



# Oil market developments

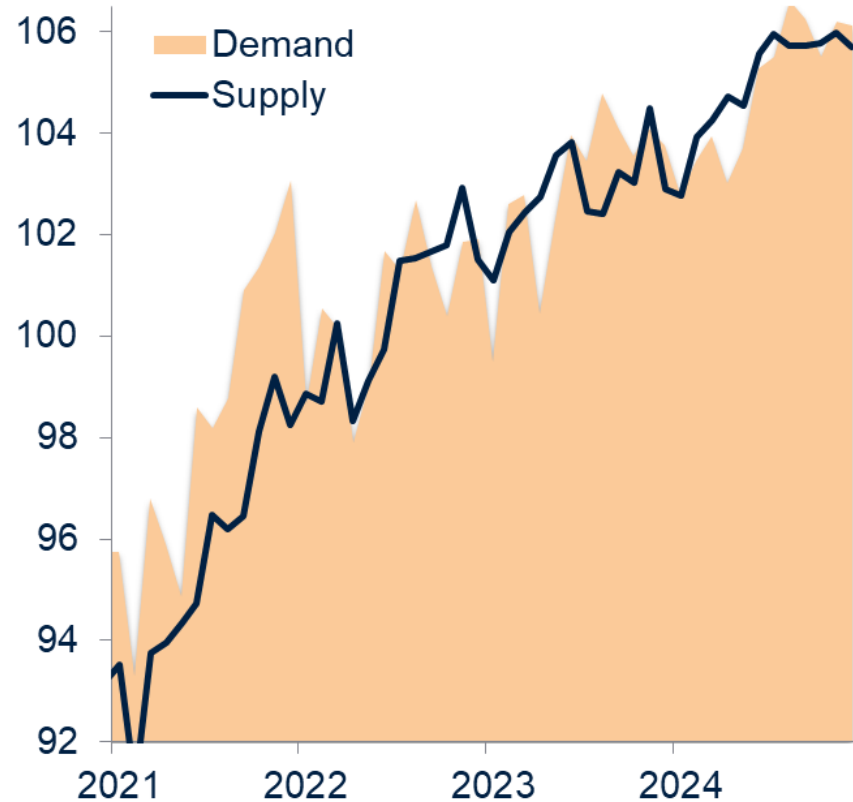
April 2024

# A more balanced near term oil market outlook

Continued demand rebound matched by non-supply growth

## Global Supply / Demand Balance

Mln b / 3-Mth MA



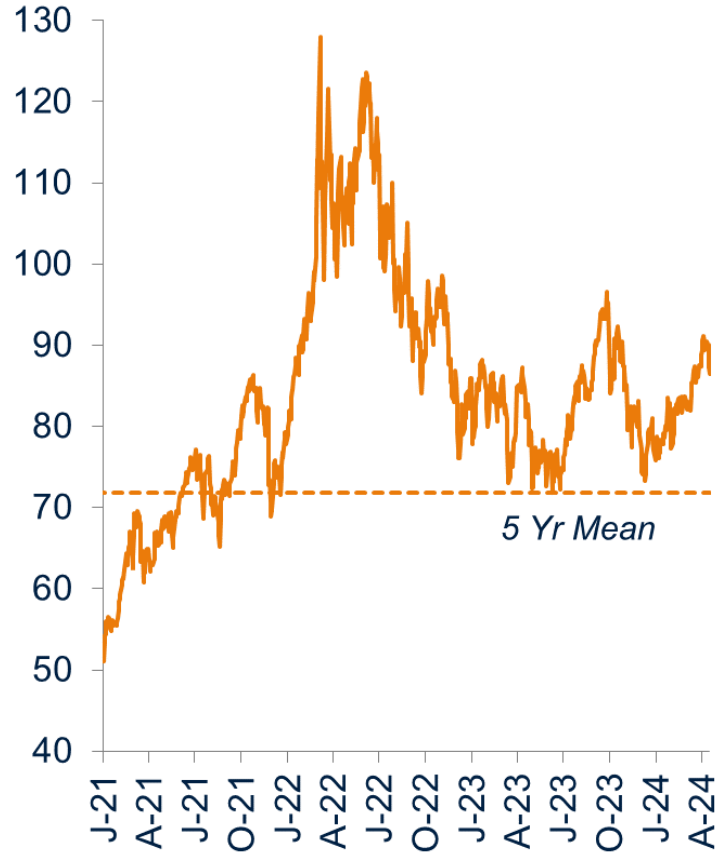
- Aviation sector recovery
- Improving economic outlook
- Slowing US supply growth offset by gains elsewhere in the Americas
- OPEC policy response uncertainty
- Runs (& margins) will decide the crude / product balance interplay
- Always subject to disruptions

# Price developments

Fundamentals suggest limited risk of sustained high prices without supply disruptions

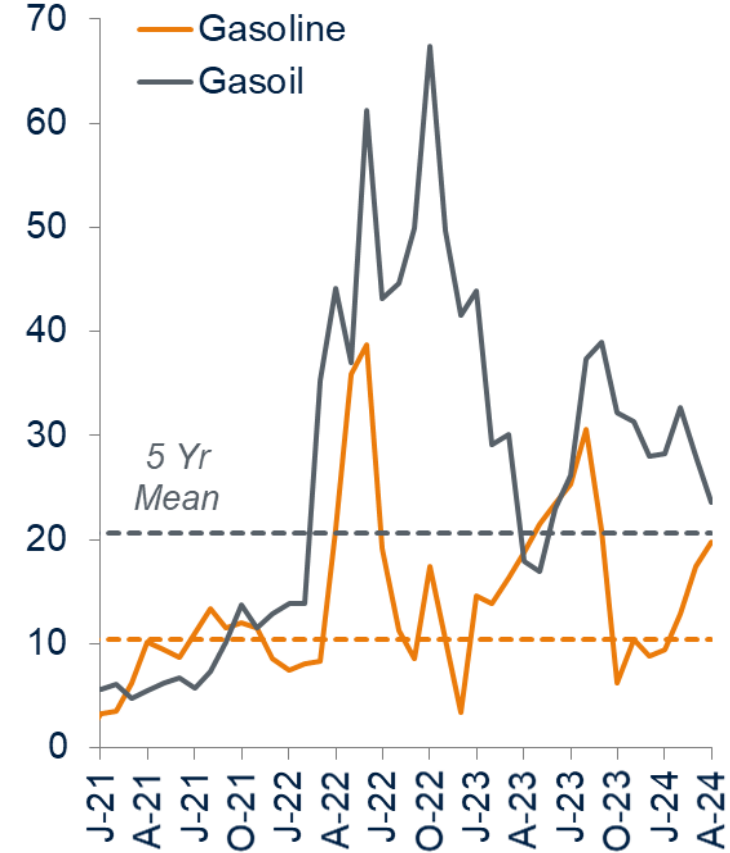
## Crude Price: Brent

\$/bbl / ICE



## NWE Product Premium

\$/bbl / Monthly Mean



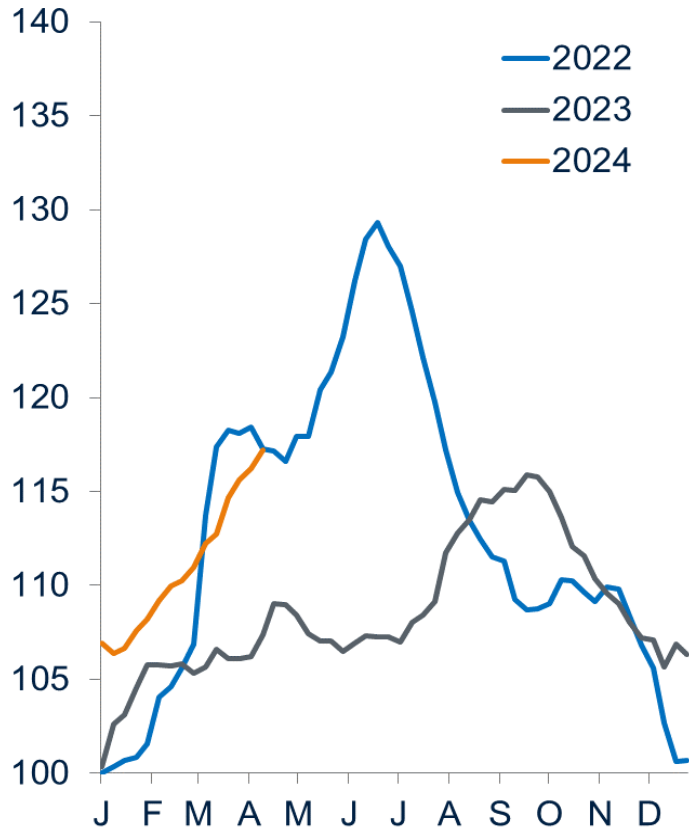
# Retail prices: *Consistent upward momentum*

Uneven pass-through to drivers

Deferred interest rate cuts has USD implications

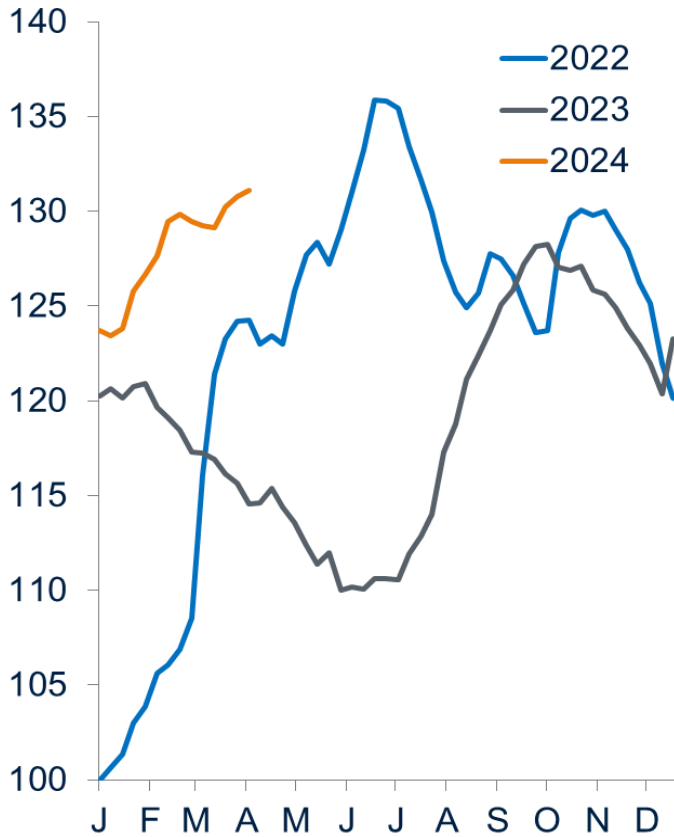
## Pump Price Index: Gasoline

Jan-22=100 / World / National Currency



## Pump Price Index: Diesel

Jan-22=100 / World / National Currency



## US Dollar Index

BBG DXY Index



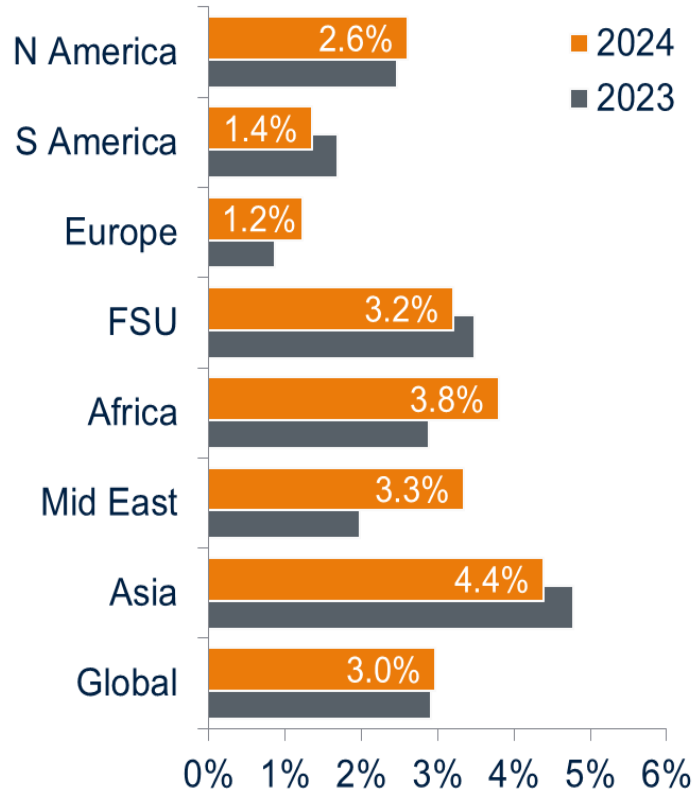
# Improving economic outlook

Growth expectations revised higher

Risk of policy error / geopolitical events hit activity & sentiment

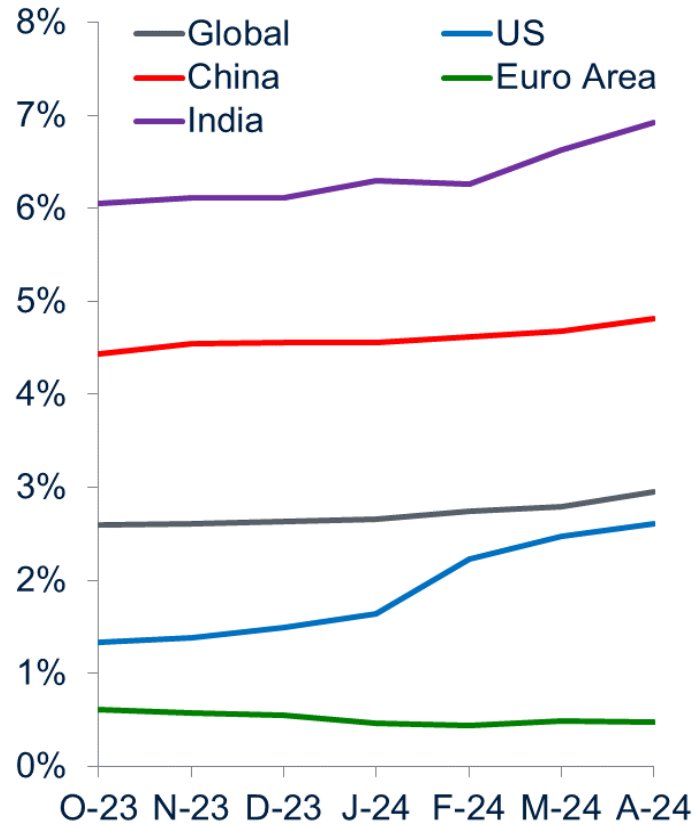
## Regional GDP Growth

% PA Change



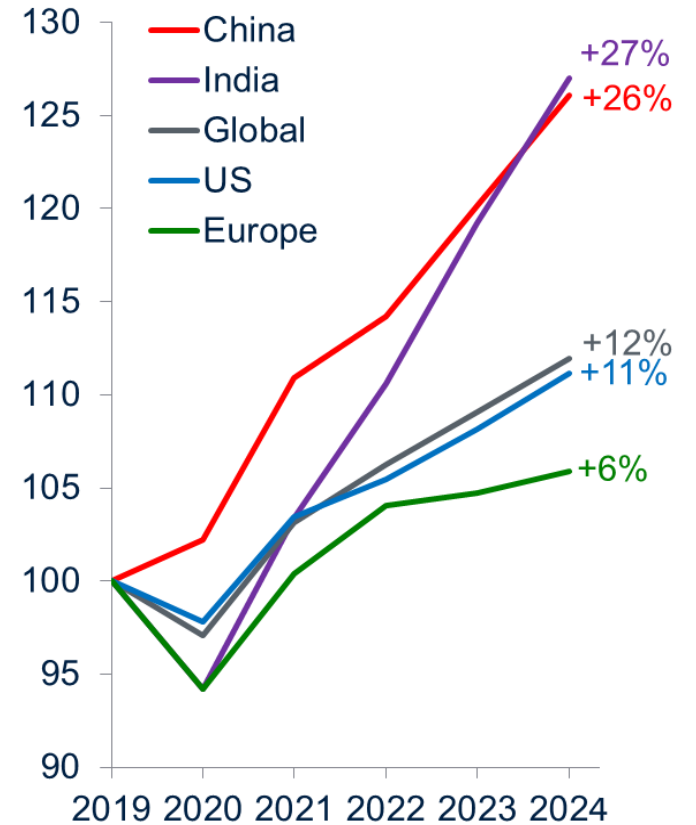
## Global GDP Evolution / Cal-24

% PA Growth / Consensus



## GDP: Post Covid Recovery

2019 = 100



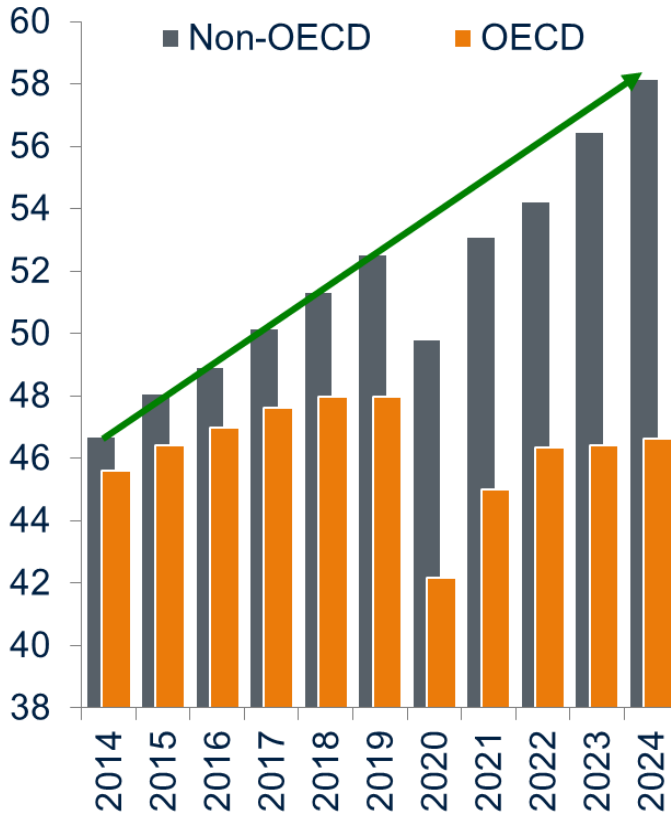
# Oil demand developments

Growth focused East of Suez

Structurally N Atlantic refined oil product demand has peaked

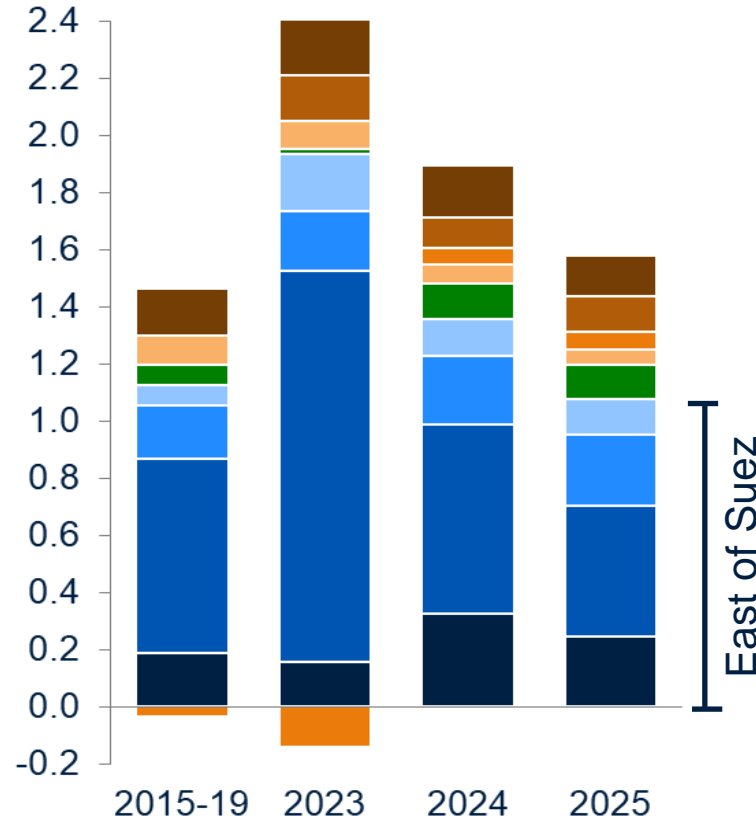
## Global Product Demand

Mln b/d / Total Liquids



## Oil Demand Growth

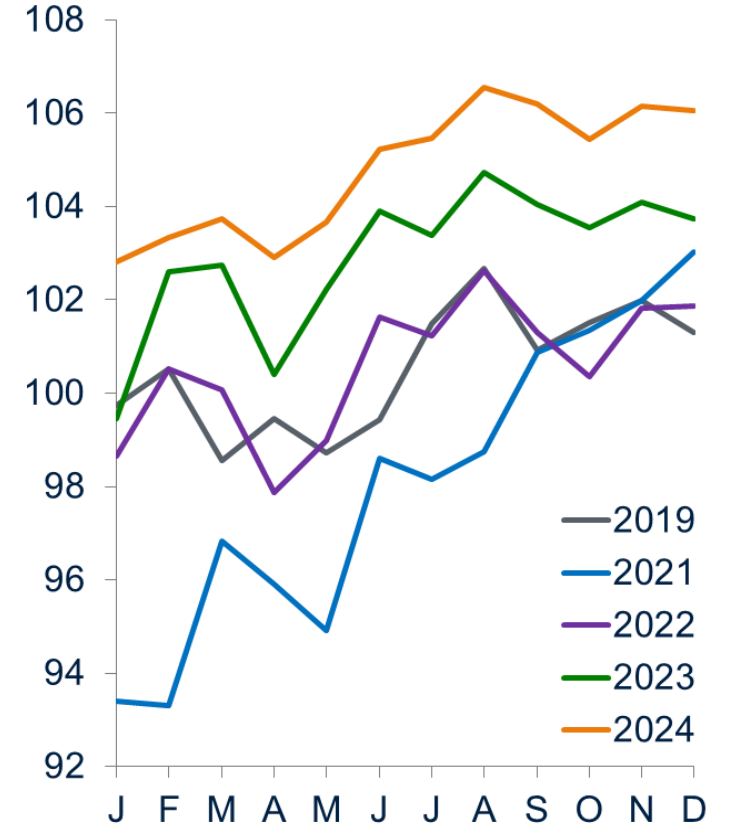
Mln b/d / Yr-Yr / Total Liquids



- N America   ■ S America   ■ Europe
- FSU   ■ Africa   ■ Mid East
- India   ■ China   ■ Other Asia

## Global Oil Demand

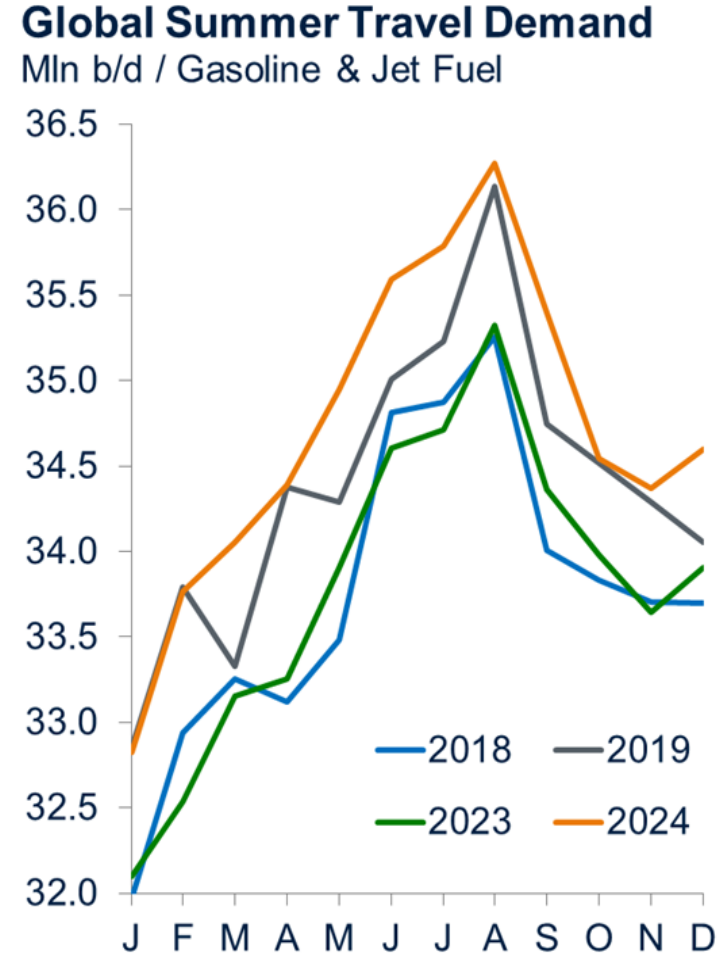
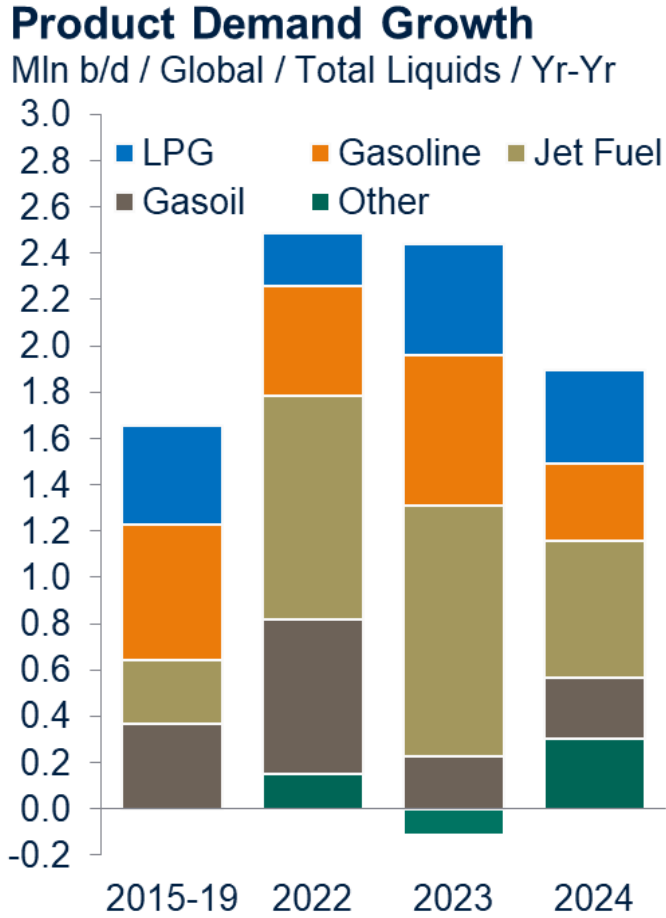
Mln b/d / Total Liquids



# Oil product demand

2024 growth supported by the ongoing recovery in the aviation sector

Seasonal peak travel season approaching



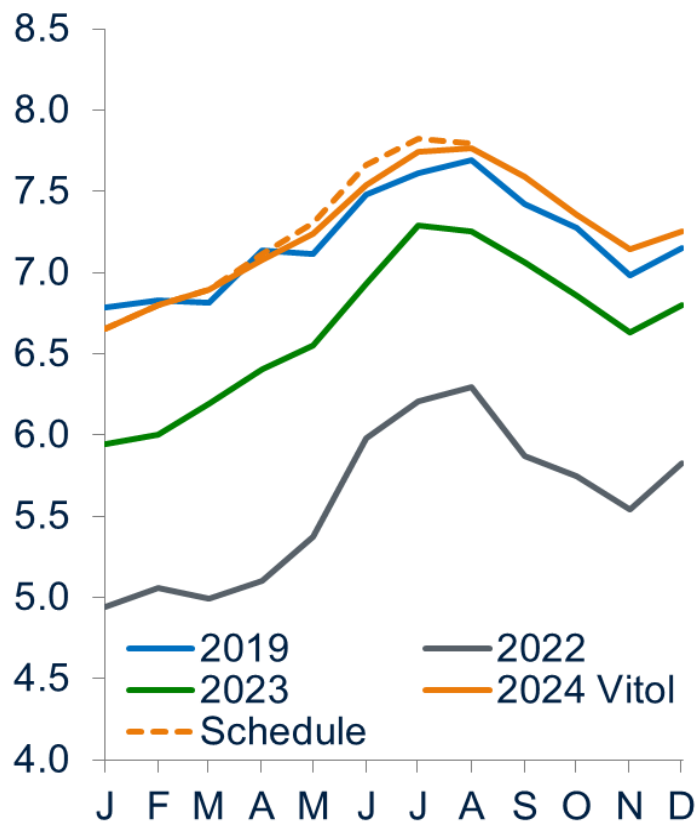
# Aviation: Jet demand is finally matching 2019

Headwinds:

- Boeing deliveries likely to miss summer schedules
- US-Sino route re-opening – even slower than planned

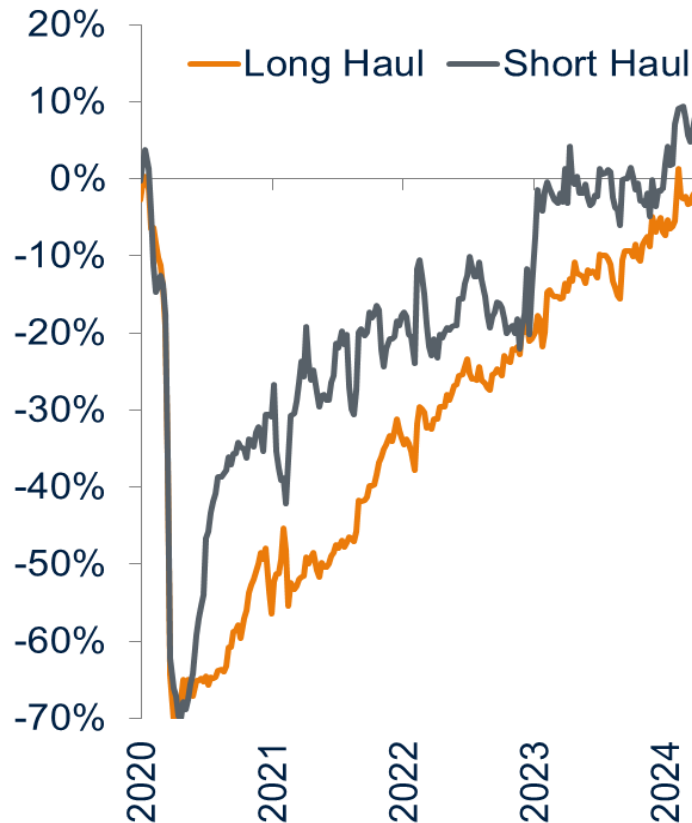
## Global Jet Fuel Demand

Mln b/d



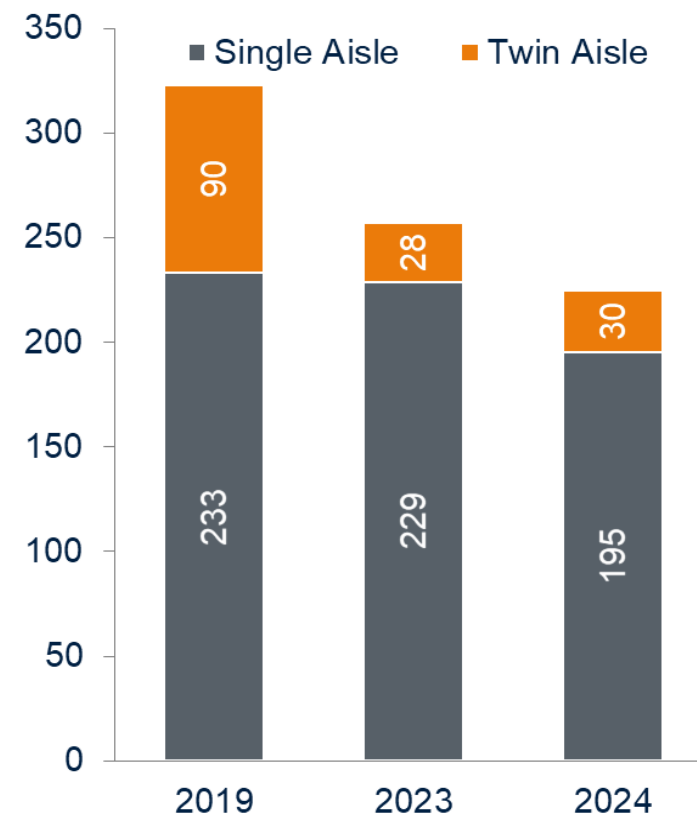
## Global Jet Fuel Demand

% Against 2019



## Aircraft Deliveries

Boeing & Airbus / 1Q



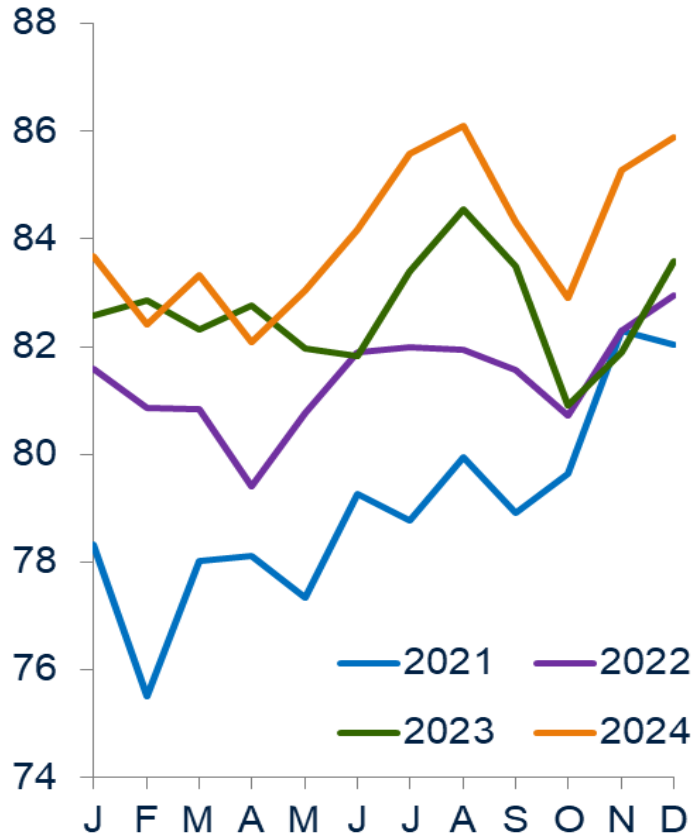


# Refinery runs are setting new highs

Supported the stabilisation of previous capacity additions plus new CDU units

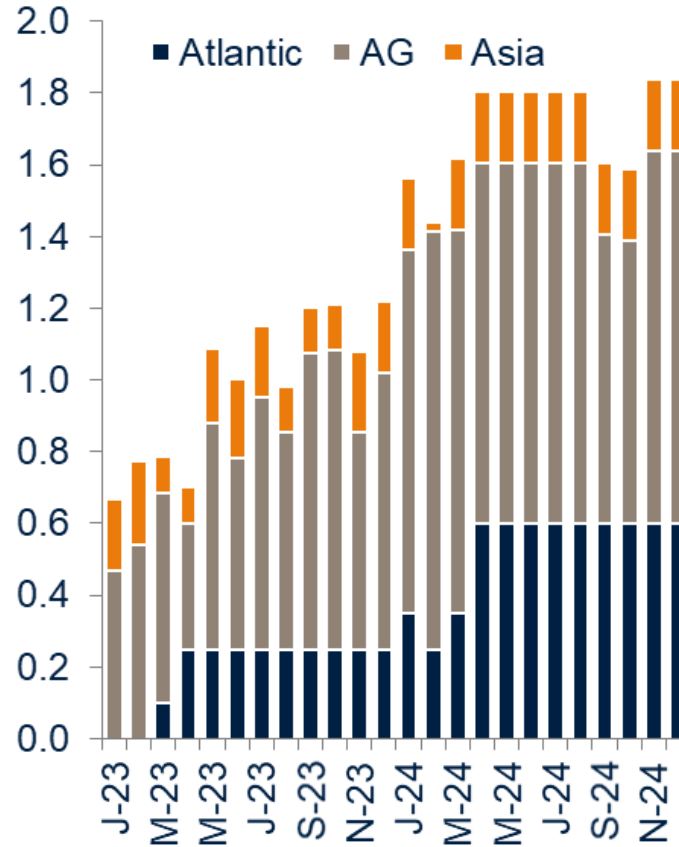
## Global Crude Runs

Mln b/d



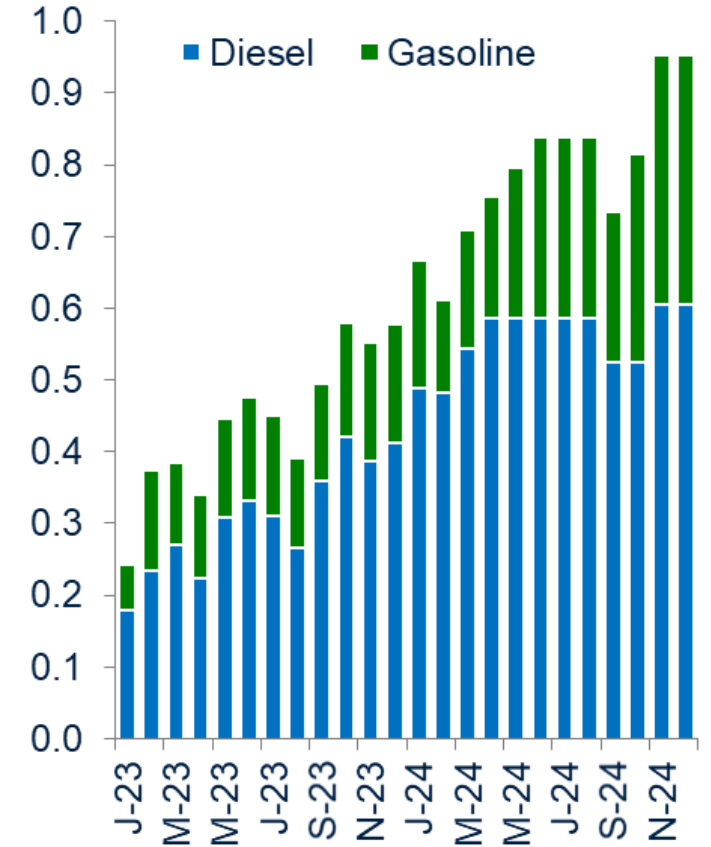
## New Refinery Capacity Runs

Mln b/d / Gross Addition



## New Refinery Capacity Output

Mln b/d / Gross Addition



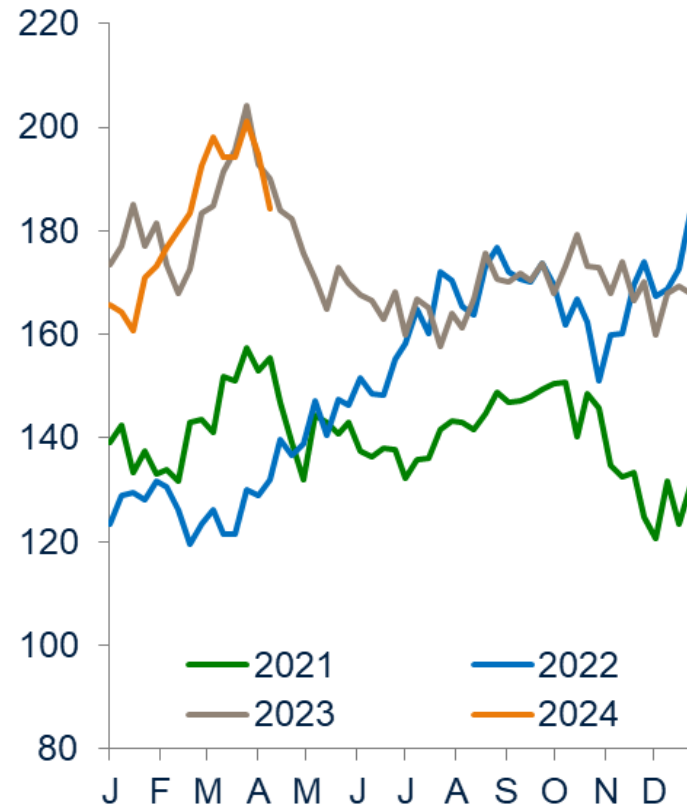
# Geopolitical factors causing the re-routing of oil flows

Resulting in increased oil on water

Concertina effect with eventual resolution

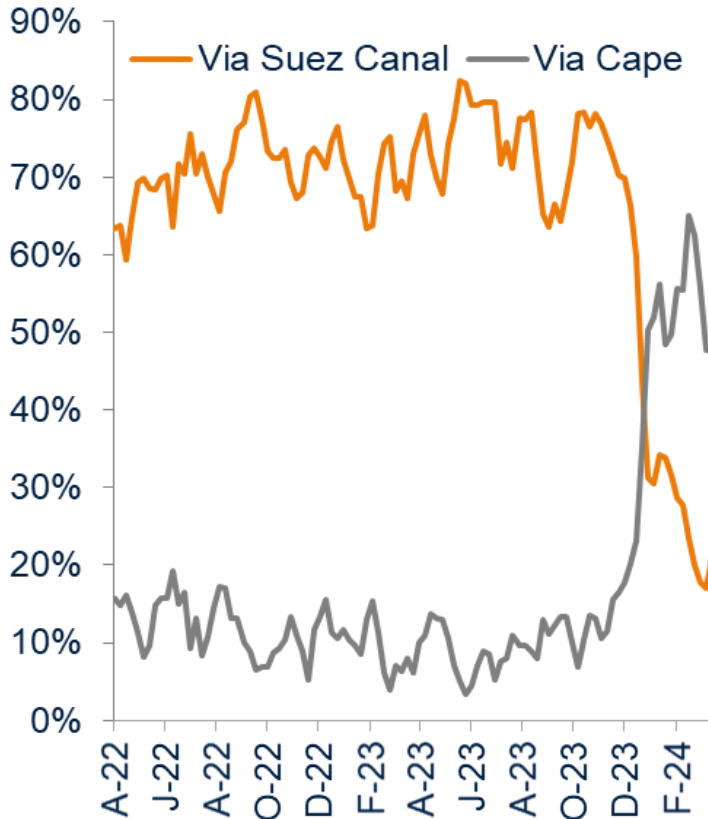
## Mid Distillate on Water

Mln bbls / Global



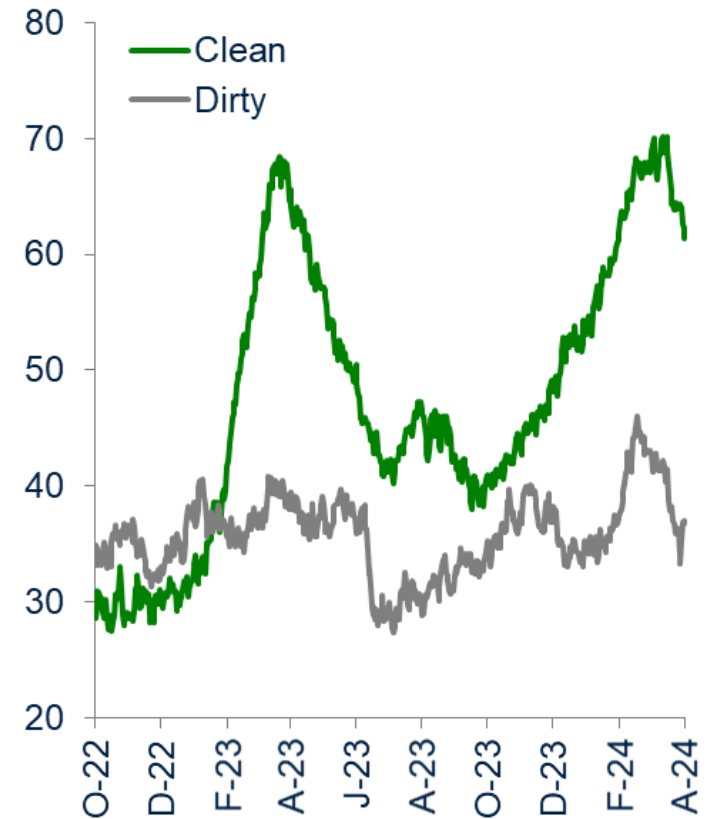
## East-West Product Flow

% Share / Clean Products / Kpler



## Russian Oil On Water

Mln bbls / Products / Kpler

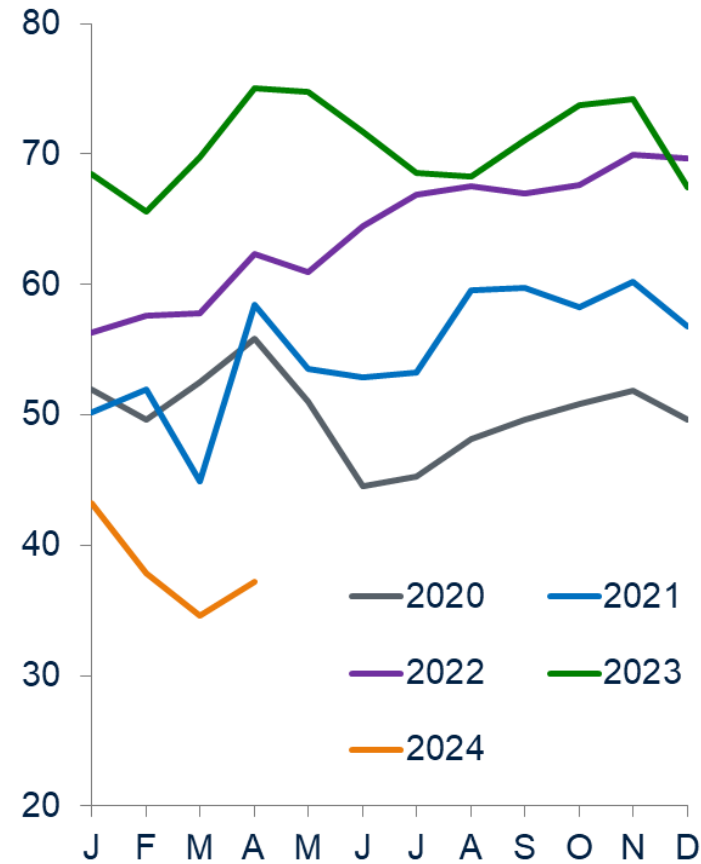


Source: Kpler

# Shipping disruptions & rebounding international trade is boosting marine oil consumption

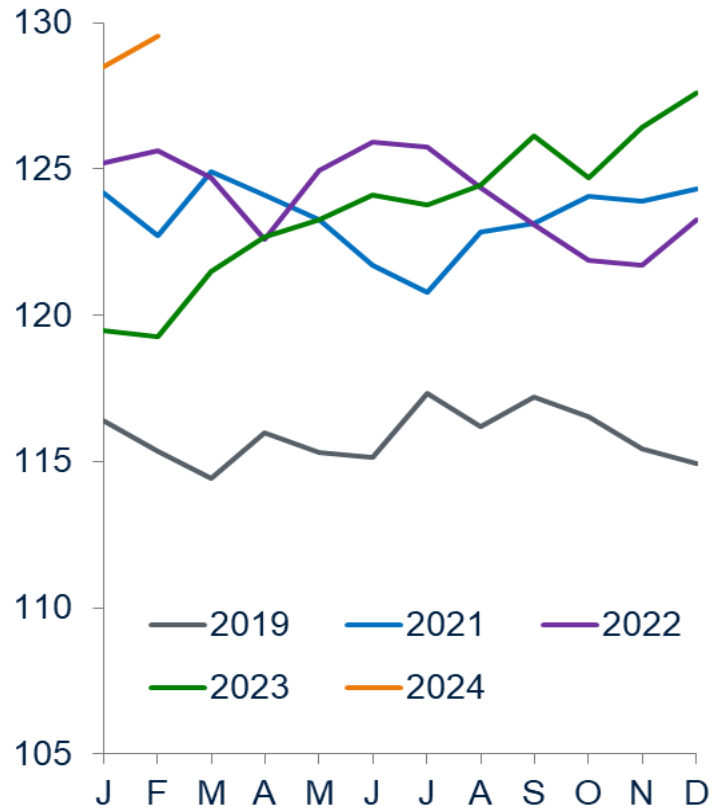
Increased ton miles / seasonal increase in 2H

## Suez Canal: Transits / Day



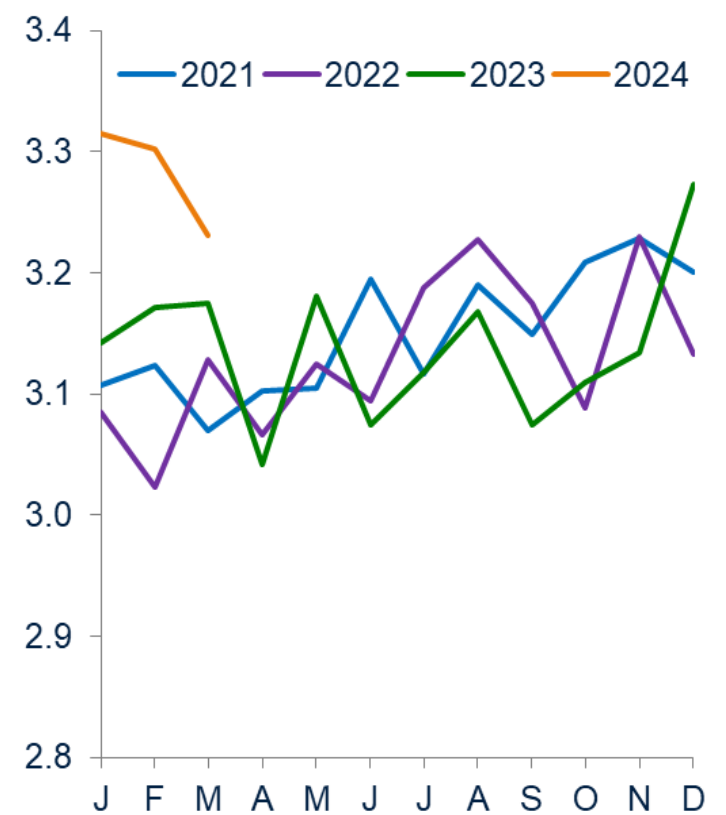
## World Container Trade Index

2015 = 100 / Seasonally Adjusted



## FO Marine Bunker Demand

Mln b/d / Yr-Yr / Global

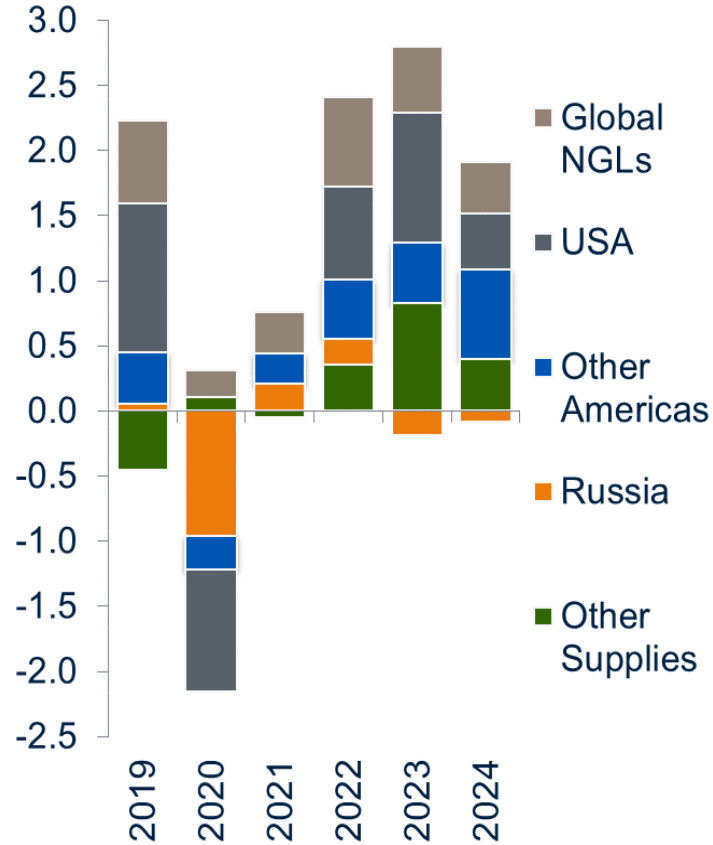


# Crude availability

2024: Non-OPEC supply broadly matches forecast refined product demand growth

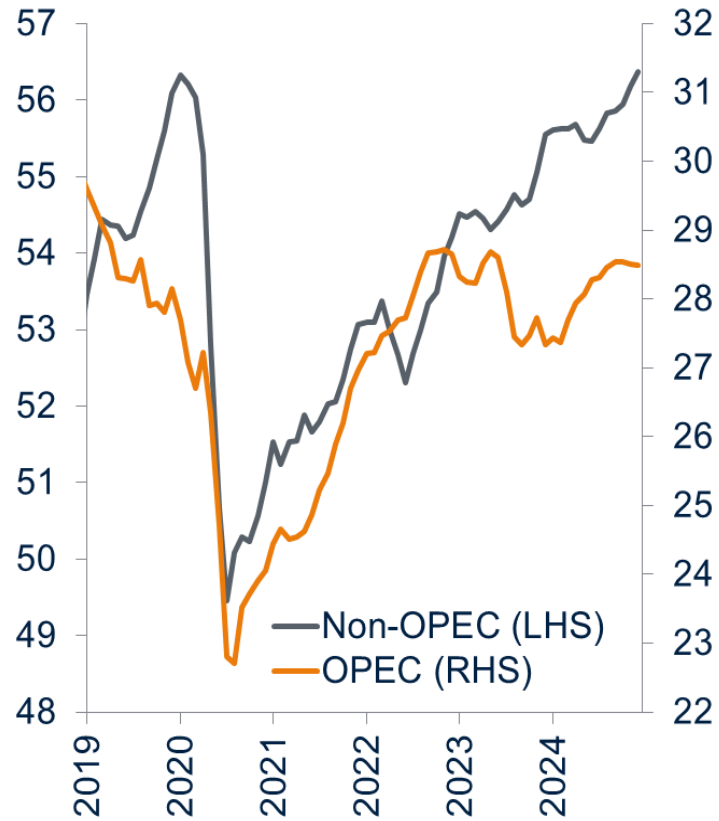
## Non-OPEC Liquid Supply Growth

Mln b/d / Ex-OPEC Crude



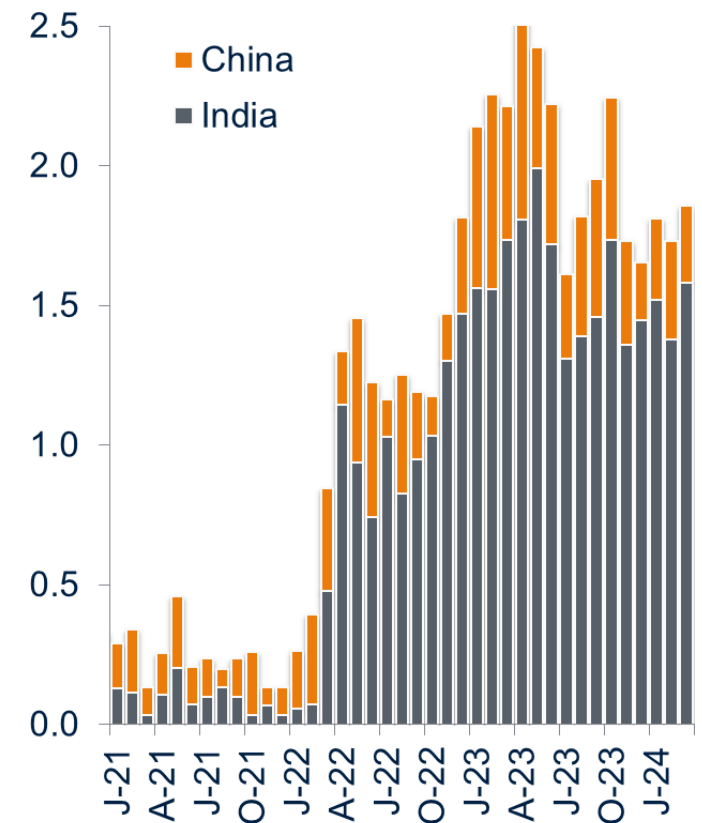
## Crude Production

Mln b/d / 3-Mth Rolling Mean



## Russian Crude Exports

Mln b/d / Euro Port Origin / Seaborne

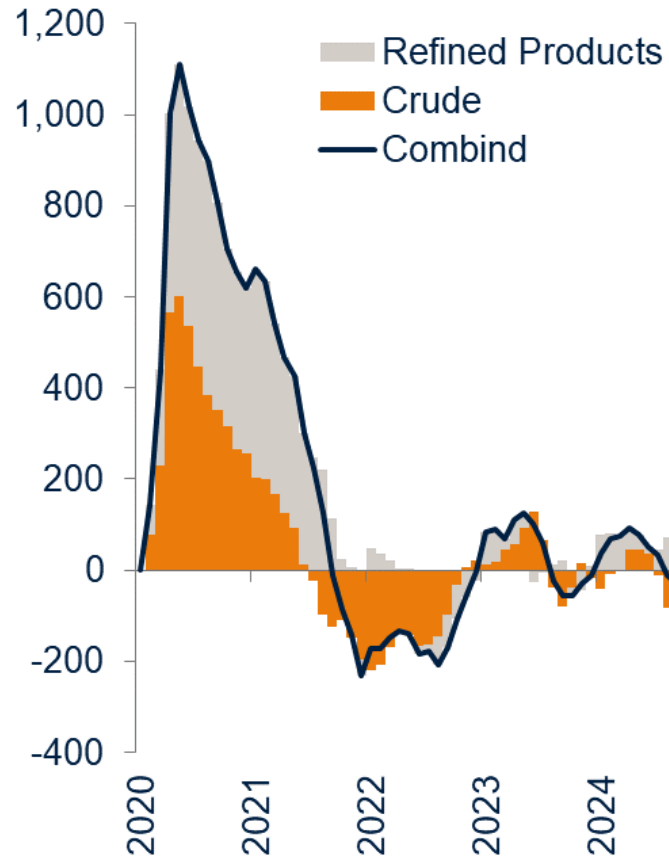


# A more balanced near term oil market outlook

The implied forward stock profile is within normal parameters

## Commercial Stock Developments

Mln bbls / Change Versus Jan-20



- Potential supply / demand assumption risks
- Will high retail prices constrain peak summer travel?
- Cracks & product availability dependent on kit reliability
- Investor flows shape direction at the front
- Always subject to disruptions

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