

Monthly Report on Petroleum Developments in The World

Markets and Member Countries

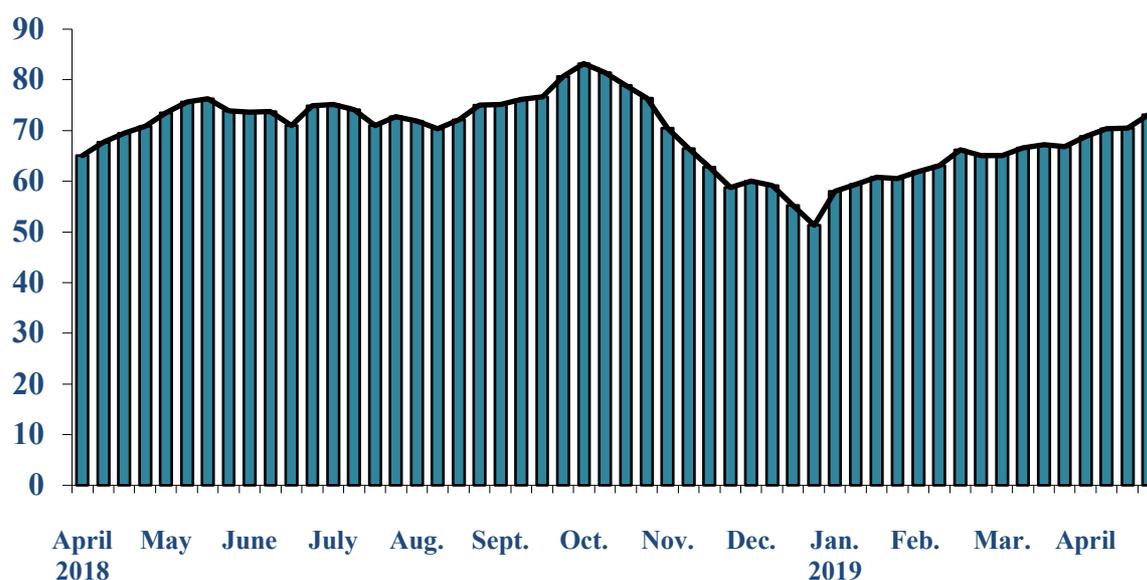
June 2019

First: World Oil Markets

1. Oil Prices

- In April 2019, **OPEC Reference Basket increased** by 6.6% or \$4.4/bbl from the previous month level to stand at \$70.8/bbl. High conformity to the (OPEC+) Declaration of Cooperation, as well as strong crude demand, geopolitical risks in key oil producing regions, and Supply disruptions of Russian Urals via the Druzhba pipeline to Eastern Europe and Germany due to crude contamination by organic chlorides, were major stimulus for the increase in oil prices during the month of April 2019 to reach its highest level since October 2018.

Weekly Average Spot Prices of OPEC Basket of Crudes, 2018-2019 (\$/bbl)



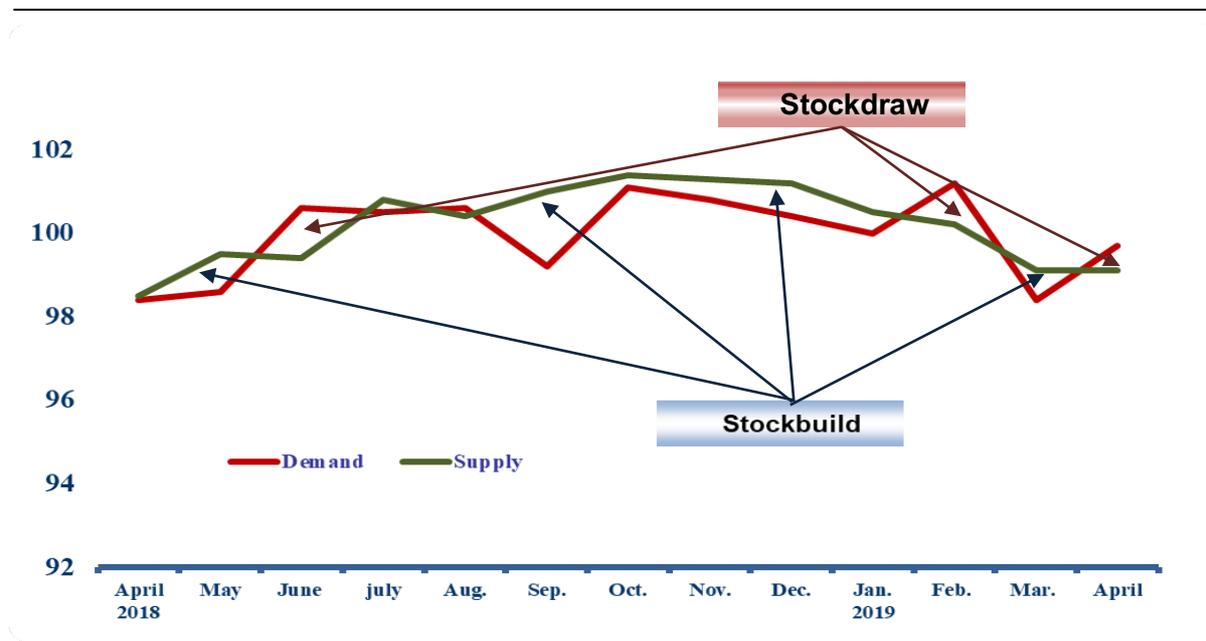
Source: Organization of Petroleum Exporting Countries, OPEC.

2. Supply and Demand

- **World oil demand** in April 2019, **increased** by 1.3% from the previous month level to reach 99.7 million b/d. **Demand in OECD countries decreased** by 0.8% comparing with the previous month to reach 47 million b/d. Whereas **demand in Non-OECD countries increased** by 1.7% comparing with their previous month level to reach 52.7 million b/d.

- **World oil supplies** in April 2019, **remained stable** at the same previous month level of 99.1 million b/d. **OPEC crude oil and NGLs/condensates total supplies decreased** by 0.6% comparing with the previous month to reach 35.1 million b/d. Whereas preliminary estimates show that **Non-OPEC supplies increased** by 0.3% comparing with the previous month to reach 64 million b/d.

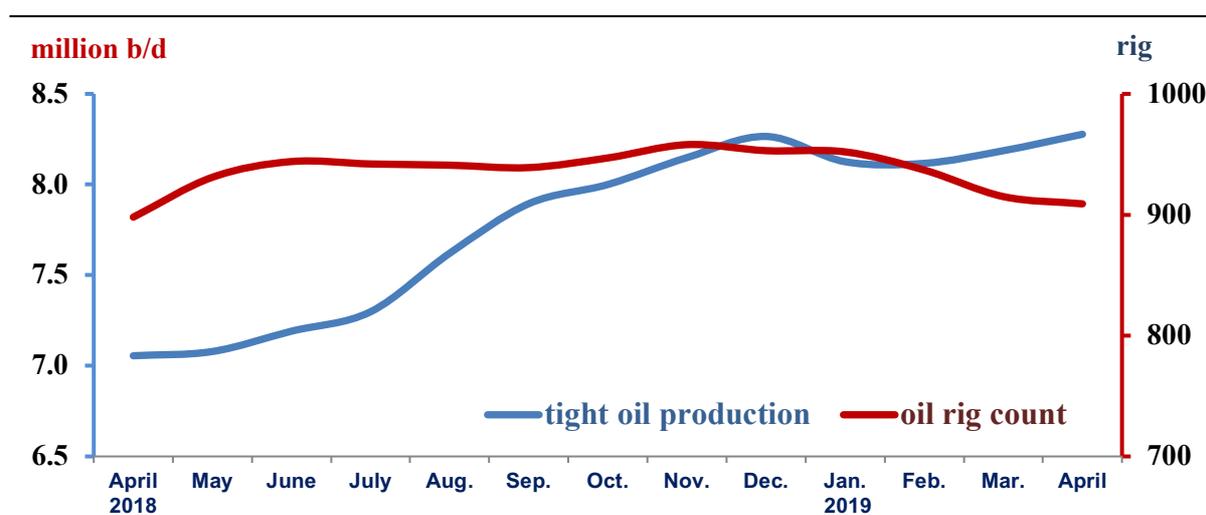
World Oil Supply and Demand (million b/d)



Source: Energy Intelligence Briefing May 20, 2019.

- **US tight oil production** in April 2019, **increased** by 1.1% to reach about 8.3 million b/d, whereas **US oil rig count decreased** by 6 rig from the previous month level to stand at 909 rig.

US tight oil production and oil rig count

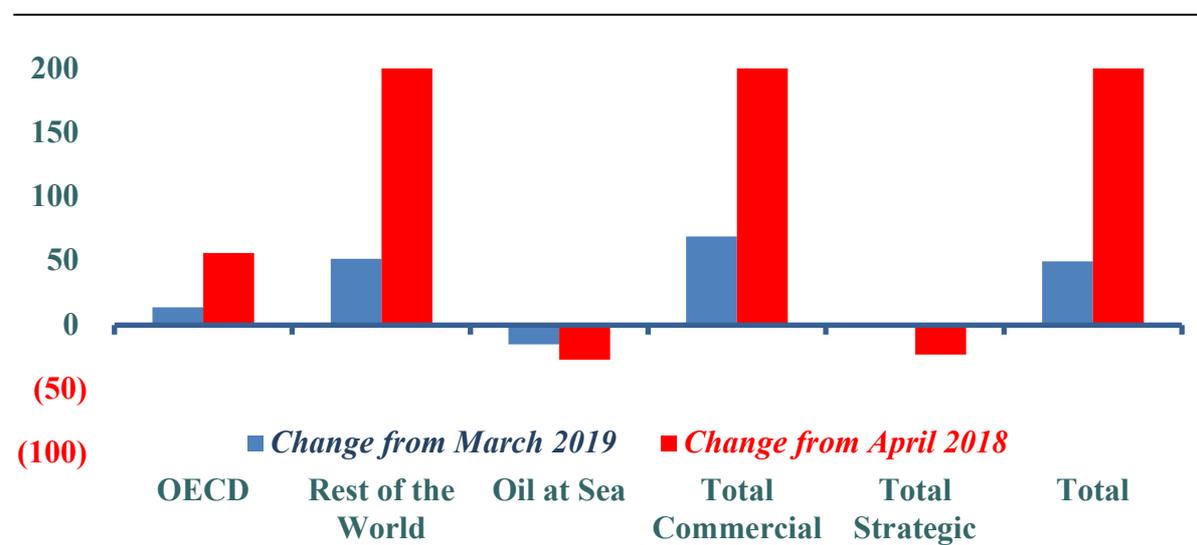


Source: EIA, Drilling Productivity Report for key tight oil and shale gas regions May 2019.

3. Oil Inventories

- **OECD commercial inventories** in April 2019 **increased** by 14 million barrels from the previous month level to reach 2882 million barrels, whereas **Strategic inventories** in OECD-34, South Africa and China **decreased** by 2 million barrels from the previous month level to reach 1830 million barrels.

Change in Global Inventories at the End of April 2019 (million bbl)



Source: Oil Market intelligence, May 2019.

4. Oil Trade

US Oil Imports

- **US crude oil imports** in March 2019, increased by 0.7% from the previous month level to reach 6.7 million b/d, whereas US product imports decreased by 1.5% to reach about 2.1 million b/d.

Second: Natural Gas Market

1. Prices

- **The average spot price of natural gas at the Henry Hub decreased** in April 2019 to reach \$2.65/million BTU.
- **The Price of Japanese LNG imports** in March 2019 decreased by \$0.5/m BTU to reach \$10.56/m BTU, the **Price of Korean LNG decreased** by \$0.9/m BTU to reach 10.86/m BTU, and the **Price of Chinese LNG imports decreased** by \$0.4/m BTU to reach \$10.17/m BTU.

2. Exports

- **Arab LNG exports to Japan, Korea and China** were about 2.943 million tons in March 2019 (a share of 20.8% of total imports).