.57 higher, y-o-y.

The **gasoil 10 ppm crack spread in Rotterdam** fell sharply and completely lost the previous months' gain in response to lengthening global balances and softening export requirements. Weak manufacturing activity in Europe, the end of the heavy refinery maintenance season, upside potential for higher production levels from Nigeria's Dangote refinery amid strong flows from the Middle East, and new supplies from the Mexican Olmeca refinery will likely exert pressure on NWE gasoil performance in the near term. The gasoil crack spread against Brent averaged $19.26/b, down by $7.42, m-o-m, but up by $3.05, y-o-y.

Graph 6 - 4: Rotterdam crack spreads vs. Brent



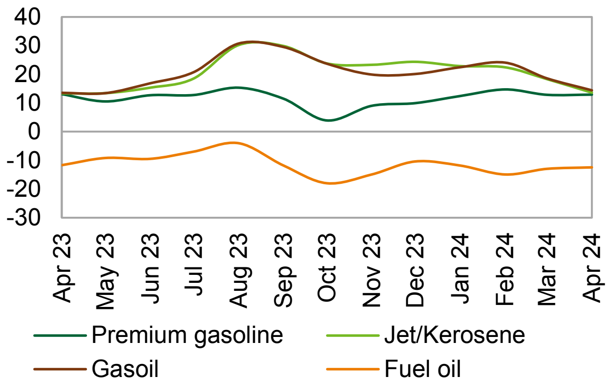
Sources: Argus and OPEC.

At the bottom of the barrel, **fuel oil 1.0% crack spreads in Rotterdam against Brent** moved downwards due to high fuel oil availability around early April. The product surplus in the region amid strong imports and lower bunker demand in Europe contributed to the downturn in low sulphur fuel oil margins. In terms of prices, fuel oil 1.0% remained nearly unchanged m-o-m at $78.14/b, while the crack spread averaged minus $11.75/b in April, a decline of $5.01, m-o-m, but a slight 57¢ rise, y-o-y.

Asian market

The Southeast Asian gasoline 92 crack spreads exhibited modest gains as healthy gasoline availability in the region exerted pressure on the product markets. Strong requirements from Vietnam, Malaysia and Australia contributed to the upside. Going forward, gasoline markets, even in Asia, are expected to experience temporary pressure before gaining solid strength, particularly in 3Q24. This should boost gasoline exports from Asia and thus support the products market performance in the region. The Singapore gasoline crack spread against Dubai in April averaged $12.95/b. This was up by 7¢, m-o-m, but was down by 17¢, y-o-y.

Graph 6 - 5: Singapore crack spreads vs. Dubai



Sources: Argus and OPEC.

Asian naphtha crack spreads decreased notably, changing to double digits and moving deeper into negative territory due to ongoing pressure from firm inter-regional inflows. In April, naphtha became the strongest negative performer across the barrel in Singapore. Blending component demand for gasoline production remains supportive but seems to be affected by the weakness seen in Europe, while overall requirements for petrochemical feedstock remained subdued. The Singapore naphtha crack spread against Oman averaged minus $13.54/b, which is $5.78 lower, m-o-m, and $1.68 lower, y-o-y.

In the middle of the barrel, the **jet/kerosene crack spread declined**, affected by supply-side pressures, while the region remained well supplied. Additionally, elevated refinery runs, despite a slight decline in April, contributed to additional jet/kerosene availability, weighing on the products' performance. Although the summer season demand boost in jet/kerosene has already started to show signs of improvement, it is so far negligible and insufficient to provide an arbitrage opening for East-to-West flows. The Singapore jet/kerosene crack spread against Oman averaged $13.64/b, down by $4.69, m-o-m, but was up 26¢ y-o-y.

The **Singapore gasoil crack spread** extended its downward trend as regional balances expanded due to high output, with stock builds exacerbated by limited export requirements to the East and a surge in imports from the Middle East. In the near term, gasoil balances could remain under pressure, even though rising demand for road transportation over the summer months could limit the downside. The Singapore gasoil crack spread against Oman averaged $14.38/b, down by $4.17/b, m-o-m, but up by 87¢, y-o-y.

The **Singapore fuel oil 3.5% crack spread** improved further, with limited gains attributed to a pick-up in demand from the bunker sector. The ongoing heavy refinery turnaround season supported residual fuel demand for bunkering as traders sought to balance product volumes across regions amid favourable pricing signals. Higher requirements from feedstock blending, given the recent strength in crude prices, likely lent further support. Going forward, fuel oil markets in Asia should benefit from upside potential in fuel oil demand for power generation. Singapore's high sulphur fuel oil crack spread against Oman averaged minus $12.42/b, up by 51¢, m-o-m, but down by 76¢, y-o-y.

Table 6 - 3: Short-term prospects for product markets and refinery operations

Event	Time frame	Observations	Asia	Europe	US
Peak refinery maintenance season rollover	May 24–Jun 24	The resulting rise in product output is expected to exert downward pressure on fuel prices and crack spreads in the near term. However, this pressure will likely be offset by a seasonal pick-up in demand.	↓ Pressure on product markets	↓ Pressure on product markets	↓ Pressure on product markets
Air travel activities over the summer season	May 24–Sep 24	Jet fuel demand is expected to pick up with the onset of the summer season, which may reverse the current poor performance.	↑ Support jet fuel crack spreads	↑ Support jet fuel crack spreads	↑ Support jet fuel crack spreads
Power generation demand	May 24–Sep 24	Over the summer months, fuel oil markets are expected to benefit from a pick-up in fuel oil consumption in the Middle East and Asia.	↑ Support fuel oil markets	↑ Support fuel oil markets	↑ Support fuel oil markets
Refining capacity growth	2024–2026	The net expansion of nearly 3.5 mb/d by 2026 in Africa, China and Mexico will likely lead to greater product availability, potentially temporarily weighing on refining margins.	↓ Pressure on product markets	↓ Pressure on product markets	↓ Pressure on product markets

Source: OPEC.

Table 6 - 4: Refined product prices, US$/b

		Mar 24	Apr 24	Change Apr/Mar	Annual avg. 2023	Year-to-date 2024
US Gulf (Cargoes FOB)						
Naphtha*		78.65	77.36	-1.29	72.51	76.83
Premium gasoline	(unleaded 93)	119.72	125.76	6.04	117.23	114.69
Regular gasoline	(unleaded 87)	107.56	109.59	2.03	104.59	101.70
Jet/Kerosene		109.66	109.82	0.16	113.51	110.42
Gasoil	(0.2% S)	81.38	79.76	-1.62	78.57	81.94
Fuel oil	(3.0% S)	70.73	73.85	3.12	68.14	68.95
Rotterdam (Barges FoB)						
Naphtha		78.43	76.24	-2.19	71.06	74.65
Premium gasoline	(unleaded 98)	128.49	126.39	-2.10	125.96	123.36
Jet/Kerosene		109.34	108.07	-1.27	111.74	110.62
Gasoil/Diesel	(10 ppm)	112.12	109.15	-2.97	111.19	111.28
Fuel oil	(1.0% S)	78.70	78.14	-0.56	74.29	75.55
Fuel oil	(3.5% S)	72.61	75.65	3.04	72.79	71.57
Mediterranean (Cargoes FOB)						
Naphtha		74.58	73.53	-1.05	68.45	71.58
Premium gasoline**		105.79	111.52	5.73	101.80	102.57
Jet/Kerosene		103.65	103.99	0.34	107.77	106.22
Diesel		108.99	107.43	-1.56	109.08	109.04
Fuel oil	(1.0% S)	84.16	83.05	-1.11	78.85	80.99
Fuel oil	(3.5% S)	70.33	74.80	4.47	66.47	69.07
Singapore (Cargoes FOB)						
Naphtha		76.45	75.58	-0.87	69.53	74.39
Premium gasoline	(unleaded 95)	101.52	106.33	4.81	98.62	100.97
Regular gasoline	(unleaded 92)	97.09	102.07	4.98	94.00	96.48
Jet/Kerosene		102.54	102.76	0.22	104.68	102.54
Gasoil/Diesel	(50 ppm)	103.45	104.29	0.84	105.99	104.07
Fuel oil	(180 cst)	101.43	101.36	-0.07	102.35	101.88
Fuel oil	(380 cst 3.5% S)	71.28	76.70	5.42	69.23	70.21

*Note: * Barges. ** Cost, insurance and freight (CIF).*

Sources: Argus and OPEC.

Tanker Market

Dirty freight rates showed divergent trends in April. VLCC spot freight rates were softer, with the Middle East-to-East route falling 11%, m-o-m.

In contrast, Suezmax spot freight improved, with the US Gulf Coast (USGC)-to-Europe route seeing a 3%, m-o-m, increase in rates. The Aframax market also improved, with Intra-Med rates up 15%, although East Suez rates declined.

Rates for clean tankers declined on all reported routes, with East of Suez rates down 10% and West of Suez rates falling 20%.

Spot fixtures

Global spot fixtures fell sharply in April, with fixtures down by almost 5 mb/d, or 35%, m-o-m, to average 9.3 mb/d. Compared with April 2023, global spot fixtures were down by 4.9 mb/d, or over 34%.

OPEC spot fixtures averaged 6.6 mb/d in April, representing a drop of 3.7 mb/d, or 36%. Compared with the same month last year, fixtures declined by about 3.1 mb/d, or 32%.

Middle East-to-East fixtures declined 1.6 mb/d, or almost 27%, to average 4.4 mb/d. Compared with the same month in 2023, fixtures on the Middle East-to-East route fell by about 1.4 mb/d, or over 24%.

Spot fixtures on the **Middle East-to-West** route declined by 0.6 mb/d, or about 49%, m-o-m, to average 0.6 mb/d. Fixtures were also down 0.6 mb/d or 51%, y-o-y.

Fixtures on routes **outside the Middle East** fell 1.5 mb/d, or 48%, m-o-m, to average 1.6 mb/d. Compared with the same month of 2023, fixtures were 1.1 mb/d, or 41%, lower.

Table 7 - 1: Spot fixtures, mb/d

Spot fixtures	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
All areas	15.0	14.3	9.3	-5.0
OPEC	10.2	10.2	6.6	-3.7
Middle East/East	5.5	6.0	4.4	-1.6
Middle East/West	1.6	1.2	0.6	-0.6
Outside Middle East	3.1	3.0	1.6	-1.5

Sources: Oil Movements and OPEC.

Sailings and arrivals

OPEC sailings increased by 0.9 mb/d, or over 4%, m-o-m, to average just under 22 mb/d in April. Compared with the same month in 2023, OPEC sailings were broadly unchanged. **Middle East sailings** averaged 17.5 mb/d in April, representing an increase of 0.4 mb/d, or about 2%, m-o-m. Y-o-y sailings from the region declined by 0.2 mb/d, or 1%.

Crude arrivals increased again in all monitored regions. **North American arrivals** rose 0.7 mb/d, or about 8%, to average 9.5 mb/d. Compared with April 2023, North American arrivals were 0.4 mb/d, or over 4%, lower. **Arrivals to Europe** edged up by about 0.1 mb/d, or less than 1%, to average 12.7 mb/d. Compared with the same month of 2023, arrivals to Europe were 0.6 mb/d, or 5%, higher.

Far East arrivals rose by 1.0 mb/d, or about 6%, m-o-m, to average 17.3 mb/d in April. Y-o-y arrivals in the region were up by 2.4 mb/d, or over 16%. **Arrivals** in **West Asia** averaged 10.1 mb/d, representing an increase of 1.4 mb/d, or over 16%, in April. Y-o-y, arrivals in the region increased 1.6 mb/d, or 18%.

Table 7 - 2: Tanker sailings and arrivals, mb/d

Sailings	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
OPEC	20.8	21.1	22.0	0.9
Middle East	16.1	17.2	17.5	0.4
Arrivals				
North America	8.6	8.8	9.5	0.7
Europe	11.8	12.6	12.7	0.1
Far East	15.6	16.3	17.3	1.0
West Asia	8.4	8.7	10.1	1.4

Sources: Oil Movements and OPEC.

Dirty tanker freight rates

Very large crude carriers

VLCC spot rates were softer in April. On average, VLCC spot freight rates fell 11%, m-o-m. Compared with the same month of 2023, VLCC rates were 8% lower.

On the **Middle East-to-East** route, rates dropped by 11%, m-o-m, to average WS62 points. This represents a y-o-y decline of 6%. Rates on the **Middle East-to-West** route also fell 11%, m-o-m, in April to average WS42 points. Compared with the same month of 2023, rates on the route declined by 13%.

Similarly, **West Africa-to-East** spot rates slipped 1%, m-o-m, to average WS63 points in April. Compared with the same month of 2023, rates were 5% lower.

Table 7 - 3: Dirty VLCC spot tanker freight rates, Worldscale (WS)

VLCC	Size *1,000 DWT*	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
Middle East/East	230-280	70	70	62	-8
Middle East/West	270-285	52	47	42	-5
West Africa/East	260	70	71	63	-8

Sources: Argus and OPEC.

Suezmax

Suezmax spot freight rates improved in April, edging up 5%, m-o-m. They were up 10% compared with the same month of 2023.

On the **West Africa-to-USGC** route, spot freight rates in April averaged WS106, representing a recovery of 7%, m-o-m. Compared with the same month of 2023, spot rates rose 4%.

Rates on the **USGC-to-Europe** route increased 3%, m-o-m, to average WS91 points. Compared with the same month of 2023, they rose 18%.

Table 7 - 4: Dirty Suezmax spot tanker freight rates, WS

Suezmax	Size *1,000 DWT*	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
West Africa/US Gulf Coast	130-135	103	99	106	7
US Gulf Coast/ Europe	150	92	88	91	3

Sources: Argus and OPEC.

Aframax

Aframax spot freight rates rose in the Mediterranean and the Atlantic basin. On average, rates rose 8%, m-o-m, and they were 6% higher than in the same month of the previous year.

Spot rates on the **Caribbean-to-US East Coast (USEC)** route rose 10%, m-o-m, to average WS170 points in April. Rates were 47% higher compared with the same month of 2023.

Table 7 - 5: Dirty Aframax spot tanker freight rates, WS

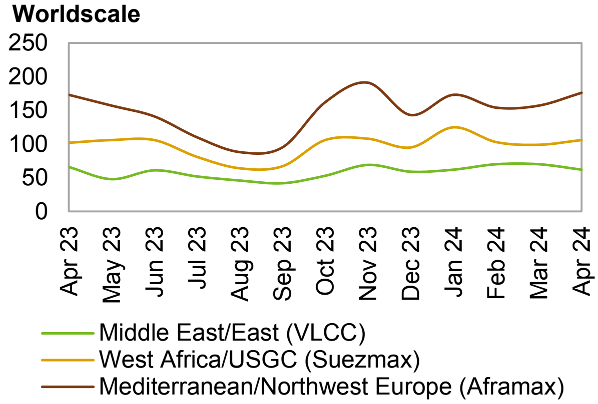
Aframax	Size 1,000 DWT	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
Indonesia/East	80-85	157	167	158	-9
Caribbean/US East Coast	80-85	191	154	170	16
Mediterranean/Mediterranean	80-85	166	159	183	24
Mediterranean/Northwest Europe	80-85	154	157	176	19

Sources: Argus and OPEC.

Cross-Med spot freight rates rebounded by 15%, m-o-m, to average WS183 points. This represents a 4%, y-o-y, increase. Meanwhile, rates on the **Mediterranean-to-Northwest Europe (NWE)** route rose 12%, m-o-m, to average WS176 points. Compared with the same month of 2023, rates were up just 2%.

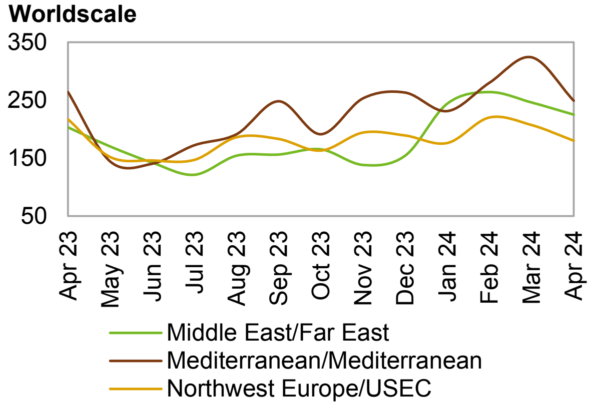
In contrast, rates on the **Indonesia-to-East** route fell 5%, m-o-m, to average WS158 points in April. Compared with the same month of 2023, rates were 13% lower.

Graph 7 - 1: Crude oil spot tanker freight rates, monthly average



Sources: Argus and OPEC.

Graph 7 - 2: Products spot tanker freight rates, monthly average



Sources: Argus and OPEC.

Clean tanker freight rates

Clean spot freight rates declined, with East of Suez rates down 10%, m-o-m, and West-of-Suez rates falling 20%. As a result, clean spot rates averaged 15% lower overall.

Table 7 - 6: Clean spot tanker freight rates, WS

East of Suez	Size 1,000 DWT	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
Middle East/East	30-35	264	246	225	-21
Singapore/East	30-35	311	280	252	-28
West of Suez					
Northwest Europe/US East Coast	33-37	220	207	180	-27
Mediterranean/Mediterranean	30-35	280	324	249	-75
Mediterranean/Northwest Europe	30-35	290	334	259	-75

Sources: Argus and OPEC.

Rates on the **Middle East-to-East** route fell 9%, m-o-m, to average WS225 points in April. Compared with the same month in 2023, rates were still up 11%. Clean spot freight rates on the **Singapore-to-East** route declined 10%, m-o-m, to average WS252 points. This represents a 4% gain compared with the same month of 2023.

Spot freight rates on the **NWE-to-USEC** route declined 13%, m-o-m, to average WS180 points. This represents a 17% decrease compared with April 2023.

Rates around the Mediterranean experienced relatively larger losses, with the **Cross-Med** declining 23%, m-o-m, to average WS249 points, and rates on the **Med-to-NWE** route falling 22%, m-o-m, to average WS259 points. When compared with the same month of 2023, rates were about 5% lower on both routes.

Crude and Refined Products Trade

Preliminary data shows US crude imports averaged 6.5 mb/d in April, representing an increase of 4%, m-o-m. US crude exports also moved higher, up 6%, m-o-m, to average 4.2 mb/d. US product imports rose by more than 3% to 6.5 mb/d, driven by gains in gasoline inflows, while product exports were up by almost 3%, led mainly by outflows of propane/propylene, distillate fuel and jet fuel.

China's crude imports continued to climb, averaging 11.6 mb/d in March, representing an increase of 4%, m-o-m. Product imports into China jumped by 492 tb/d, or over 26%, m-o-m, in March, to average 2.3 mb/d, as inflows of LPG and fuel oil increased. China's product exports averaged 1.5 mb/d, representing an increase of around 33%, m-o-m, driven by higher outflows of diesel oil, gasoline and jet fuel.

India's crude imports in April recovered much of the previous month's decline, averaging 4.9 mb/d for a gain of 8%. India's product imports fell 13% amid lower inflows of LPG.

Japan's crude imports remained relatively flat in March, averaging 2.4 mb/d for a 2% decline. Japan's product exports increased by more than 18%, m-o-m, on support from most major products, except LPG.

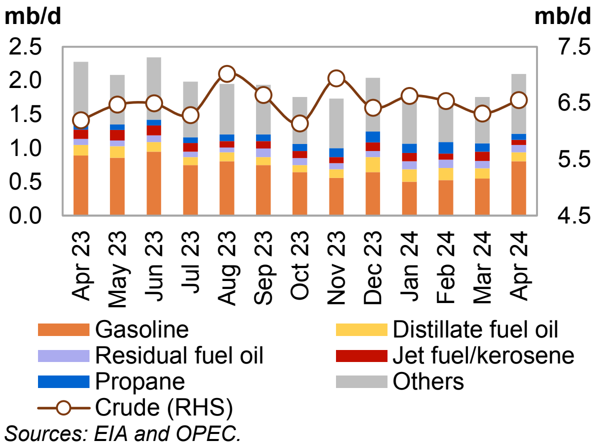
Preliminary estimates indicate OECD Europe crude imports remained relatively steady in April. Product imports into the region were slightly lower, amid a decline in jet fuel imports.

US

Preliminary data shows that **US crude imports** averaged 6.5 mb/d in April, representing an increase of 0.2 mb/d, or close to 4%, m-o-m. Compared with the same month last year, crude imports were up 0.4 mb/d, or about 6%.

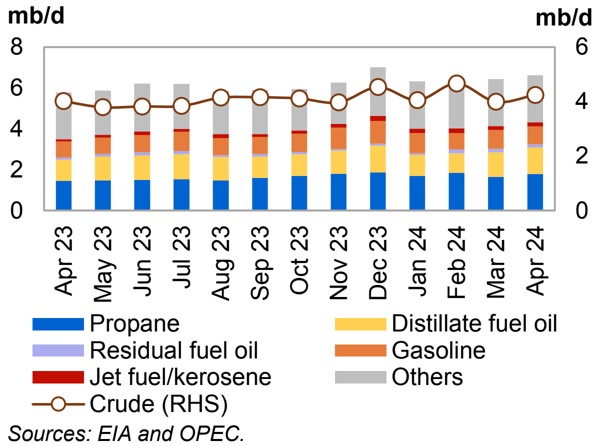
In terms of import sources, the latest official monthly data from the US Energy Information Administration (EIA) shows crude imports from Canada averaged around 4.1 mb/d in February, representing a share of 63%. Imports from Mexico averaged 0.5 mb/d, or over 8%, while imports from Saudi Arabia averaged 0.4 mb/d, or close to 4%.

Graph 8 - 1: US imports of crude and products



Sources: EIA and OPEC.

Graph 8 - 2: US exports of crude and products



Sources: EIA and OPEC.

US crude exports recovered in April, averaging 4.2 mb/d, according to preliminary data. This represents an increase of about 0.3 mb/d, or 6%, m-o-m. Crude outflows were up 0.2 mb/d, or almost 6%, compared to the same month last year.

As a result, US **net crude imports** averaged 2.3 mb/d in April, broadly in line with the previous month. They were 2.2 mb/d in the same month last year.

On the **products** side, **imports** rose 0.2 mb/d, or over 3%, m-o-m, to average 6.5 mb/d. Gains were driven by gasoline, as all other major products saw declines. Compared with the same month of 2023, product inflows were down by around 0.2 mb/d, or nearly 8%.

According to preliminary data, **product exports** rose 0.2 mb/d, or almost 3%, to average 6.6 mb/d. Within products, the gains were driven primarily by propane/propylene, distillate fuel and jet fuel, which more than offset the decline in gasoline exports. Compared with the same month last year, product exports were 0.8 mb/d, or almost 15%, higher.

As a result, **net product exports** averaged 4.5 mb/d in April, compared with 4.7 mb/d in March and 3.5 mb/d in the same month last year.

Table 8 - 1: US crude and product net imports, mb/d

US	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
Crude oil	1.88	2.32	2.31	-0.02
Total products	-4.54	-4.67	-4.52	0.15
Total crude and products	**-2.66**	**-2.35**	**-2.21**	**0.14**

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

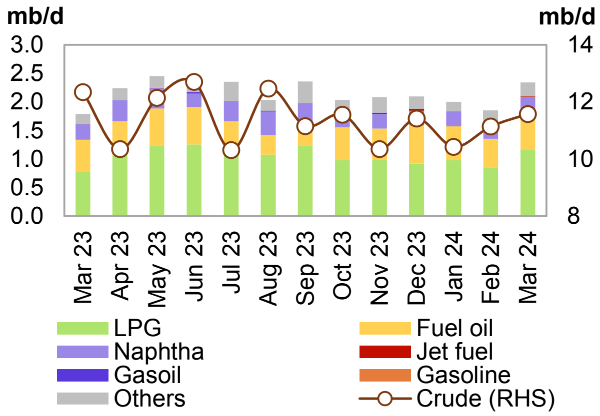
Sources: EIA and OPEC.

Looking ahead, preparations for the summer driving season in the Northern Hemisphere should continue to support crude imports in the near term. Crude exports are also likely to remain above y-o-y levels.

China

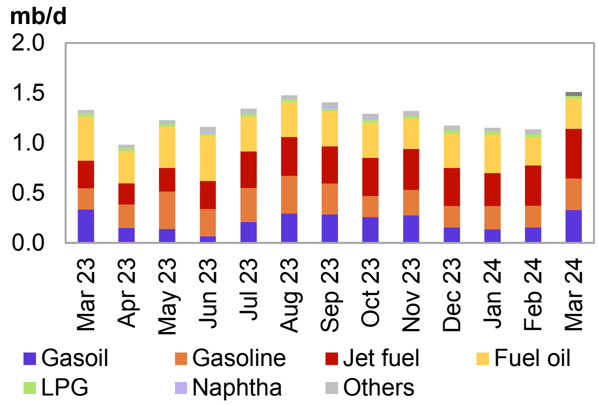
China's crude imports averaged 11.6 mb/d in March, representing an increase of 441 tb/d, or 4%, m-o-m. Compared with March 2023, China's crude imports declined by 766 tb/d, or about 6%.

Graph 8 - 3: China's import of crude and total products



Sources: China OGP and OPEC.

Graph 8 - 4: China's export of total products



Sources: China OGP and OPEC.

In terms of **crude imports by source**, Russia remained in the top spot in March with a share of 22%, up from close to 21% the month before. Saudi Arabia was second with around 13%, Iraq was third with over 11% and Malaysia was fourth at just under 10%.

Product imports in March jumped by 492 tb/d, or over 26%, to average 2.3 mb/d. Gains were driven by LPG and fuel oil. Compared to the same period in 2023, product imports increased 552 tb/d, or about 31%.

Product exports averaged 1.5 mb/d in March, representing an increase of 373 tb/d, or around 33%, m-o-m. Higher outflows of diesel oil, gasoline and jet fuel led the gains. Compared to the same period in 2023, product exports rose 1,77 tb/d, or 13%.

Table 8 - 2: China's crude and product net imports, mb/d

China	Jan 24	Feb 24	Mar 24	*Change* Mar 24/Feb 24
Crude oil	10.43	11.14	11.57	0.43
Total products	0.85	0.71	0.83	0.12
Total crude and products	**11.28**	**11.86**	**12.40**	**0.55**

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

Sources: China OGP and OPEC.

Net product imports averaged 834 tb/d in March, compared to 714 tb/d in February 2024 and just 459 tb/d in March 2023.

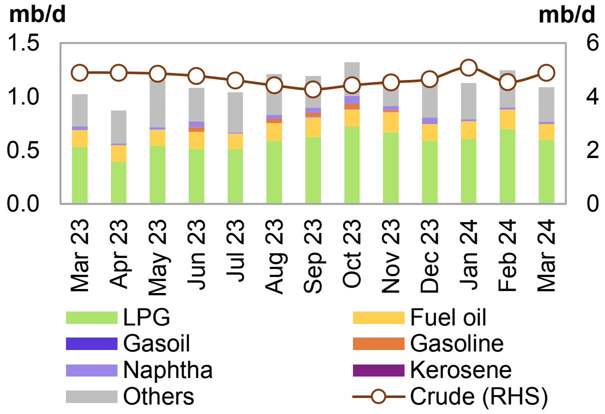
Preliminary data show China’s crude imports averaging 10.9 mb/d in April, down 7%, m-o-m, amid peak seasonal refinery maintenance that month. Product exports also declined in April, according to preliminary data, falling from the high levels witnessed the month before. The recent release of a second batch of product export quotas could support outflows of jet fuel in May.

India

India's **crude imports** in March increased 0.3 mb/d, or over 7%, m-o-m, to average 4.9 mb/d. When compared to the same period last year, crude imports were broadly unchanged.

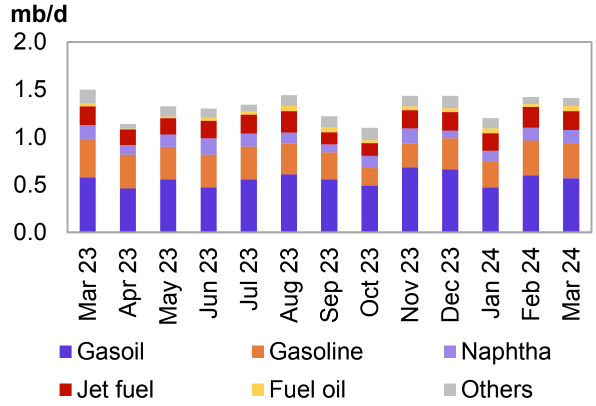
In terms of crude imports by **source**, Kpler data shows Russia had a share of 34% of India's total March crude imports, followed by Iraq with 24% and Saudi Arabia with 16%.

Graph 8 - 5: India's imports of crude and products



Sources: PPAC and OPEC.

Graph 8 - 6: India's exports of products



Sources: PPAC and OPEC.

In terms of **product imports,** levels fell by 158 tb/d, or almost 13%, m-o-m, to average 1.1 mb/d in March. LPG led the declines, followed by fuel oil. Y-o-y, product inflows were up by 65 tb/d, or over 6%.

Product exports in March edged marginally lower, down by less than 1%, m-o-m, to remain at 1.4 mb/d. Diesel oil declines were offset by increased fuel oil outflows. Compared to the same month of 2023, product outflows from India were down by 87 tb/d, or about 6%.

As a result, India's **net product exports** stood at 324 tb/d in March. This compares to net exports of 175 tb/d the month before and 476 tb/d in the same month last year.

Table 8 - 3: India's crude and product net imports, mb/d

India	Jan 24	Feb 24	Mar 24	*Change* Mar 24/Feb 24
Crude oil	5.08	4.55	4.89	0.34
Total products	-0.07	-0.17	-0.32	-0.15
Total crude and products	**5.01**	**4.37**	**4.56**	**0.19**

Note: Totals may not add up due to independent rounding.
India data table does not include information for crude import and product export by Reliance Industries.
Sources: PPAC and OPEC.

Looking ahead, crude imports are set to remain strong in April. Product exports are also seen to be healthy, as monthly declines in diesel are partly offset by gains in gasoline.

Japan

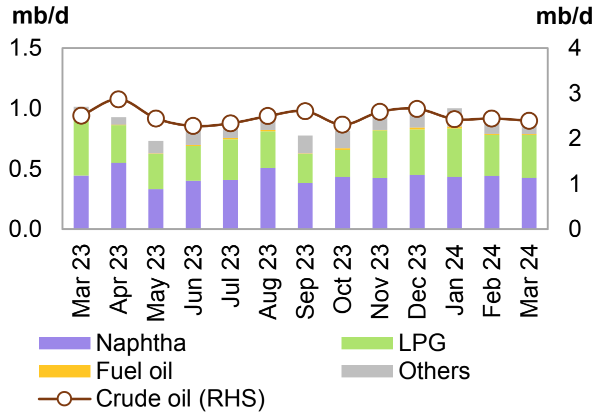
Japan's **crude imports** in March edged down by 50 tb/d, or about 2%, m-o-m, to average close to 2.4 mb/d. When compared to the same period last year, crude imports were down by 111 tb/d, or about 4%.

In terms of **crude imports by source**, the United Arab Emirates held the highest share in March with 44%. Saudi Arabia was second with 41%, followed by Kuwait with around 7%.

Product imports, including LPG, declined 22 tb/d, or less than 3%, m-o-m, to average 864 tb/d in March. Losses were led by kerosene and naphtha, while gasoline and LPG experienced gains. Compared with March 2023, product inflows fell 151 tb/d, or almost 15%.

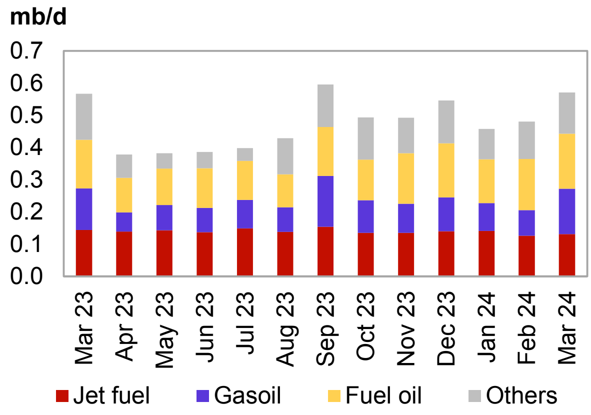
Product exports, including LPG, rose in March, increasing 90 tb/d, or over 18%, m-o-m. Gains were spread across all major products with the exception of LPG, which saw a minor decline. Product exports in March were broadly in line with the same month of 2023.

Graph 8 - 7: Japan's imports of crude and products



Sources: METI and OPEC.

Graph 8 - 8: Japan's exports of products



Sources: METI and OPEC.

Consequently, Japan's **net product imports**, including LPG, averaged 293 tb/d in March. This compares with 405 tb/d the month before and 448 tb/d in March 2023.

Table 8 - 4: Japan's crude and product net imports, mb/d

Japan	Jan 24	Feb 24	Mar 24	*Change* Mar 24/Feb 24
Crude oil	2.43	2.45	2.40	-0.05
Total products	0.54	0.40	0.29	-0.11
Total crude and products	**2.97**	**2.85**	**2.69**	**-0.16**

Note: Totals may not add up due to independent rounding.
Sources: METI and OPEC.

Looking ahead, April data is likely to show Japan's crude imports remaining relatively steady, m-o-m, while product imports are expected to decline on lower inflows of LPG, although naphtha is expected to hold steady.

OECD Europe

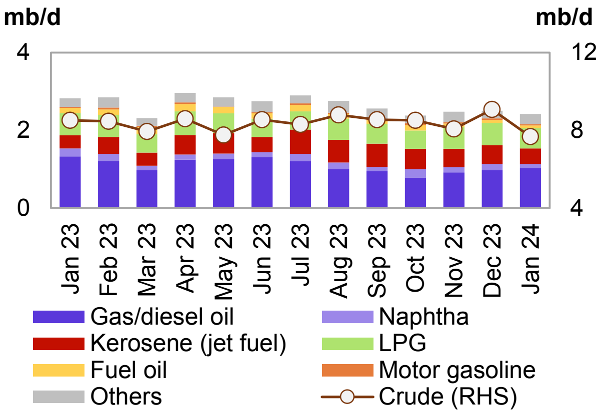
The latest official data for **OECD Europe** shows that **crude imports** declined in **January**, falling by 1.4 mb/d, m-o-m, or more than 15%, to average 7.7 mb/d. Compared with the same month in 2023, crude imports dropped by 0.8 mb/d, or about 10%.

In terms of **import sources** to the region, the US provided the most in January, with over 2.0 mb/d. Kazakhstan was second with 0.73 mb/d, followed by Nigeria with around 0.72 mb/d.

Crude exports averaged 87 tb/d in **January**, representing a drop of 67 tb/d from the previous month. Compared to the same month of 2023, crude outflows were down by 0.2 mb/d, or over 68%. Korea was the top destination for crude exports outside the region in January, taking in around 66 tb/d.

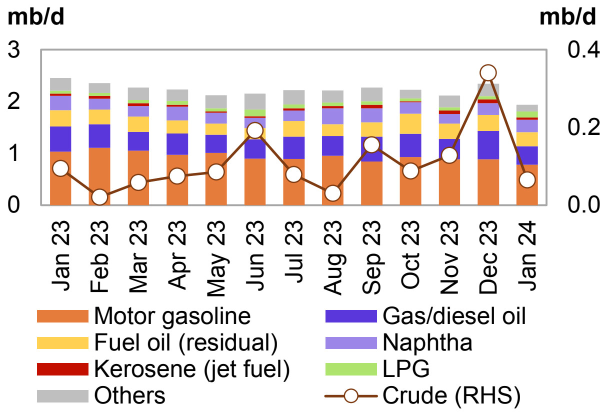
Net crude imports averaged 7.6 mb/d in January, compared with almost 8.7 mb/d in December 2023 and about 8.4 mb/d in January 2023.

Graph 8 - 9: OECD Europe's imports of crude and products



Sources: IEA and OPEC.

Graph 8 - 10: OECD Europe's exports of crude and products



Sources: IEA and OPEC.

Product imports declined, m-o-m, by 0.1 mb/d, or just over 3%, to average 2.4 mb/d. Losses were seen in most major categories, except jet kerosene. Compared with January 2023, product inflows fell by 0.4 mb/d, or 14%.

Product exports declined 0.4 mb/d, or 17%, to average 1.9 mb/d. Losses in LPG, naphtha and gasoline outpaced gains in diesel and fuel oil. Compared to the same month of 2023, product outflows fell by 0.5 mb/d, or 21%.

Net product imports averaged 489 tb/d in January, compared with 164 tb/d the month before and 368 tb/d in January 2023.

Combined, **net crude and product imports** averaged 8.7 mb/d in January, compared with 8.9 mb/d in September and 9.2 mb/d in January 2023.

Table 8 - 5: OECD Europe's crude and product net imports, mb/d

OECD Europe	Nov 23	Dec 23	Jan 24	*Change* Jan 24/Dec 23
Crude oil	7.94	8.73	7.61	-1.12
Total products	0.37	0.16	0.49	0.32
Total crude and products	**8.31**	**8.90**	**8.10**	**-0.80**

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

Sources: IEA and OPEC.

Preliminary estimates show OECD Europe crude imports remaining relatively steady in April. Product imports are seen slightly lower, amid jet fuel import declines.

Eurasia

Total crude oil exports from Russia and Central Asia averaged 6.6 mb/d in March, an increase of 197 tb/d, m-o-m, or about 3%. Gains were seen in both the Black Sea and Baltic, while pipeline flows declined. Compared to the same month in 2023, outflows were 50 tb/d, or 1%, higher.

Crude exports through the **Transneft system** rose further in March, increasing by 83 tb/d, or 2%, m-o-m, to remain close to 3.9 mb/d. Compared to the same month of 2023, exports were 178 tb/d, or 5%, higher. Transneft shipments from the **Black Sea** port of Novorossiysk rose 106 tb/d, or about 20%, m-o-m, to average 647 tb/d. Crude exports from the **Baltic Sea** increased 133 tb/d, or about 9%, to average 1.6 mb/d. Flows from Primorsk were up by 81 tb/d, or about 10%, to average 907 tb/d. Exports from Ust-Luga increased by 52 tb/d, or almost 8%, to average 711 tb/d.

Shipments via the **Druzhba** pipeline declined 55 tb/d, or over 18%, m-o-m, to average 245 tb/d in March. Compared to the same month of 2023, exports via the pipeline were up 25 tb/d, or 11%. Exports to inland China via the **ESPO pipeline** dropped by 17 tb/d, or about 3%, to average 569 tb/d in March. This is 10 tb/d, or 2%, higher than the flows seen in March 2023. Exports from the Pacific port of **Kozmino** averaged 857 tb/d, representing a decline of 83 tb/d, or almost 9%. This was about 62 tb/d, or 8%, higher than in the same month of 2023.

In the **Lukoil system**, exports via the Varandey offshore platform in the Barents Sea jumped by 86%, or 56 tb/d, m-o-m, to average 128 tb/d in March.

On other routes, the combined exports from **Russia's Far East** ports, De Kastri and Aniva, increased by 46 tb/d, or about 18%, to average 300 tb/d in March. This was a gain of 9 tb/d, or 3%, compared with the volumes shipped in the same month of 2023.

Central Asian exports averaged 224 tb/d in March, representing an increase of 2% compared to March 2023, and an 8% drop from the same month of 2023.

Black Sea total exports from the **CPC terminal** increased 33 tb/d in March, or over 2%, to average 1.5 mb/d. This represents a decline of 75 tb/d, or 5%, compared with the same month of 2023. Exports via the **Baku-Tbilisi-Ceyhan (BTC) pipeline** fell 42 tb/d in March, or almost 7%, m-o-m, to average 577 tb/d.

Total product exports from Russia and Central Asia declined 220 tb/d, or over 8%, m-o-m, to average 2.6 mb/d in March. The m-o-m gain was primarily driven by gasoil, gasoline and fuel oil. Y-o-y, total product exports were 0.5 mb/d, or 17% lower, with declines in gasoil and gasoline.

Commercial Stock Movements

Preliminary March 2024 data shows total OECD commercial oil stocks up by 20.2 mb, m-o-m. At 2,793 mb, they were 34 mb higher than the same time one year ago, but 38 mb lower than the latest five-year average and 121 mb below the 2015–2019 average. Within the components, crude and product stocks rose by 6.8 mb and 13.5 mb, m-o-m, respectively.

OECD commercial crude stocks stood at 1,369 mb in March. This was 22 mb lower than the same time a year ago, 29 mb below the latest five-year average, and 93 mb less than the 2015–2019 average.

OECD total product stocks in March stood at 1,424 mb. This is 56 mb higher than the same time a year ago, but 9 mb lower than the latest five-year average, and 27 mb below the 2015–2019 average.

In terms of days of forward cover, OECD commercial stocks increased in March by 0.2 days, m-o-m, to stand at 60.8 days. This is 0.4 days higher than the level registered in March 2023, but 4.4 days lower than the latest five-year average, and 1.7 days less than the 2015–2019 average.

Preliminary data for April 2024 shows that total US commercial oil stocks rose by 26.5 mb, m-o-m, to stand at 1,242 mb. This is 3.8 mb, or 0.3%, lower than the same month in 2023 and 31.5 mb, or 2.5%, below the latest five-year average. Crude and product stocks rose by 9.5 mb and 17.0 mb, m-o-m, respectively.

OECD

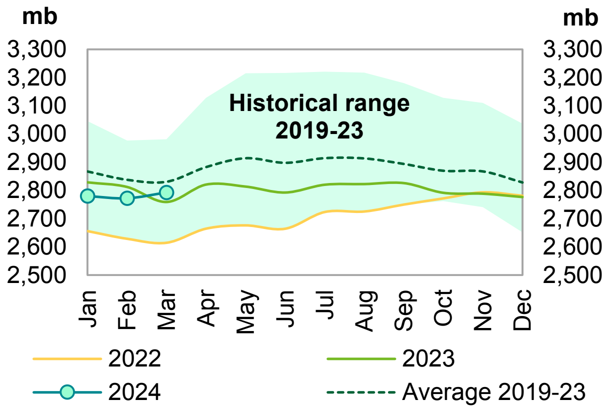
Preliminary March 2024 data shows total OECD **commercial oil stocks** up by 20.2 mb, m-o-m. At 2,793 mb, they were 34 mb higher than the same time one year ago, but 38 mb lower than the latest five-year average and 121mb below the 2015–2019 average.

Within the components, crude and product stocks rose by 6.8 mb and 13.5 mb, m-o-m, respectively.

Within the OECD regions, in March, total commercial oil stocks fell in OECD Americas and OECD Asia Pacific, while they rose in OECD Europe.

OECD **commercial crude stocks** rose by 6.8 mb, m-o-m, ending March at 1,369 mb. This was 22 mb lower than the same time a year ago, 29 mb below the latest five-year average, and 93 mb less than the 2015–2019 average.

Graph 9 - 1: OECD commercial oil stocks



Sources: Argus, EIA, Euroilstock, IEA, METI and OPEC.

Within the OECD regions, OECD Americas and OECD Europe saw crude stock builds of 3.5 mb and 6.7 mb, m-o-m, respectively, while crude stocks in OECD Asia Pacific fell by 3.4 mb, m-o-m.

OECD **total product stocks** rose by 13.5 mb in March to stand at 1,424 mb. This is 56 mb higher than the same time a year ago, but 9 mb lower than the latest five-year average, and 27 mb below the 2015–2019 average.

Within the OECD regions, product stocks in OECD Europe witnessed a build of 26.8 mb, m-o-m, while OECD Americas and OECD Asia-Pacific product stocks dropped by 9.0 mb and 4.3 mb, respectively.

Table 9 - 1: OECD commercial stocks, mb

OECD stocks	Mar 23	Jan 24	Feb 24	Mar 24	Change Mar 24/Feb 24
Crude oil	1,391	1,329	1,362	1,369	*6.8*
Products	1,368	1,451	1,410	1,424	*13.5*
Total	**2,759**	**2,780**	**2,773**	**2,793**	***20.2***
Days of forward cover	**60.4**	**60.7**	**60.6**	**60.8**	***0.2***

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

Sources: Argus, EIA, Euroilstock, IEA, METI and OPEC.

In terms of **days of forward cover**, OECD commercial stocks increased in March by 0.2 days, m-o-m, to stand at 60.8 days. This is 0.4 days higher than the level registered in March 2023, but 4.4 days lower than the latest five-year average, and 1.7 days less than the 2015–2019 average.

Within the OECD regions, OECD Americas stood at 5.7 days and OECD Europe 5.1 days below the latest five-year average, at 58.6 days and 70.1 days, respectively. OECD Asia Pacific was 0.6 days above the latest five-year average, standing at 50.9 days.

OECD Americas

OECD Americas' **total commercial stocks** fell in March by 5.5 mb, m-o-m, to settle at 1,488 mb. This is 1.3 mb lower than the same month in 2023 and 24.9 mb below the latest five-year average.

Commercial **crude oil stocks** in OECD Americas rose in March by 3.5 mb, m-o-m, to stand at 783 mb, which is 0.7 mb less than in March 2023, but 0.3 mb higher than the latest five-year average.

In contrast, **total product stocks** in OECD Americas fell by 9.0 mb, m-o-m, in March to stand at 704 mb. This is 0.6 mb lower than the same month in 2023 and 25.1 mb below the latest five-year average. Higher consumption in the region was behind the product stock draw.

OECD Europe

OECD Europe's **total commercial stocks** rose in March by 33.4 mb, m-o-m, to settle at 950 mb. This is 30.6 mb higher than the same month in 2023, but 16.0 mb below the latest five-year average.

OECD Europe's **commercial crude stocks** increased by 6.7 mb, m-o-m, to end March at 397 mb. This is 16.4 mb less than one year ago and 30.3 mb lower than the latest five-year average.

Europe's **total product stocks** rose by 26.8 mb, m-o-m, to end March at 553 mb. This is 47.0 mb higher than the same time a year ago and 14.3 mb above the latest five-year average.

OECD Asia Pacific

OECD Asia Pacific's **total commercial oil stocks** fell in March by 7.7 mb, m-o-m, to stand at 355 mb. This is 4.3 mb higher than the same time a year ago and 3.0 mb above the latest five-year average.

OECD Asia Pacific's **crude stocks** fell by 3.4 mb, m-o-m, to end March at 189 mb. This is 5.0 mb lower than one year ago, but 0.7 mb higher than the latest five-year average.

OECD Asia Pacific's **total product stocks** dropped by 4.3 mb, m-o-m, to end March at 166 mb. This is 9.2 mb higher than one year ago and 2.3 mb above the latest five-year average.

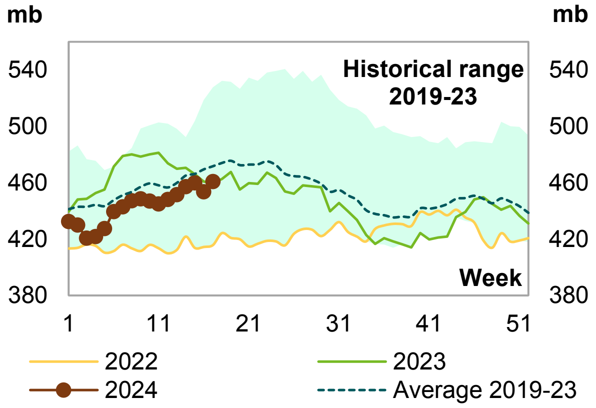
US

Preliminary data for **April 2024** shows that **total US commercial oil stocks** rose by 24.4 mb, m-o-m, to stand at 1,239 mb. This is 6.0 mb, or 0.5%, lower than the same month in 2023 and 33.6 mb, or 2.6%, below the latest five-year average. Crude and product stocks rose by 8.1 mb and 16.3 mb, m-o-m, respectively.

US commercial **crude stocks** in April stood at 460 mb. This is 0.4 mb, or 0.1%, lower than the same month in 2023, and 13.5 mb, or 2.9%, below the latest five-year average. The monthly build in crude oil stocks was seen despite higher crude runs.

Total product stocks rose in April to stand at 780 mb. This is 5.6 mb, or 0.7%, lower than April 2023, and 20.1 mb, or 2.5%, below the latest five-year average. The product stock build can be attributed to lower product consumption.

Graph 9 - 2: US weekly commercial crude oil inventories



Sources: EIA and OPEC.

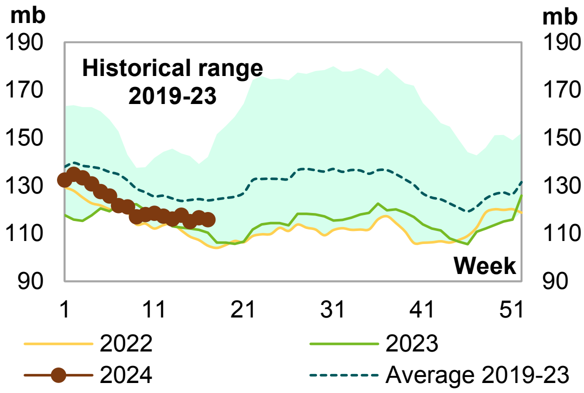
Gasoline stocks rose in April by 0.2 mb, m-o-m, to settle at 228.0 mb. This is 4.4 mb, or 2.0%, higher than the same month in 2023, but 8.3 mb, or 3.5%, below the latest five-year average.

Distillate stocks in April rose by 0.3 mb, m-o-m, to stand at 116.4 mb. This is 4.3 mb, or 3.9%, higher than the same month in 2023, but 10.5 mb, or 8.3%, below the latest five-year average.

Jet fuel stocks increased by 0.4 mb, m-o-m, ending April at 41.3 mb. This is 0.1 mb, or 0.2%, higher than the same month in 2023, and 1.2 mb, or 3.0%, above the latest five-year average.

By contrast, residual fuel oil stocks in April fell by 1.5 mb, m-o-m. At 28.2 mb, they were 3.9 mb, or 12.0%, less than a year earlier, and 3.5 mb, or 11.0%, below the latest five-year average.

Graph 9 - 3: US weekly distillate inventories



Sources: EIA and OPEC.

Table 9 - 2: US commercial petroleum stocks, mb

US stocks	Apr 23	Feb 24	Mar 24	Apr 24	*Change* Apr 24/Mar 24
Crude oil	**459.9**	**447.9**	**451.4**	**459.5**	***8.1***
Gasoline	223.6	240.2	227.8	228.0	*0.2*
Distillate fuel	112.1	117.8	116.1	116.4	*0.3*
Residual fuel oil	32.1	28.9	29.7	28.2	*-1.5*
Jet fuel	41.2	39.9	40.9	41.3	*0.4*
Total products	**785.6**	**773.8**	**763.7**	**780.0**	***16.3***
Total	**1,245.5**	**1,221.7**	**1,215.1**	**1,239.5**	***24.4***
SPR	**363.7**	**361.0**	**363.6**	**367.2**	***3.6***

Japan

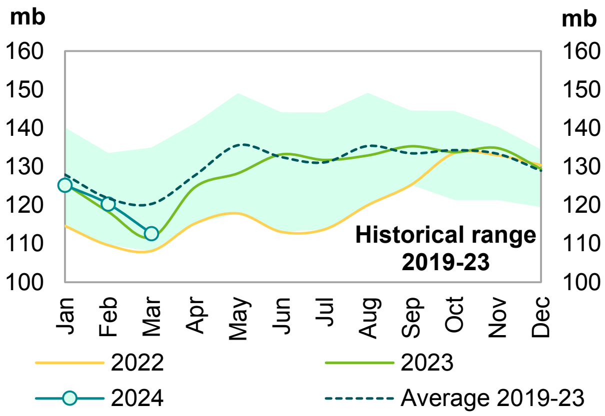
In Japan, **total commercial oil stocks** in **March 2024** fell by 7.7 mb, m-o-m, to settle at 112.7 mb. This is 1.0 mb, or 0.9%, higher than the same month in 2023, but 7.6 mb, or 6.3%, below the latest five-year average. Crude and product stocks fell by 3.4 mb and 4.3 mb, m-o-m, respectively.

Japanese **commercial crude oil stocks** fell in March by 3.4 mb, m-o-m, to stand at 62.6 mb. This is 0.5 mb, or 0.8%, higher than the same month in 2023, but 5.3 mb, or 7.8%, below the latest five-year average. The fall in crude stocks came on the back of lower crude imports, which decreased in March by 50 tb/d, or 2.1%, m-o-m, to average 2.4 mb/d.

Gasoline stocks fell by 1.0 mb, m-o-m, to stand at 9.8 mb in March. This is 0.3 mb, or 2.6%, lower than a year earlier and 1.1 mb, or 10.5%, lower than the latest five-year average. The drop in gasoline stocks came on the back of higher gasoline domestic sales, which increased by 10.1%, m-o-m, in March.

Distillate stocks dropped by 4.1 mb, m-o-m, to end March at 20.3 mb. This is 1.1 mb, or 5.4%, higher than the same month in 2023, but 1.0 mb, or 4.5%, lower than the latest five-year average.

Graph 9 - 4: Japan's commercial oil stocks



Sources: METI and OPEC.

Within the distillate components, gasoil and kerosene stocks fell by 12% and 31.2%, respectively, while jet fuel stocks rose by 9.2%.

Total residual fuel oil stocks fell m-o-m by 0.7 mb to end March at 11.0 mb. This is 0.4 mb, or 3.4%, below the same month in 2023, and 0.4 mb, or 3.5%, less than the latest five-year average. Within the components, fuel oil A and fuel oil B.C stocks fell by 9.0% and 3.8%, respectively.

Table 9 - 3: Japan's commercial oil stocks*, mb

Japan's stocks	Mar 23	Jan 24	Feb 24	Mar 24	Change Mar 24/Feb 24
Crude oil	**62.0**	**66.5**	**65.9**	**62.6**	***-3.4***
Gasoline	10.0	11.3	10.8	9.8	*-1.0*
Naphtha	8.9	8.2	7.5	9.0	*1.4*
Middle distillates	19.3	26.9	24.4	20.3	*-4.1*
Residual fuel oil	11.4	12.4	11.7	11.0	*-0.7*
Total products	**49.6**	**58.8**	**54.4**	**50.1**	***-4.3***
Total**	**111.7**	**125.3**	**120.4**	**112.7**	***-7.7***

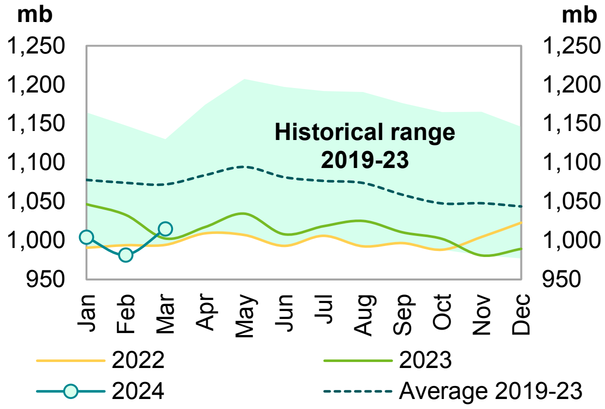
*Note: * At the end of the month. ** Includes crude oil and main products only.*
Sources: METI and OPEC.

EU-14 plus UK and Norway

Preliminary data for **March 2024** showed that **total European commercial oil stocks** rose by 33.4 mb, m-o-m, to stand at 1,015 mb. At this level, they were 12.5 mb, or 1.3%, above the same month in 2023 but 56.9 mb, or 5.3%, less than the latest five-year average. Crude and product stocks rose by 6.7 mb and 26.8 mb, m-o-m, respectively.

European **crude stocks** stood at 420.4 mb in March. This is 3.6 mb, or 0.9%, lower than the same month in 2023 and 38.9 mb, or 8.5%, below the latest five-year average. The drop in crude oil stocks came on the back of lower refinery throughput in the EU-14, plus the UK and Norway, which fell by around 340 tb/d, m-o-m, to stand at 9.4 mb/d.

Graph 9 - 5: EU-14 plus UK and Norway total oil stocks



Sources: Argus, Euroilstock and OPEC.

Total European product stocks rose by 26.8 mb, m-o-m, to end March at 594.7 mb. This is 16.2 mb, or 2.8%, higher than the same month in 2023, but 18.0 mb, or 2.9%, below the latest five-year average. The stock build can be attributed to lower demand in the region.

Gasoline stocks rose in March by 4.7 mb, m-o-m, to stand at 110.1 mb, which is 1.7 mb, or 1.6%, higher than the same time in 2023, but 4.4 mb, or 3.8%, below the latest five-year average.

Middle distillate stocks increased in March by 17.8 mb, m-o-m, to stand at 395.6 mb. This is 14.4 mb, or 3.8%, less than the same month in 2023, but 8.2 mb, or 2.0%, lower than the latest five-year average.

Residual fuel stocks rose in March by 2.0 mb, m-o-m, to stand at 60.2 mb. This is 0.9 mb, or 1.4%, lower than the same month in 2023 and 3.8 mb, or 5.9%, below the latest five-year average.

Naphtha stocks were up in March by 2.4 mb, m-o-m, ending the month at 28.9 mb. This is 0.9 mb, or 3.3%, above the same month in 2023, but 1.7 mb, or 5.5%, lower than the latest five-year average.

Table 9 - 4: EU-14 plus UK and Norway's total oil stocks, mb

EU stocks	Mar 23	Jan 24	Feb 24	Mar 24	Change Mar 24/Feb 24
Crude oil	**424.1**	**413.8**	**413.8**	**420.4**	***6.7***
Gasoline	108.4	112.7	105.4	110.1	*4.7*
Naphtha	28.0	27.8	26.5	28.9	*2.4*
Middle distillates	381.1	389.5	377.8	395.6	*17.8*
Fuel oils	61.1	60.5	58.2	60.2	*2.0*
Total products	**578.5**	**590.5**	**567.9**	**594.7**	***26.8***
Total	**1,002.6**	**1,004.2**	**981.7**	**1,015.1**	***33.4***

Sources: Argus, Euroilstock and OPEC.

Singapore, Amsterdam-Rotterdam-Antwerp (ARA) and Fujairah

Singapore

In **March**, **total product stocks** in Singapore rose by 0.3 mb, m-o-m, to stand at 46.6 mb. This is 1.4 mb, or 2.9%, lower than the same month in 2023 and 1.3 mb, or 2.7%, below the latest five-year average.

Middle distillate stocks increased in March by 0.1 mb, m-o-m, to stand at 10.2 mb. This is 0.6 mb, or 6.1%, higher than in March 2023, but 0.6 mb, or 5.6%, below the latest five-year average.

Residual fuel oil stocks rose by 0.9 mb, m-o-m, ending March at 21.2 mb. This is 1.7 mb, or 7.5%, lower than in March 2023, and 1.2 mb, or 5.3%, below the latest five-year average.

By contrast, **light distillate stocks** fell in March by 0.7 mb, m-o-m, to stand at 15.2 mb. This is 0.3 mb, or 1.8%, less than the same month in 2023, but 0.5 mb, or 3.5%, above the latest five-year average.

ARA

Total product stocks in ARA in March rose by 0.5 mb, m-o-m. At 45.2 mb, they were 1.2 mb, or 2.6%, below the same month in 2023, but 1.5 mb, or 3.5 %, above the latest five-year average.

Gasoline stocks rose by 0.5 mb, m-o-m, ending March at 10.5 mb. This is 1.9 mb, or 15.4%, lower than in March 2023, and 0.3 mb, or 3.1%, below the latest five-year average.

Gasoil stocks in March increased by 0.3 mb, m-o-m, to stand at 15.7 mb. This is 1.9 mb, or 10.8%, less than the same month in 2023 and 0.5 mb, or 3.4%, lower than the latest five-year average.

Jet oil stocks rose by 0.1 mb, m-o-m, to stand at 5.7 mb in March. This is 0.8 mb, or 12.1%, below the level seen in February 2024 and 0.5 mb, or 8.2%, lower than the latest five-year average.

By contrast, **fuel oil stocks** fell in March by 0.2 mb, m-o-m, to stand at 9.4 mb. This is 1.4 mb, or 17.9%, higher than in March 2023 and 1.6 mb, or 20.3%, above the latest five-year average.

Fujairah

During the week ending 29 April 2024, **total oil product stocks** in Fujairah fell by 0.84 mb, w-o-w, to stand at 20.8 mb, according to data from FEDCom and S&P Global Commodity Insights. At this level, total oil stocks were 1.1 mb higher than at the same time a year ago.

Light distillate stocks rose by 0.14 mb, w-o-w, to stand at 7.45 mb, which is 0.69 mb higher than a year ago.

By contrast, **middle distillate stocks** fell by 0.1 mb, w-o-w, to stand at 3.47 mb, which is 0.49 mb higher than the same time last year.

Heavy distillate stocks also dropped by 0.89 mb, w-o-w, to stand at 9.88 mb, which is 0.07 mb below the same time a year ago.

Balance of Supply and Demand

Demand for DoC crude (i.e. crude from countries participating in the Declaration of Cooperation) remained unchanged from the previous assessment to stand at 43.2 mb/d in 2024, around 0.9 mb/d higher than the estimate for 2023.

According to secondary sources, DoC crude production in 1Q24 averaged 41.2 mb/d, which is 1.5 mb/d lower than demand for DoC crude.

Demand for DoC crude in 2025 remained unchanged from the previous assessment to stand at 44.0 mb/d, around 0.8 mb/d higher than the estimate for 2024.

Balance of supply and demand in 2024

Demand for DoC crude

Demand for DoC crude in 2024 remained unchanged from the previous assessment to stand at 43.2 mb/d, around 0.9 mb/d higher than the estimate for 2023.

Compared with the previous assessment, demand for DoC crude for 2Q24 is revised down by 0.1 mb/d, while demand for DoC crude for 1Q24, 3Q24 and 4Q24 remained unchanged.

Compared with the same quarters in 2023, demand for DoC crude in 1Q24 and 2Q24 is expected to increase by 0.5 mb/d and 0.3 mb/d, y-o-y, respectively, while 3Q24 and 4Q24 are forecast to see a rise of 1.4 mb/d each.

According to secondary sources, DoC crude production in 1Q24 averaged 41.2 mb/d, which is 1.5 mb/d lower than demand for DoC crude.

Table 10 - 1: DoC supply/demand balance for 2024*, mb/d

	2023	1Q24	2Q24	3Q24	4Q24	2024	Change 2024/23
(a) World oil demand	102.2	103.6	103.7	104.9	105.6	104.5	2.2
Non-DoC liquids production	51.7	52.5	52.7	52.9	53.7	53.0	1.2
DoC NGL and non-conventionals	8.2	8.3	8.3	8.3	8.3	8.3	0.1
(b) Total non-DoC liquids production and DoC NGLs	59.9	60.8	61.0	61.2	62.0	61.3	1.4
Difference (a-b)	42.3	42.7	42.8	43.7	43.6	43.2	0.9
DoC crude oil production	42.0	41.2					
Balance	-0.3	-1.5					

*Note: * 2024 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Balance of supply and demand in 2025

Demand for DoC crude

Demand for DoC crude in 2025 remained unchanged from the previous assessment to stand at 44.0 mb/d, around 0.8 mb/d higher than the level estimated for 2024.

Compared with the previous assessment, demand for DoC crude for 2Q25 is revised down by 0.1 mb/d, while demand for DoC crude for 1Q25, 3Q25 and 4Q25 remained unchanged.

Compared with the same quarters in 2024, demand for DoC crude in 1Q25 and 2Q25 is expected to increase by 0.4 mb/d and 0.7 mb/d, y-o-y, respectively, while 3Q25 and 4Q25 are forecast to be 1.1 mb/d and 0.9 mb/d higher, y-o-y, respectively.

Table 10 - 2: DoC supply/demand balance for 2025*, mb/d

	2024	1Q25	2Q25	3Q25	4Q25	2025	*Change 2025/24*
(a) World oil demand	**104.5**	**105.4**	**105.5**	**107.0**	**107.4**	**106.3**	***1.8***
Non-DoC liquids production	53.0	54.0	53.7	54.0	54.6	54.1	*1.1*
DoC NGL and non-conventionals	8.3	8.3	8.3	8.2	8.3	8.3	*0.0*
(b) Total non-DoC liquids production and DoC NGLs	**61.3**	**62.3**	**62.0**	**62.2**	**62.9**	**62.4**	***1.1***
Difference (a-b)	**43.2**	**43.1**	**43.4**	**44.8**	**44.5**	**44.0**	***0.8***

*Note: * 2025 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Appendix

Table 11 - 1: World oil demand and supply balance, mb/d

World oil demand and supply balance	2021	2022	2023	1Q24	2Q24	3Q24	4Q24	2024	1Q25	2Q25	3Q25	4Q25	2025
World demand													
Americas	24.0	24.8	25.0	24.6	25.4	25.6	25.4	25.2	24.6	25.4	25.7	25.5	25.3
of which US	*19.8*	*20.2*	*20.4*	*20.0*	*20.7*	*20.7*	*20.8*	*20.5*	*20.0*	*20.7*	*20.7*	*20.9*	*20.6*
Europe	13.2	13.5	13.4	13.2	13.6	13.7	13.3	13.4	13.2	13.6	13.7	13.4	13.5
Asia Pacific	7.3	7.4	7.3	7.8	7.0	7.1	7.5	7.3	7.8	7.0	7.1	7.5	7.3
Total OECD	**44.5**	**45.7**	**45.8**	**45.5**	**45.9**	**46.4**	**46.3**	**46.0**	**45.6**	**46.0**	**46.5**	**46.4**	**46.1**
China	15.4	15.0	16.3	16.5	16.8	17.2	17.3	17.0	16.9	17.2	17.7	17.7	17.4
India	4.8	5.1	5.3	5.7	5.6	5.4	5.6	5.6	5.9	5.9	5.6	5.8	5.8
Other Asia	8.7	9.1	9.3	9.7	9.7	9.5	9.5	9.6	10.0	10.1	9.8	9.8	9.9
Latin America	6.2	6.4	6.7	6.8	6.9	7.0	6.9	6.9	7.0	7.1	7.2	7.1	7.1
Middle East	7.8	8.3	8.6	8.8	8.6	9.2	9.0	8.9	9.1	8.9	9.7	9.4	9.3
Africa	4.2	4.4	4.5	4.6	4.4	4.4	4.8	4.6	4.8	4.5	4.5	4.9	4.7
Russia	3.6	3.8	3.8	3.9	3.8	4.0	4.1	3.9	4.0	3.9	4.0	4.1	4.0
Other Eurasia	1.2	1.2	1.2	1.3	1.2	1.1	1.3	1.2	1.3	1.3	1.1	1.3	1.3
Other Europe	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Total Non-OECD	**52.7**	**54.0**	**56.5**	**58.0**	**57.8**	**58.5**	**59.3**	**58.4**	**59.8**	**59.5**	**60.4**	**61.0**	**60.2**
(a) Total world demand	**97.2**	**99.7**	**102.2**	**103.6**	**103.7**	**104.9**	**105.6**	**104.5**	**105.4**	**105.5**	**107.0**	**107.4**	**106.3**
Y-o-y change	***5.9***	***2.5***	***2.6***	***2.4***	***2.0***	***2.5***	***2.1***	***2.2***	***1.8***	***1.7***	***2.1***	***1.8***	***1.8***
Non-DoC liquids production													
Americas	23.5	24.9	26.6	26.9	27.0	27.4	27.9	27.3	27.9	27.7	27.9	28.3	27.9
of which US	*18.1*	*19.3*	*20.9*	*20.9*	*21.2*	*21.4*	*21.8*	*21.3*	*21.7*	*21.8*	*21.8*	*22.0*	*21.8*
Europe	3.8	3.6	3.7	3.7	3.8	3.7	3.9	3.8	3.9	3.8	3.8	3.9	3.9
Asia Pacific	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Total OECD	**27.8**	**29.0**	**30.7**	**31.0**	**31.2**	**31.5**	**32.2**	**31.5**	**32.2**	**31.9**	**32.1**	**32.6**	**32.2**
China	4.3	4.4	4.5	4.6	4.6	4.5	4.5	4.5	4.6	4.6	4.5	4.5	4.5
India	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Asia	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.6
Latin America	6.0	6.3	7.0	7.3	7.3	7.4	7.4	7.3	7.5	7.5	7.6	7.8	7.6
Middle East	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.3	2.3	2.2	2.3	2.2	2.2	2.3	2.2	2.3	2.3	2.3	2.3	2.3
Other Eurasia	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Other Europe	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Non-OECD	**17.5**	**17.9**	**18.6**	**19.0**	**19.0**	**18.9**	**19.0**	**19.0**	**19.2**	**19.2**	**19.2**	**19.4**	**19.3**
Total Non-DoC production	45.4	46.9	49.3	50.0	50.2	50.4	51.2	50.4	51.4	51.1	51.4	52.0	51.5
Processing gains	2.3	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	2.6
Total Non-DoC liquids production	**47.7**	**49.3**	**51.7**	**52.5**	**52.7**	**52.9**	**53.7**	**53.0**	**54.0**	**53.7**	**54.0**	**54.6**	**54.1**
DoC NGLs	7.6	7.9	8.2	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.2	8.3	8.3
(b) Total Non-DoC liquids production and DoC NGLs	**55.3**	**57.2**	**59.9**	**60.8**	**61.0**	**61.2**	**62.0**	**61.3**	**62.3**	**62.0**	**62.2**	**62.9**	**62.4**
Y-o-y change	***0.6***	***1.9***	***2.7***	***1.9***	***1.7***	***1.1***	***0.7***	***1.4***	***1.5***	***1.0***	***1.0***	***0.9***	***1.1***
OPEC crude oil production (secondary sources)	25.2	27.7	27.0	26.5									
Non-OPEC DoC crude production	15.0	15.1	15.0	14.7									
DoC crude oil production	**40.3**	**42.8**	**42.0**	**41.2**									
Total liquids production	**95.5**	**100.1**	**101.9**	**102.0**									
Balance (stock change and miscellaneous)	*-1.6*	*0.4*	*-0.3*	*-1.5*									
OECD closing stock levels, *mb*													
Commercial	2,652	2,781	2,777	2,793									
SPR	1,484	1,214	1,207	1,212									
Total	**4,136**	**3,995**	**3,983**	**4,005**									
Oil-on-water	1,348	1,546	1,438	1,538									
Days of forward consumption in OECD, *days*													
Commercial onland stocks	58	61	60	61									
SPR	32	27	26	26									
Total	**91**	**87**	**87**	**87**									
Memo items													
(a) - (b)	**41.9**	**42.4**	**42.3**	**42.7**	**42.8**	**43.7**	**43.6**	**43.2**	**43.1**	**43.4**	**44.8**	**44.5**	**44.0**

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

Source: OPEC.

Table 11 - 2: World oil demand and supply balance: changes from last month's table*, mb/d

World oil demand and supply balance	2021	2022	2023	1Q24	2Q24	3Q24	4Q24	2024	1Q25	2Q25	3Q25	4Q25	2025
World demand													
Americas	-0.3	-	0.0	-0.1	-	-	0.0	0.0	-0.1	-	-	0.0	0.0
of which US	*-0.3*	*-*	*0.0*	*-0.1*	*-*	*-*	*-*	*0.0*	*-0.1*	*-*	*-*	*-*	*0.0*
Europe	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Asia Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	**-0.3**	**-**	**0.0**	**-0.1**	**0.0**	**0.0**	**-**	**0.0**	**-0.1**	**0.0**	**0.0**	**-**	**0.0**
China	0.3	-	0.0	0.2	0.0	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.1
India	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-0.1	-0.1	-	0.0	-	-0.1	-0.1	-	0.0
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-
Russia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Eurasia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	**0.3**	**-**	**0.0**	**0.2**	**-0.1**	**0.0**	**0.0**	**0.0**	**0.2**	**-0.1**	**0.0**	**0.0**	**0.0**
(a) Total world demand	**-**	**-**	**-**	**0.0**	**-0.1**	**-**	**0.0**	**-**	**0.0**	**-0.1**	**-**	**0.0**	**-**
Y-o-y change	***-***	***-***	***-***	***0.2***	***-0.1***	***-0.1***	***-***	***-***	***-***	***-***	***-***	***-***	***-***
Non-DoC liquids production													
Americas	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-
of which US	*-*	*-*	*-*	*0.1*	*0.0*	*0.0*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Europe	-	-	-	0.0	0.0	0.0	0.0	-	-	-	-	-	-
Asia Pacific	-	-	-	0.0	-	-	0.0	-	-	-	-	-	-
Total OECD	**-**	**-**	**-**	**0.0**	**0.0**	**-**	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**
China	-	-	-	0.0	-	-	-	-	-	-	-	-	-
India	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	0.0	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Middle East	-	-	-	0.0	-	-	-	-	-	-	-	-	-
Africa	-	-	-	0.0	-	-	-	-	-	-	-	-	-
Other Eurasia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	**-**	**-**	**-**	**-0.1**	**0.0**	**0.0**	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**
Total Non-DoC production	-	-	-	-0.1	0.0	0.0	0.0	-	-	-	-	-	-
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-DoC liquids production	**-**	**-**	**-**	**-0.1**	**0.0**	**0.0**	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**
DoC NGLs	-	-	-	0.0	-	0.0	0.0	0.0	0.1	0.1	0.0	0.1	0.0
(b) Total Non-DoC liquids production and DoC NGLs	**-**	**-**	**-**	**0.0**	**-**	**0.0**	**0.1**	**0.0**	**0.1**	**0.1**	**0.0**	**0.1**	**0.0**
Y-o-y change	***-***	***-***	***-***	***0.0***	***-***	***0.0***	***0.0***	***0.0***	***0.1***	***0.1***	***-0.1***	***-***	***0.0***
OPEC crude oil production (secondary sources)	-	-	-	0.0									
Non-OPEC DoC crude production	-	-	-	0.0									
DoC crude oil production	**-**	**-**	**-**	**0.0**									
Total liquids production	**-**	**-**	**-**	**-0.1**									
Balance (stock change and miscellaneous)	-	-	-	*-0.1*									
OECD closing stock levels, *mb*													
Commercial	-	-	3.5										
SPR	-	-	-										
Total	**-**	**-**	**3.5**										
Oil-on-water	-	-	-										
Days of forward consumption in OECD, *days*													
Commercial onland stocks	-	0.1	0.1										
SPR	-	0.0	0.0										
Total	**-**	**0.1**	**0.1**										
Memo items													
(a) - (b)	**0.0**	**0.0**	**0.0**	**0.0**	**-0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**-0.1**	**0.0**	**0.0**	**0.0**

*Note: * This compares Table 11 - 1 in this issue of the MOMR with Table 11 - 1 in the April 2024 issue.*

This table shows only where changes have occurred.

Source: OPEC.

Table 11 - 3: OECD oil stocks and oil on water at the end of period

OECD oil stocks and oil on water	2021	2022	2023	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Closing stock levels, mb											
OECD onland commercial	**2,652**	**2,781**	**2,777**	**2,664**	**2,750**	**2,781**	**2,759**	**2,793**	**2,826**	**2,777**	**2,793**
Americas	1,470	1,492	1,518	1,435	1,473	1,492	1,489	1,513	1,539	1,518	1,488
Europe	857	936	905	911	918	936	920	921	923	905	950
Asia Pacific	325	353	353	318	359	353	351	359	365	353	355
OECD SPR	**1,484**	**1,214**	**1,207**	**1,343**	**1,246**	**1,214**	**1,217**	**1,206**	**1,209**	**1,207**	**1,212**
Americas	596	374	357	495	418	374	373	349	353	357	366
Europe	479	461	466	452	448	461	460	470	471	466	465
Asia Pacific	409	378	384	395	380	378	383	387	384	384	381
OECD total	**4,136**	**3,995**	**3,983**	**4,008**	**3,996**	**3,995**	**3,976**	**3,999**	**4,035**	**3,983**	**4,005**
Oil-on-water	**1,348**	**1,546**	**1,438**	**1,451**	**1,554**	**1,546**	**1,560**	**1,449**	**1,367**	**1,438**	**1,538**
Days of forward consumption in OECD, days											
OECD onland commercial	**58**	**61**	**60**	**58**	**60**	**62**	**60**	**61**	**61**	**61**	**61**
Americas	59	60	60	58	60	61	59	60	61	62	59
Europe	63	70	67	65	69	72	68	67	69	69	70
Asia Pacific	44	48	48	44	47	45	50	51	49	45	51
OECD SPR	**32**	**27**	**26**	**29**	**27**	**27**	**27**	**26**	**26**	**27**	**26**
Americas	24	15	14	20	17	15	15	14	14	15	14
Europe	35	34	35	32	34	35	34	34	35	35	34
Asia Pacific	55	52	52	55	50	48	55	55	51	49	55
OECD total	**93**	**96**	**95**	**87**	**87**	**88**	**87**	**87**	**88**	**88**	**87**

Sources: Argus, EIA, Euroilstock, IEA, JODI, METI and OPEC.

Table 11 - 4: Non-DoC liquids production and DoC natural gas liquids, mb/d*

Non-DoC liquids production and DoC NGLs	2023	Change 23/22	1Q24	2Q24	3Q24	4Q24	2024	Change 24/23	1Q25	2Q25	3Q25	4Q25	2025	Change 25/24
US	20.9	*1.6*	20.9	21.2	21.4	21.8	21.3	*0.4*	21.7	21.8	21.8	22.0	21.8	*0.5*
Canada	5.7	*0.1*	5.9	5.8	5.9	6.1	5.9	*0.2*	6.1	5.9	6.1	6.3	6.1	*0.2*
Chile	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*
OECD Americas	**26.6**	***1.7***	**26.9**	**27.0**	**27.4**	**27.9**	**27.3**	***0.7***	**27.9**	**27.7**	**27.9**	**28.3**	**27.9**	***0.7***
Norway	2.0	*0.1*	2.1	2.1	2.1	2.2	2.1	*0.1*	2.3	2.2	2.2	2.3	2.2	*0.1*
UK	0.8	*-0.1*	0.8	0.8	0.7	0.8	0.8	*0.0*	0.8	0.8	0.7	0.8	0.8	*0.0*
Denmark	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*
Other OECD	0.8	*0.0*	0.8	0.8	0.8	0.8	0.8	*0.0*	0.8	0.8	0.8	0.8	0.8	*0.0*
OECD Europe	**3.7**	***0.1***	**3.7**	**3.8**	**3.7**	**3.9**	**3.8**	***0.1***	**3.9**	**3.8**	**3.8**	**3.9**	**3.9**	***0.1***
Australia	0.4	*0.0*	0.4	0.4	0.4	0.4	0.4	*0.0*	0.4	0.3	0.4	0.4	0.4	*0.0*
Other Asia Pacific	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*
OECD Asia Pacific	**0.4**	***0.0***	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	***0.0***	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	***0.0***
Total OECD	**30.7**	***1.7***	**31.0**	**31.2**	**31.5**	**32.2**	**31.5**	***0.8***	**32.2**	**31.9**	**32.1**	**32.6**	**32.2**	***0.8***
China	**4.5**	***0.1***	**4.6**	**4.6**	**4.5**	**4.5**	**4.5**	***0.0***	**4.6**	**4.6**	**4.5**	**4.5**	**4.5**	***0.0***
India	**0.8**	***0.0***	**0.8**	**0.8**	**0.8**	**0.8**	**0.8**	***0.0***	**0.8**	**0.8**	**0.8**	**0.8**	**0.8**	***0.0***
Indonesia	0.8	*0.0*	0.8	0.8	0.8	0.8	0.8	*0.0*	0.8	0.8	0.8	0.8	0.8	*0.0*
Thailand	0.4	*0.0*	0.4	0.4	0.4	0.4	0.4	*0.0*	0.4	0.4	0.4	0.4	0.4	*0.0*
Vietnam	0.2	*0.0*	0.2	0.2	0.2	0.2	0.2	*0.0*	0.2	0.2	0.2	0.2	0.2	*0.0*
Asia others	0.2	*0.0*	0.2	0.2	0.2	0.2	0.2	*0.0*	0.2	0.2	0.2	0.2	0.2	*0.0*
Other Asia	**1.6**	***0.0***	**1.6**	**1.6**	**1.6**	**1.6**	**1.6**	***0.0***	**1.6**	**1.6**	**1.5**	**1.5**	**1.6**	***0.0***
Argentina	0.8	*0.0*	0.8	0.9	0.9	0.9	0.9	*0.0*	0.9	0.9	0.9	0.9	0.9	*0.1*
Brazil	4.2	*0.5*	4.2	4.3	4.3	4.4	4.3	*0.1*	4.4	4.5	4.5	4.5	4.5	*0.2*
Colombia	0.8	*0.0*	0.8	0.8	0.8	0.8	0.8	*0.0*	0.8	0.8	0.8	0.8	0.8	*0.0*
Ecuador	0.5	*0.0*	0.5	0.5	0.5	0.5	0.5	*0.0*	0.5	0.5	0.5	0.5	0.5	*0.0*
Latin America others	0.7	*0.1*	0.9	0.9	0.9	0.9	0.9	*0.2*	0.9	0.9	1.0	1.1	1.0	*0.1*
Latin America	**7.0**	***0.6***	**7.3**	**7.3**	**7.4**	**7.4**	**7.3**	***0.4***	**7.5**	**7.5**	**7.6**	**7.8**	**7.6**	***0.3***
Qatar	1.9	*0.0*	1.9	1.9	1.9	1.9	1.9	*0.0*	1.9	1.9	1.9	1.9	1.9	*0.0*
Middle East others	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*
Middle East	**2.0**	***0.0***	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	***0.0***	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	***0.0***
Angola	1.1	*0.0*	1.2	1.1	1.1	1.1	1.1	*0.0*	1.1	1.1	1.1	1.1	1.1	*0.0*
Chad	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*
Egypt	0.6	*0.0*	0.6	0.6	0.6	0.6	0.6	*0.0*	0.6	0.6	0.6	0.6	0.6	*0.0*
Ghana	0.1	*0.0*	0.2	0.1	0.2	0.2	0.2	*0.0*	0.2	0.2	0.2	0.2	0.2	*0.0*
South Africa	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*	0.1	0.1	0.1	0.1	0.1	*0.0*
Africa other	0.2	*0.0*	0.2	0.2	0.2	0.2	0.2	*0.0*	0.3	0.3	0.3	0.3	0.3	*0.1*
Africa	**2.2**	***-0.1***	**2.3**	**2.2**	**2.2**	**2.3**	**2.2**	***0.0***	**2.3**	**2.3**	**2.3**	**2.3**	**2.3**	***0.0***
Eurasia others	0.4	*0.0*	0.4	0.4	0.4	0.4	0.4	*0.0*	0.4	0.4	0.4	0.4	0.4	*0.0*
Other Eurasia	**0.4**	***0.0***	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	***0.0***	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	***0.0***
Other Europe	**0.1**	***0.0***	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	***0.0***	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	***0.0***
Total Non-OECD	**18.6**	***0.6***	**19.0**	**19.0**	**18.9**	**19.0**	**19.0**	***0.4***	**19.2**	**19.2**	**19.2**	**19.4**	**19.3**	***0.3***
Non-DoC production	49.3	*2.4*	50.0	50.2	50.4	51.2	50.4	*1.2*	51.4	51.1	51.4	52.0	51.5	*1.0*
Processing gains	2.5	*0.1*	2.5	2.5	2.5	2.5	2.5	*0.1*	2.6	2.6	2.6	2.6	2.6	*0.1*
Non-DoC liquids production	**51.7**	***2.4***	**52.5**	**52.7**	**52.9**	**53.7**	**53.0**	***1.2***	**54.0**	**53.7**	**54.0**	**54.6**	**54.1**	***1.1***
DoC NGLs	**8.2**	***0.2***	**8.3**	**8.3**	**8.3**	**8.3**	**8.3**	***0.1***	**8.3**	**8.3**	**8.2**	**8.3**	**8.3**	***0.0***
Non-DoC liquids production and DoC NGLs	**59.9**	***2.7***	**60.8**	**61.0**	**61.2**	**62.0**	**61.3**	***1.4***	**62.3**	**62.0**	**62.2**	**62.9**	**62.4**	***1.1***

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

Table 11 - 5: World rig count, units

World rig count	2021	2022	2023	Change 2023/22	3Q23	4Q23	1Q24	Mar 24	Apr 24	Change Apr/Mar
US	475	722	688	-34	648	622	623	624	617	-7
Canada	133	174	177	3	188	180	210	191	131	-60
Mexico	45	47	55	8	54	59	58	59	53	-6
OECD Americas	**654**	**945**	**921**	**-24**	**892**	**861**	**893**	**876**	**803**	**-73**
Norway	17	17	17	0	19	18	14	13	15	2
UK	8	10	12	2	10	12	8	8	8	0
OECD Europe	**58**	**65**	**66**	**1**	**64**	**66**	**63**	**63**	**65**	**2**
OECD Asia Pacific	**23**	**24**	**25**	**1**	**25**	**23**	**24**	**23**	**25**	**2**
Total OECD	**735**	**1,034**	**1,012**	**-22**	**981**	**950**	**979**	**962**	**893**	**-69**
Other Asia*	174	186	204	18	206	206	210	219	227	8
Latin America	91	119	120	1	118	113	105	101	108	7
Middle East	57	62	61	-1	59	62	63	61	63	2
Africa	46	64	67	3	66	68	63	59	55	-4
Other Europe	9	10	11	1	10	10	9	9	9	0
Total Non-OECD	**377**	**441**	**463**	**22**	**459**	**459**	**450**	**449**	**462**	**13**
Non-OPEC rig count	**1,112**	**1,475**	**1,475**	**0**	**1,440**	**1,409**	**1,430**	**1,411**	**1,355**	**-56**
Algeria	26	32	36	4	37	43	41	42	43	1
Congo	0	1	1	0	2	0	2	2	1	-1
Equatorial Guinea**	0	0	0	0	0	0	0	0	0	0
Gabon	2	3	3	0	3	3	3	5	4	-1
Iran**	117	117	117	0	117	117	117	117	117	0
Iraq	39	51	61	10	62	62	62	62	62	0
Kuwait	25	27	24	-3	24	24	27	27	30	3
Libya	13	7	14	7	14	17	20	20	18	-2
Nigeria	7	10	14	4	16	14	17	19	19	0
Saudi Arabia	62	73	83	10	85	84	87	88	83	-5
UAE	42	47	57	10	56	62	62	61	62	1
Venezuela	6	3	2	-1	2	2	2	3	3	0
OPEC rig count	**339**	**371**	**412**	**41**	**418**	**428**	**439**	**446**	**442**	**-4**
World rig count***	**1,451**	**1,846**	**1,887**	**41**	**1,858**	**1,837**	**1,869**	**1,857**	**1,797**	**-60**
of which:										
Oil	1,143	1,463	1,498	35	1,477	1,464	1,479	1,476	1,430	-46
Gas	275	352	357	5	338	333	345	337	326	-11
Others	33	31	32	1	43	41	45	44	42	-2

*Note: * Other Asia includes India and offshore rigs for China.*
*** Estimated data when Baker Hughes Incorporated did not reported the data.*
**** Data excludes onshore China as well as Russia and other Eurasia.*
Totals may not add up due to independent rounding.
Sources: Baker Hughes and OPEC.

Glossary of Terms

Abbreviations

b	barrels
b/d	barrels per day
bp	basis points
bb	billion barrels
bcf	billion cubic feet
cu m	cubic metres
mb	million barrels
mb/d	million barrels per day
mmbtu	million British thermal units
mn	million
m-o-m	month-on-month
mt	metric tonnes
q-o-q	quarter-on-quarter
pp	percentage points
tb/d	thousand barrels per day
tcf	trillion cubic feet
y-o-y	year-on-year
y-t-d	year-to-date

Acronyms

ARA	Amsterdam-Rotterdam-Antwerp
BoE	Bank of England
BoJ	Bank of Japan
BOP	Balance of payments
BRIC	Brazil, Russia, India and China
CAPEX	capital expenditures
CCI	Consumer Confidence Index
CFTC	Commodity Futures Trading Commission
CIF	cost, insurance and freight
CPI	consumer price index
DoC	Declaration of Cooperation
DCs	developing countries
DUC	drilled, but uncompleted (oil well)
ECB	European Central Bank
EIA	US Energy Information Administration
Emirates NBD	Emirates National Bank of Dubai
EMs	emerging markets
EV	electric vehicle

FAI	fixed asset investment
FCC	fluid catalytic cracking
FDI	foreign direct investment
Fed	US Federal Reserve
FID	final investment decision
FOB	free on board
FPSO	floating production storage and offloading
FSU	Former Soviet Union
FX	Foreign Exchange
FY	fiscal year
GDP	gross domestic product
GFCF	gross fixed capital formation
GoM	Gulf of Mexico
GTLs	gas-to-liquids
HH	Henry Hub
HSFO	high-sulphur fuel oil
ICE	Intercontinental Exchange
IEA	International Energy Agency
IMF	International Monetary Fund
IOCs	international oil companies
IP	industrial production
ISM	Institute of Supply Management
JODI	Joint Organisations Data Initiative
LIBOR	London inter-bank offered rate
LLS	Light Louisiana Sweet
LNG	liquefied natural gas
LPG	liquefied petroleum gas
LR	long-range (vessel)
LSFO	low-sulphur fuel oil
MCs	(OPEC) Member Countries
MED	Mediterranean
MENA	Middle East/North Africa
MOMR	(OPEC) Monthly Oil Market Report
MPV	multi-purpose vehicle
MR	medium-range or mid-range (vessel)
NBS	National Bureau of Statistics
NGLs	natural gas liquids
NPC	National People's Congress (China)
NWE	Northwest Europe
NYMEX	New York Mercantile Exchange
OECD	Organisation for Economic Co-operation and Development
OPEX	operational expenditures
OIV	total open interest volume
ORB	OPEC Reference Basket
OSP	Official Selling Price
PADD	Petroleum Administration for Defense Districts
PBoC	People's Bank of China
PMI	purchasing managers' index
PPI	producer price index

RBI	Reserve Bank of India
REER	real effective exchange rate
ROI	return on investment
SAAR	seasonally-adjusted annualized rate
SIAM	Society of Indian Automobile Manufacturers
SRFO	straight-run fuel oil
SUV	sports utility vehicle
ULCC	ultra-large crude carrier
ULSD	ultra-low sulphur diesel
USEC	US East Coast
USGC	US Gulf Coast
USWC	US West Coast
VGO	vacuum gasoil
VLCC	very large crude carriers
WPI	wholesale price index
WS	Worldscale
WTI	West Texas Intermediate
WTS	West Texas Sour

OPEC Basket average price *US$/b*

Up 4.90 in April	April 2024	89.12
	March 2024	84.22
	Year-to-date	**83.67**

April OPEC crude production *mb/d, according to secondary sources*

Down 0.05 in April	April 2024	26.58
	March 2024	26.62

April Non-OPEC DoC crude production *mb/d, according to secondary sources*

Down 0.20 in April	April 2024	14.44
	March 2024	14.64

Economic growth rate *per cent*

	World	OECD	US	Eurozone	Japan	China	India
2024	2.8	1.4	2.2	0.5	0.8	4.8	6.6
2025	2.9	1.5	1.9	1.2	1.0	4.6	6.3

Supply and demand *mb/d*

2024		**24/23**	**2025**		**25/24**
World demand	104.5	2.2	World demand	106.3	1.8
Non-DoC liquids production	53.0	1.2	Non-DoC liquids production	54.1	1.1
DoC NGLs	8.3	0.1	DoC NGLs	8.3	0.0
Difference	**43.2**	**0.9**	**Difference**	**44.0**	**0.8**

OECD commercial stocks *mb*

	Jan 24	Feb 24	Mar 24	Mar 24/Feb 24
Crude oil	1,329	1,362	1,369	6.8
Products	1,451	1,410	1,424	13.5
Total	**2,780**	**2,773**	**2,793**	**20.2**
Days of forward cover	60.7	60.6	60.8	0.2

Next report to be issued on 11 June 2024.