

## U.S. Petroleum Demand Up in March, Production Strong

The **American Petroleum Institute (API)** reports that total U.S. petroleum deliveries (a measure of demand) rose 0.4 percent from March 2013 to average 18.6 million barrels per day last month, marking the highest March level in three years. For the first quarter, petroleum demand dropped by 0.3 percent compared to the same period last year.

"March brought strong demand for both gasoline and distillate fuel, but refinery production actually outstripped demand for all four major products," said API Chief Economist John Felmy. "Fortunately, the rest of the world is also eager to buy the output of U.S. refineries."

- Refinery gross inputs were up by 3.7 percent from the prior year to 15.5 million barrels per day in March. Production of all four major products – gasoline, distillate, jet fuel and residual fuels – was higher than deliveries for those products. Exports of refined petroleum products rose 28.3 percent from March 2013 to average slightly below 4.0 million barrels per day.

- The refinery capacity utilization rate averaged 87.1 percent in March, the same as in February but 3.1 percentage points higher than last year. API's latest refinery operable capacity was 17.716 million barrels per day.

- Crude oil production remained strong in March, rising 12.8 percent from the prior year to nearly 8.1 million barrels per day. According to the latest reports from Baker-Hughes, Inc., the number of oil and gas rigs in the U.S. in March was 1,803, up 1.9 percent from February and up 2.7 percent from March 2013.

- Crude oil stocks fell 3.7 percent from March 2013 to 377.5 million barrels – the second highest inventory level for the month since 1981. Stocks of motor gasoline dropped 2.5 percent over the same period. Stocks of distillate, jet fuel and "other oils" were also all down from their levels of the previous year.

- Production of gasoline and distillate hit new records for the month of March and the first quarter. Gasoline production gained 4.7 percent and distillate production gained 11.9 percent compared to March 2013 to reach 9.3 million barrels per day and 4.8 million barrels per day, respectively.

- Demand for gasoline gained 2.3 percent from March 2013 to average 8.8 million barrels per day, while distillate deliveries increased by 2.4 percent from last year to approximately 3.9 million barrels per day. Demand fell in March for jet fuel (1.6 percent), residual fuel (29.0 percent) and "other oils" (1.8 percent). At 306 thousand barrels per day, demand for residual fuel fell to the lowest level on record for the month.

- Total imports last month increased by 0.4 percent from the previous March to 9.5 million barrels per day, while crude oil imports rose 2.7 percent over the same period to average 7.7 million barrels per day. Both measures were at their second lowest level in 18 years. Imports of refined products were 1.8 million barrels per day, down by 8.3 percent from March 2013.

API is a national trade association that represents all segments of America's technology-driven oil and natural gas industry. Its more than 600 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 20 million Americans. The industry also supports 9.8 million U.S. jobs and 8 percent of the U.S. economy, delivers \$85 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.