

API - Petroleum Demand Makes Small Gain in April

The **American Petroleum Institute (API)** reported total U.S. petroleum deliveries (a measure of demand) gained 0.7 percent from April 2014 to average 18.9 million barrels per day. These were the highest April deliveries since 2010. “Although demand for ground transportation fuels fell slightly last month, demand for aviation and marine transportation fuels saw significant gains,” said API Chief Economist **John Felmy**. “As has been the case for some time, the market’s primary themes in April were strong supply and moderate demand growth.”

At nearly 9.3 million barrels per day, U.S. crude oil production increased by 8.6 percent from April 2014. This was the third highest crude oil production level in any month since April 1973. Natural gas liquids (NGL) production, a co-product of natural gas production, averaged nearly 3.1 million barrels per day, which was the highest for the month on record and 5.1 percent higher than April 2014’s output.

According to the latest reports from **Baker-Hughes, Inc.**, the number of oil and gas rigs in the U.S. in April was 976, a drop of 11.9 percent from the previous month and 46.8 percent below the year ago level. Last month’s count was the lowest count since August 2009. **Red Top Rig Report** showed 48 active rigs in Kansas this week, down from 135 rigs a year ago.

U.S. total petroleum imports last month averaged nearly 9.7 million barrels per day, 1.0 percent higher than the prior year but the second lowest April level since 1996. Crude oil imports in April were also up compared with the prior year, rising by 3.2 percent from April 2014 to just under 7.8 million barrels per day. Imports of refined products fell by 7.3 percent from over the same period to about 1.9 million barrels per day, the lowest level for the month since 1995.

Crude oil stocks ended the month at 483.9 million barrels—the highest April inventory level since 1930. Crude stocks were up 3.2 percent from the prior month, and were up by 23.1 percent from the prior year. Stocks of motor gasoline ended up by 6.0 percent from last year at 228.9 million barrels, the highest April level in 28 years. Distillate fuel oil stocks reached the highest April inventory level since 2011 while stocks of jet fuel and “other oils” were down.

Gasoline demand fell last month by 0.4 percent from the prior year to average just over 8.9 million barrels per day. Demand for distillate was 1.0 percent lower than April 2014 to average 3.9 million barrels per day. Over the same period, demand rose for jet fuel (6.3 percent), residual fuel (9.4 percent) and “other oils” (6.6 percent). Gasoline production set a new record for the month, rising 0.4 percent from the previous April to nearly 9.8 million barrels per day. Meanwhile, distillate fuel production fell by 1.3 percent to just over 4.9 million barrels per day. Year to date production of both gasoline and distillate was also the highest ever.

Refinery gross inputs in April rose by 0.5 percent from last year to a record high for the month of 16.3 million barrels per day. Exports of refined petroleum products were up by 14.8 percent from a year prior to average nearly 4.6 million barrels per day—the highest April level ever. The refinery capacity utilization rate in April averaged above 90.0 percent for the first time this year at 91.4 percent. This was an increase of 0.7 percentage points from the same period last year. API’s latest refinery operable capacity was 17.882 million barrels per day.

API is a national trade association that represents all segments of America’s technology-driven oil and natural gas industry. Its more than 625 members – including large integrated companies, exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms – provide most of the nation’s energy and are backed by a growing grassroots movement of more than 25 million Americans. The industry also supports 9.8 million U.S. jobs and 8 percent of the U.S. economy and, since 2000, has invested over \$3 trillion in U.S. capital projects to advance all forms of energy, including alternatives.