

U.S. November Petroleum Demand Reaches 7-year High

The **American Petroleum Institute's (API)** said total U.S. petroleum deliveries (a measure of demand) rose last month by 1.9 percent from November 2013 to average 19.9 million barrels per day, the highest level for the month in seven years. "It has been several years since we've seen this level of demand in November," said API Chief Economist **John Felmy**. "The economy overall appeared to be in good shape last month, and production of crude, natural gas and refined products all remained quite strong." Other highlights of the API's **Monthly Statistical Report** include:

- Crude production jumped 14.9 percent from last year to its highest November output since 1973. The production level of 9.1 million barrels per day marked the first time above 9.0 million barrels per day since March 1986. The Bakken, the Eagle Ford, and the Permian regions posted record levels of production last month, averaging 1.2 million barrels per day, 1.6 million barrels per day, and nearly 1.8 million barrels per day, respectively.

- Natural gas liquids (NGL) production, a co-product of natural gas production, reached its highest output on record at nearly 3.2 million barrels per day, an increase of 15.3 percent from last year. Production of natural gas in the Marcellus region, the largest natural gas producing region, reached a record high of nearly 15.9 billion cubic feet per day in November, up 17.9 percent from last year and was up 74.0 percent from November 2012.

- According to the latest reports from Baker-Hughes, Inc., the number of oil and gas rigs in the U.S. in November was 1,925, the same from October, but was up 169 counts from November 2013. This was the second highest count since July 2012.

- Total petroleum imports last month were down by 5.2 percent from November 2013 to average just below 8.9 million barrels per day. This was the second lowest level since February 1996. Crude imports rose slightly by 0.7 percent from last year to average nearly 7.5 million barrels per day – the second lowest level for the month since 1996. Imports of refined products dropped 27.3 percent over the same period to the lowest level since May 1995 at 1.4 million barrels per day.

- Gasoline demand also grew by 1.9 percent from November 2013 to average 9.1 million barrels per day. These were the highest deliveries for the month since 2007. Distillate deliveries were the highest in eight months, increasing by 1.2 percent above the prior year to 3.9 million barrels per day. Demand also rose over the same period for jet fuel (3.8 percent) and "other oils" (7.1 percent) while residual fuel deliveries fell 26.0 percent to set a new record low for the month. Production of gasoline gained 0.6 percent from the prior year to average a new high for the month of November at 9.5 million barrels per day. At nearly 4.9 million barrels per day, distillate production rose by 4.9 percent from October but was down by 3.7 percent from November 2013. Year to date production of both products was the highest on record.

- November records were also set in refinery gross inputs and exports of refined products. Gross inputs grew 0.9 percent from last year to average 16.3 million barrels per day while exports were up 5.5 percent to average 4.2 million barrels per day. With several refineries back up from their scheduled turnaround, the refinery capacity utilization rate averaged 91.4 percent in November. This was up 2.6 percentage points from October, up 0.8 percentage points from the year ago levels, and the highest November rate in 10 years. API's latest refinery operable capacity was 17.805 million barrels per day.

- Crude oil stocks ended the month at 374.9 million barrels, up 0.3 percent from the last year. These were the second highest November inventories in 84 years, since 1930. Stocks of motor gasoline fell 3.9 percent from last year to their lowest inventories in six years at 208.3 million barrels. Stocks of distillate, jet fuel and "other oils" all fell from year ago levels.

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, delivers \$84 million a day in revenue to our government, and, since 2000, has invested over \$2 trillion in U.S. capital projects to advance all forms of energy, including alternatives.