

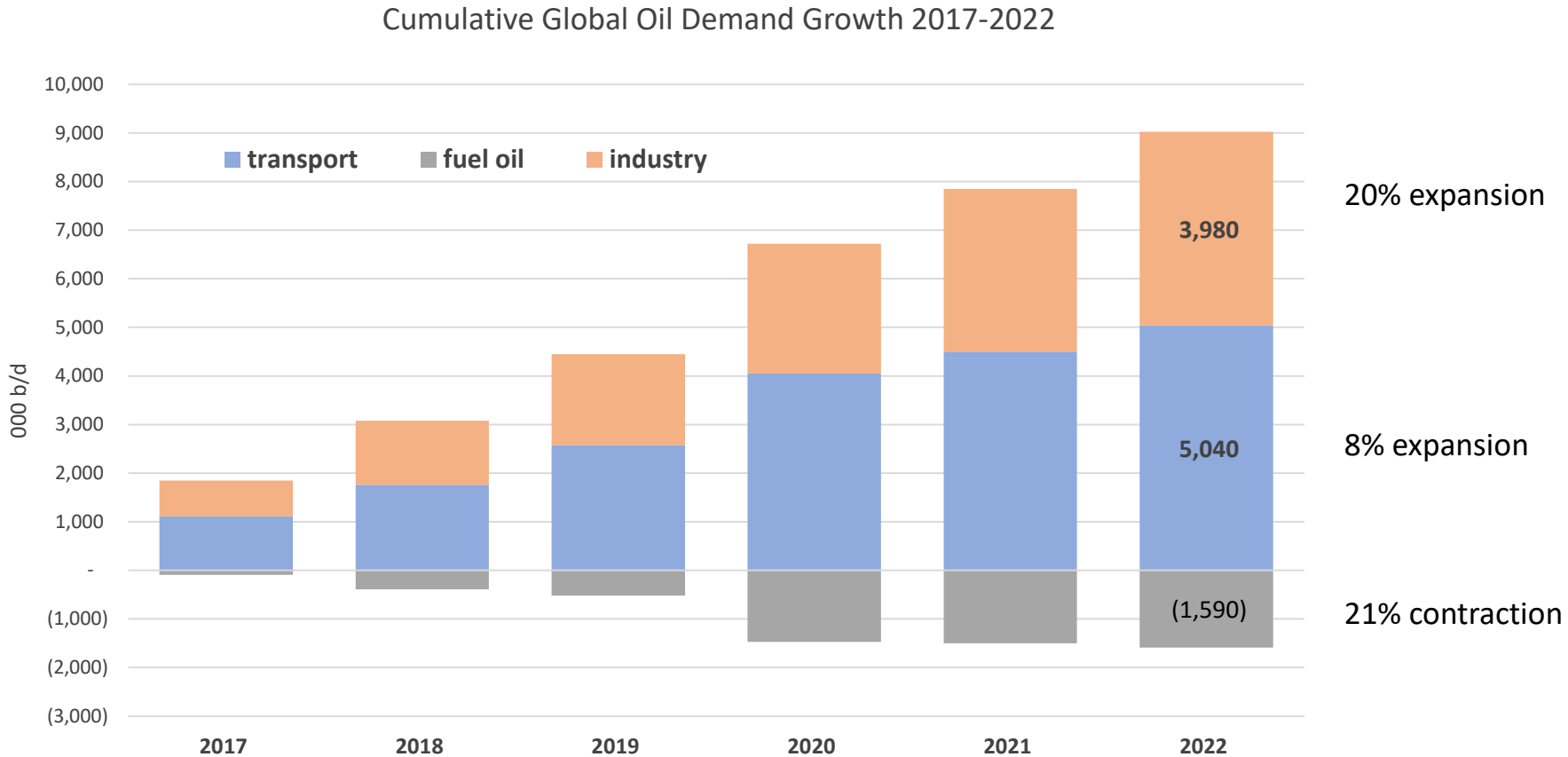


# ESAI

Energy LLC

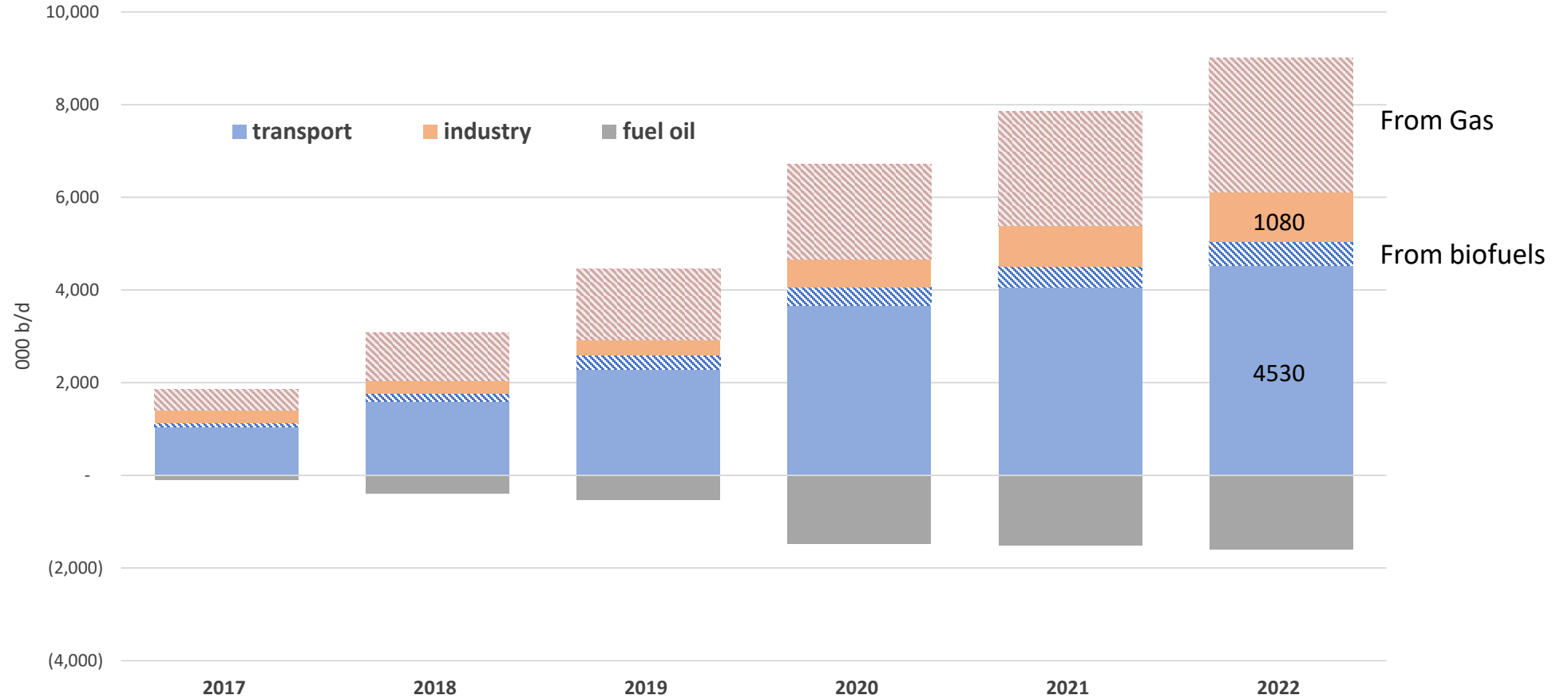
Forecasting energy markets  
for industry leaders  
for more than 30 years

This implies average  
oil demand growth of  
1.24 million b/d per  
annum

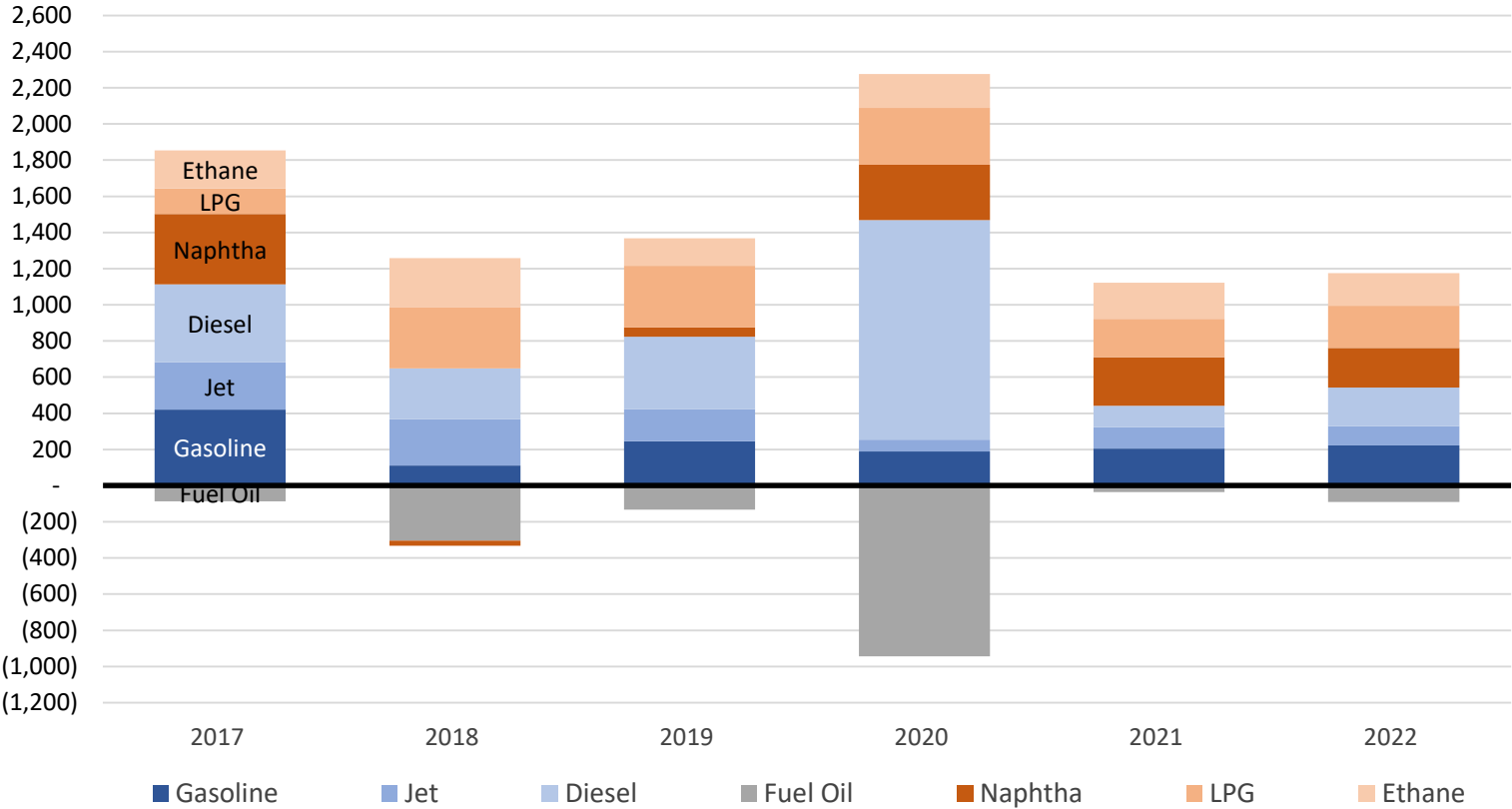


A Closer Look at Cumulative Oil Demand Growth 2017-2022

This implies average  
crude derived  
demand growth of  
700,000 b/d per  
annum

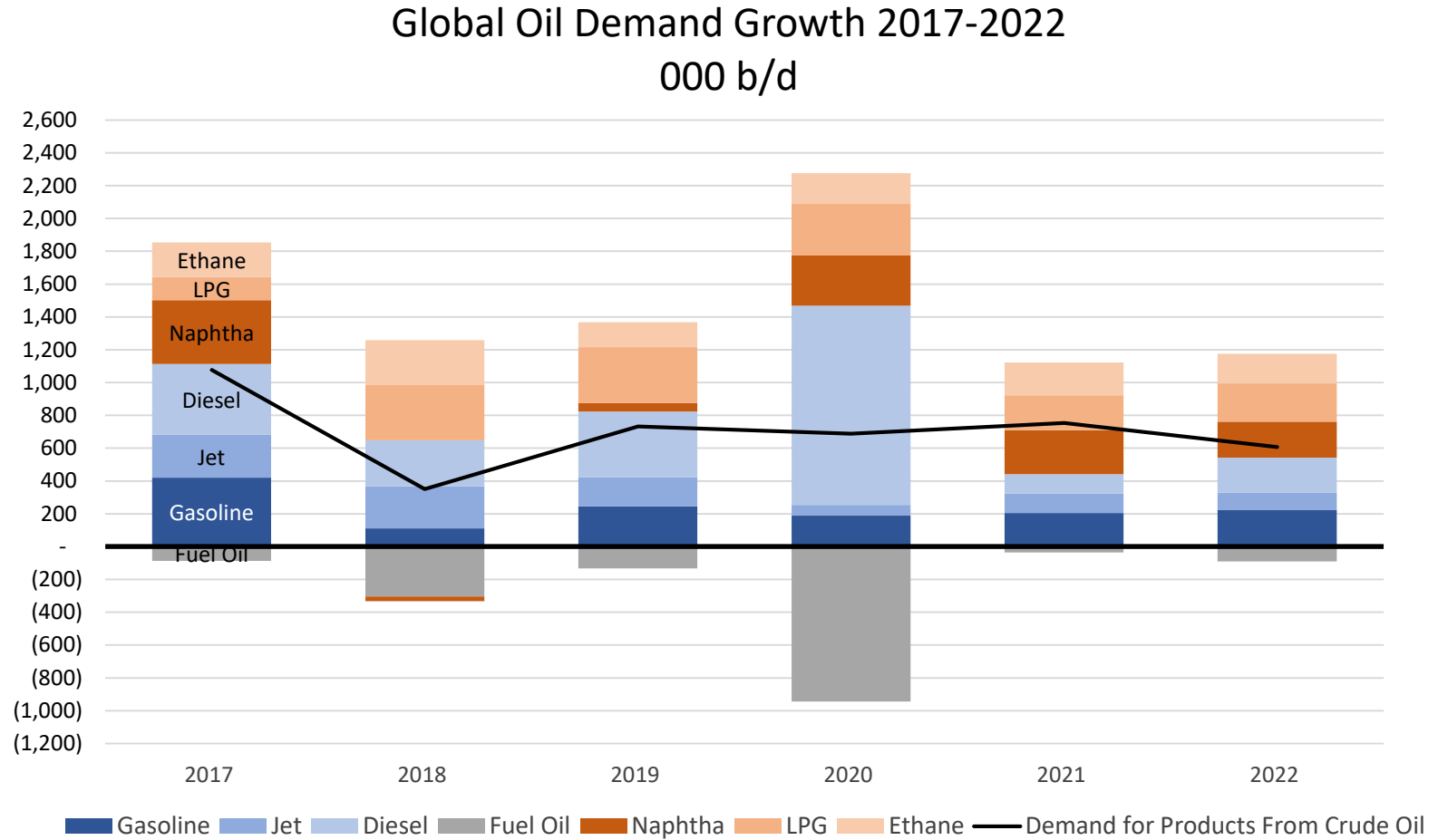


Global Oil Demand Growth 2017-2022  
000 b/d



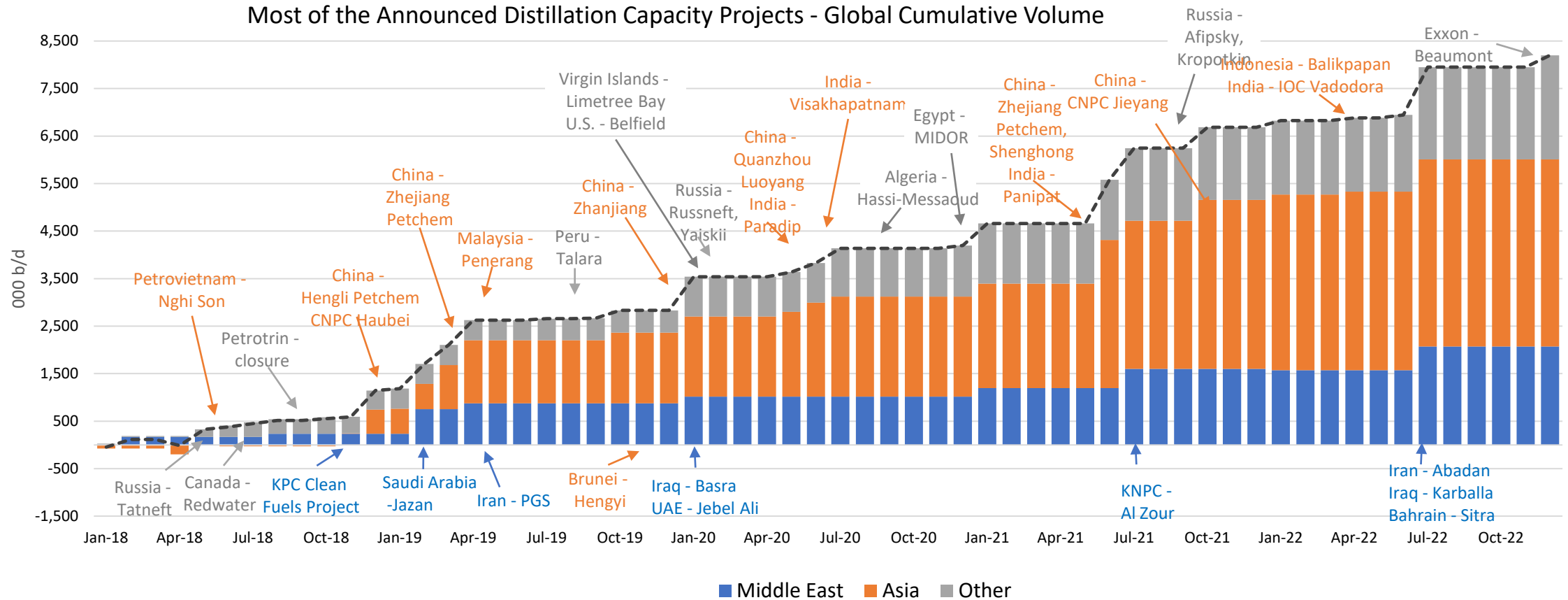
2019-2022

- Demand for crude derived products average 700,000 b/d per annum
- But crude Throughput should average over 800,000 b/d per annum due to the IMO



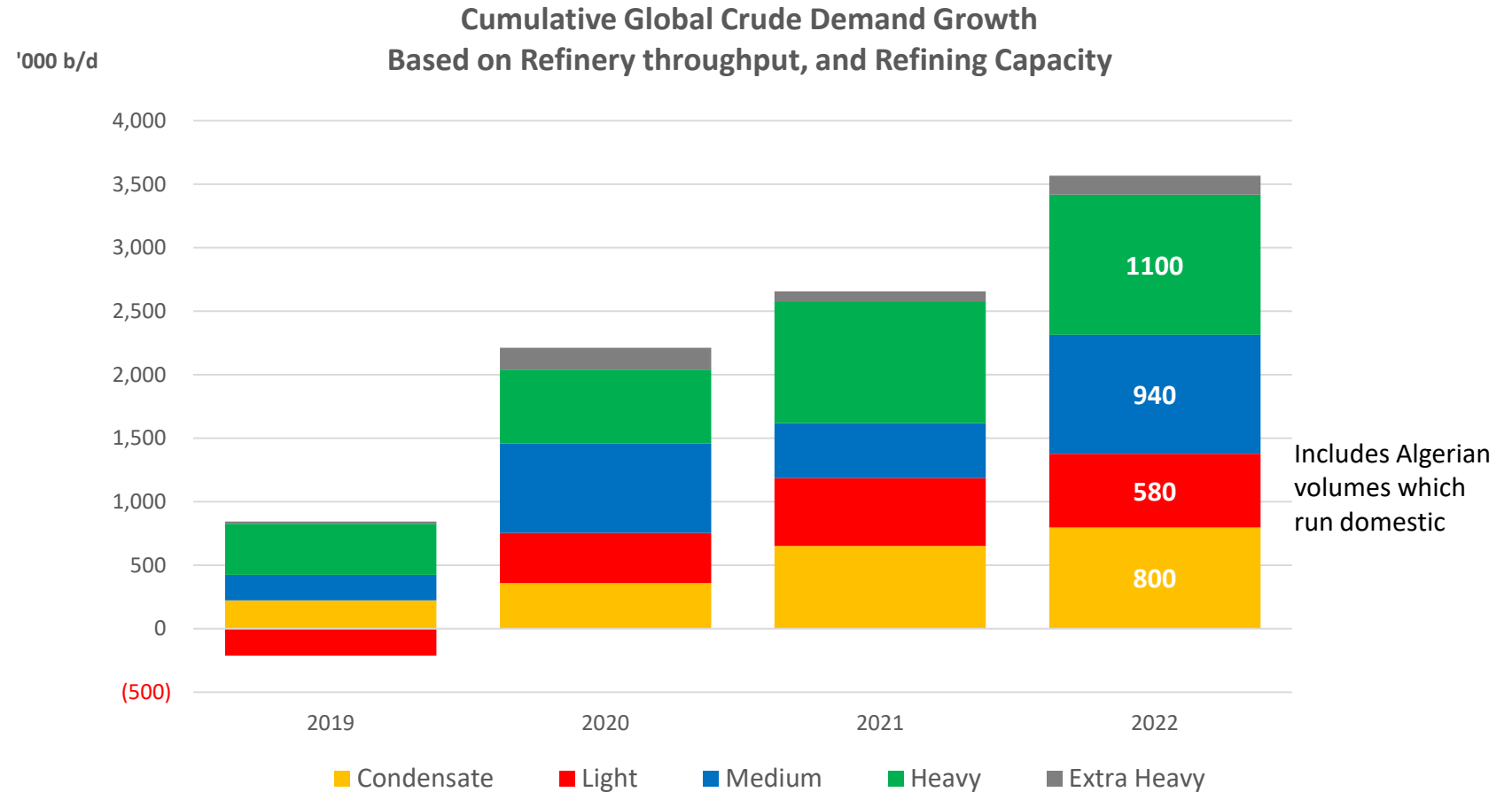
# But what about all that Growth in Refining Capacity?

This is about 1.75 million b/d of expansion per annum for 2019-2022

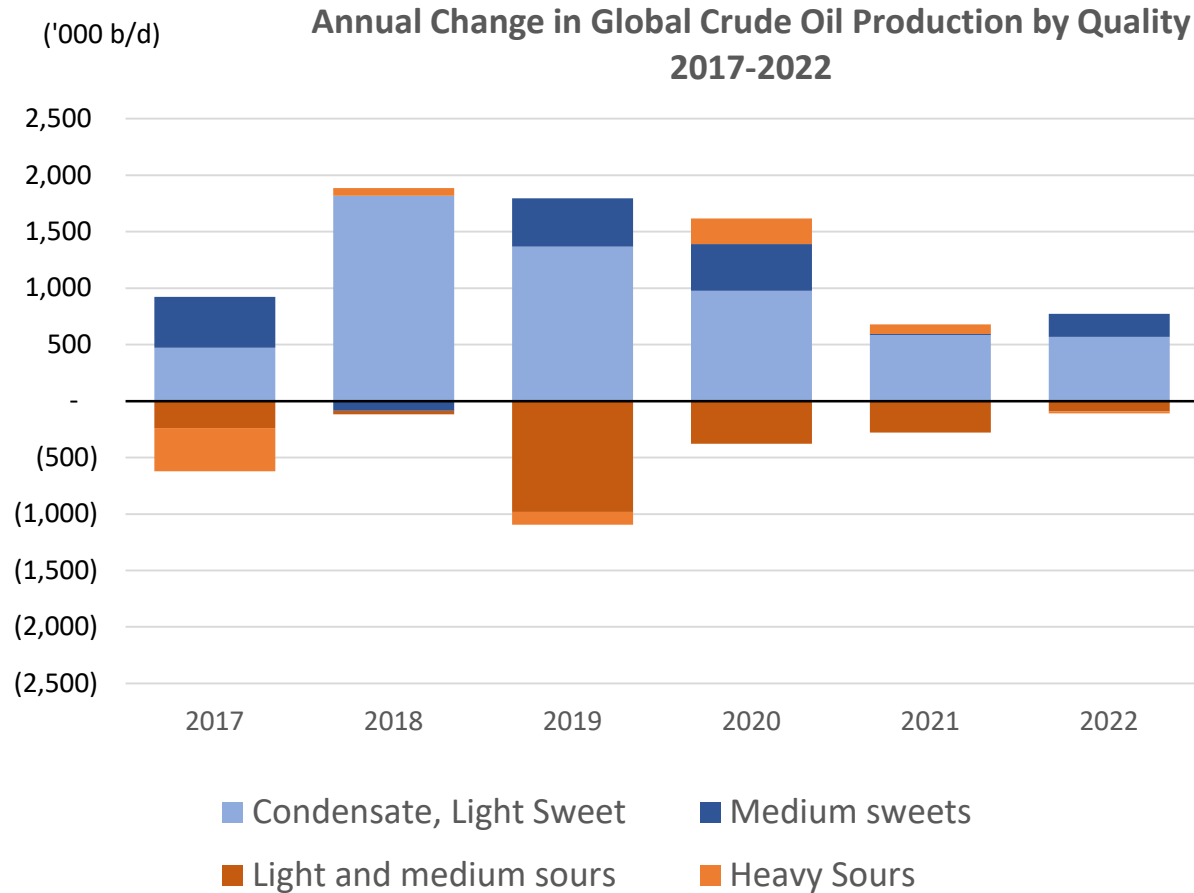


## 2019-2022

- Demand for crude derived products average 700,000 b/d per annum
- But Crude Throughput will average over 800,000 b/d per annum due to the IMO
- Of which, about 150,000 b/d per annum should be new light sweet demand



## What about all that Growth in Shale?



If global light sweet crude supply rises by 2.4 million b/d from 2019 to 2022, or 600,000 b/d per annum, then...

That volume could supply more than 70 percent of global crude oil demand growth...



## Supply-Demand Mismatch Raises Questions about US Exports

2019-2022

- Crude derived demand rises by about 700,000 b/d per annum
- Throughput rises by 800-850,000 b/d (helped by IMO boost) per annum
- Refining Capacity rises by about 1.75 million b/d per annum
- Most of that capacity expansion is supposed to be oriented towards heavy or medium crude, either via supply contract or announced design/intentions
- 150,000 b/d per annum is easy new light sweet demand, but there is more...
- The volume of U.S. light, sweet crude oil exports will depend on pricing, blending and management of refinery operations

Thank You

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