

Global Oil Geopolitics



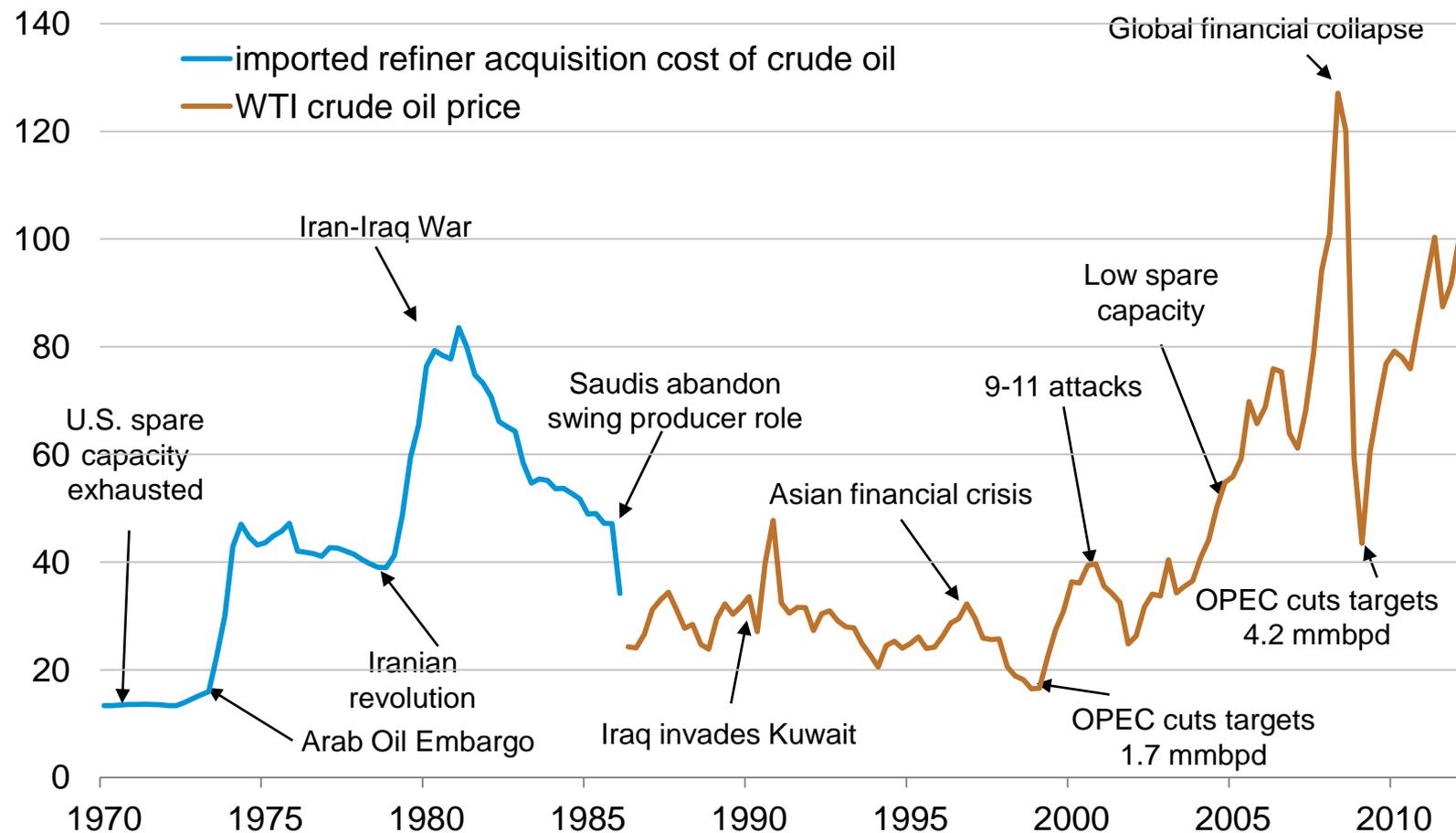
Rio Oil & Gas Conference

September 17, 2012/ Rio de Janeiro, Brazil

Adam Sieminski Administrator

Crude oil prices react to a variety of geopolitical and economic events

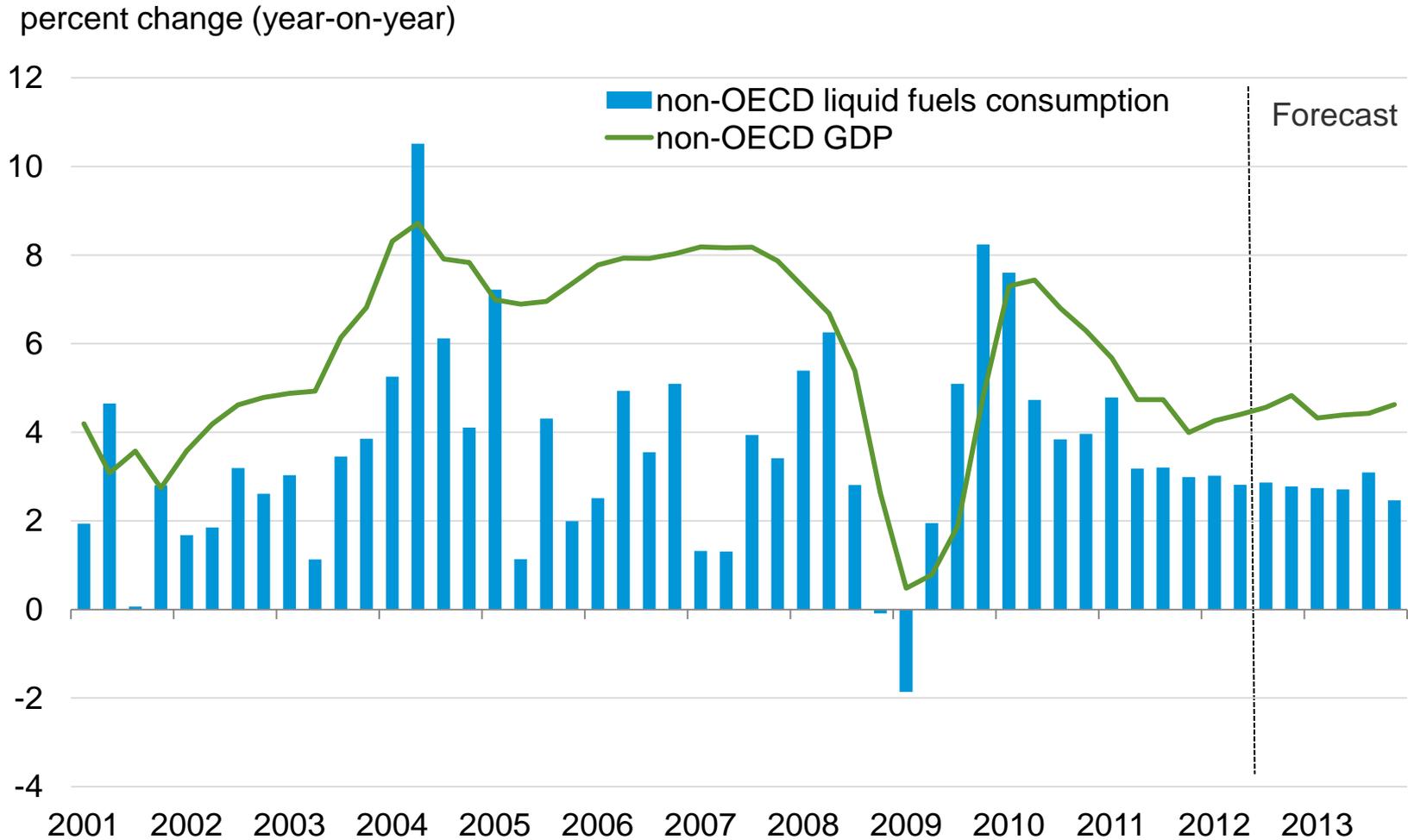
price per barrel
(real 2010 dollars, quarterly average)



Sources: U.S. Energy Information Administration, Thomson Reuters

World Oil Market

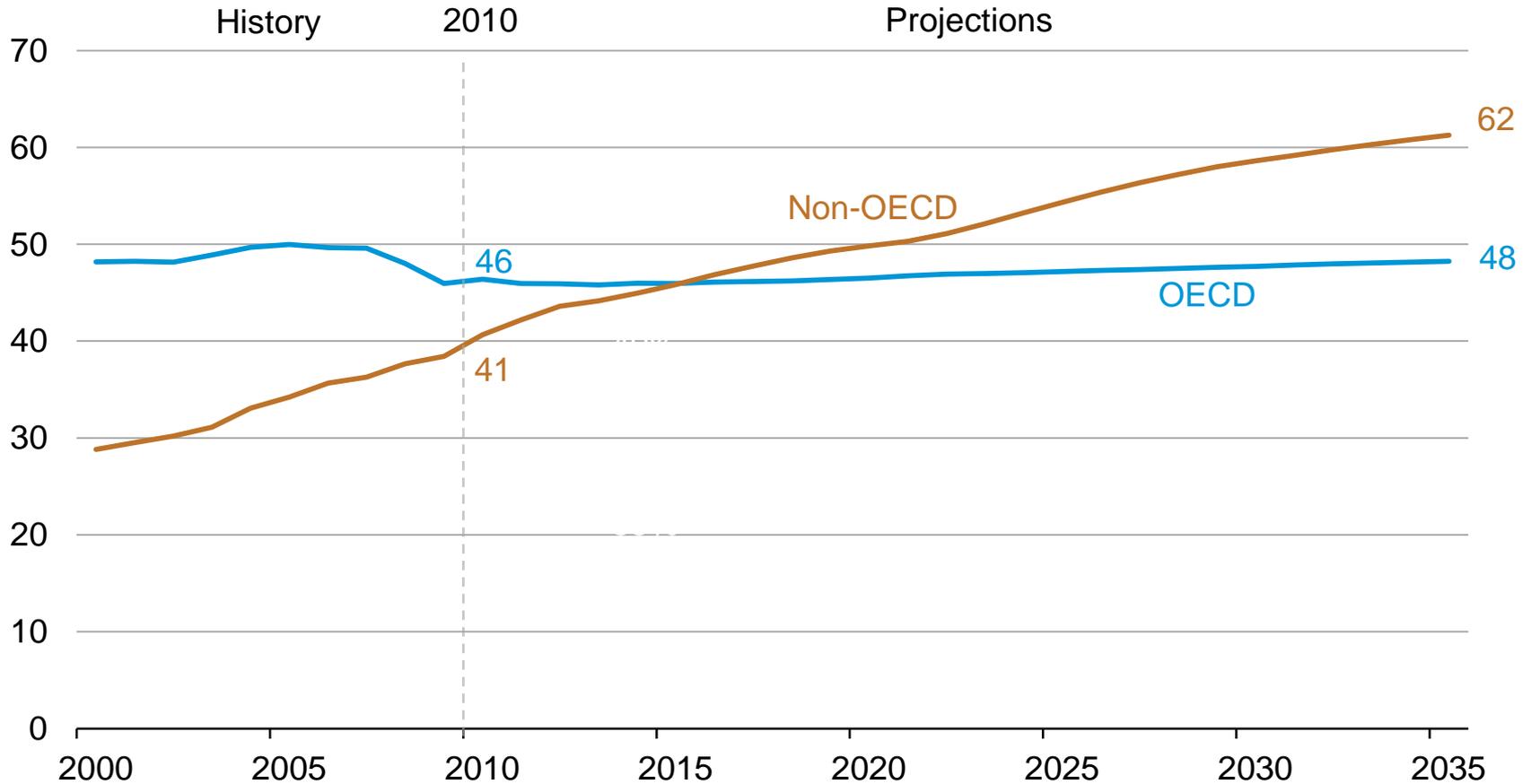
Economic growth has a strong impact on oil consumption



Sources: U.S. Energy Information Administration Short Term Energy Outlook, September 2012 and Thomson Reuters

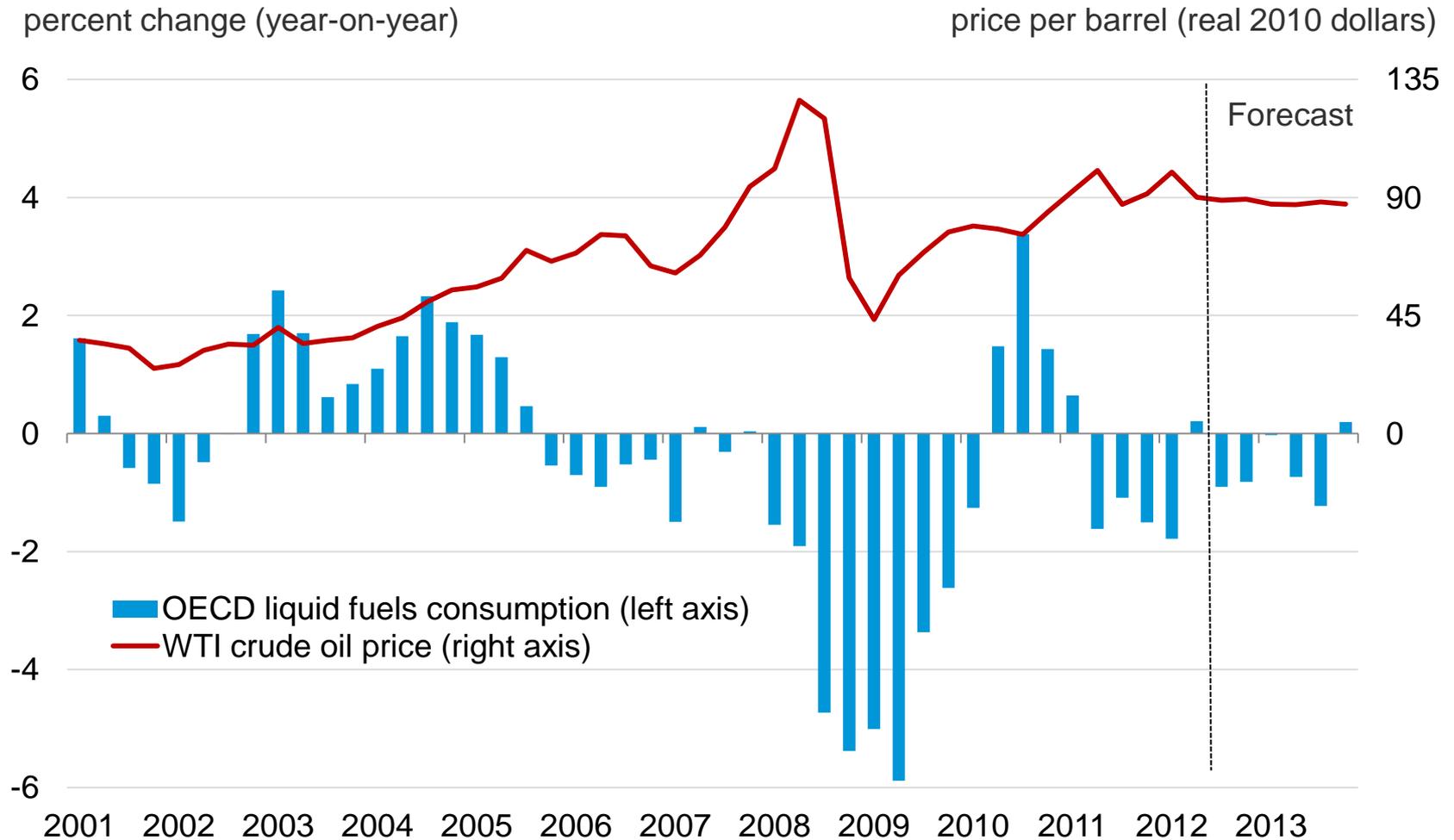
Non-OECD liquid fuels use is expected to surpasses almost flat OECD liquid fuels use in the near future

total liquids consumption
million barrels per day



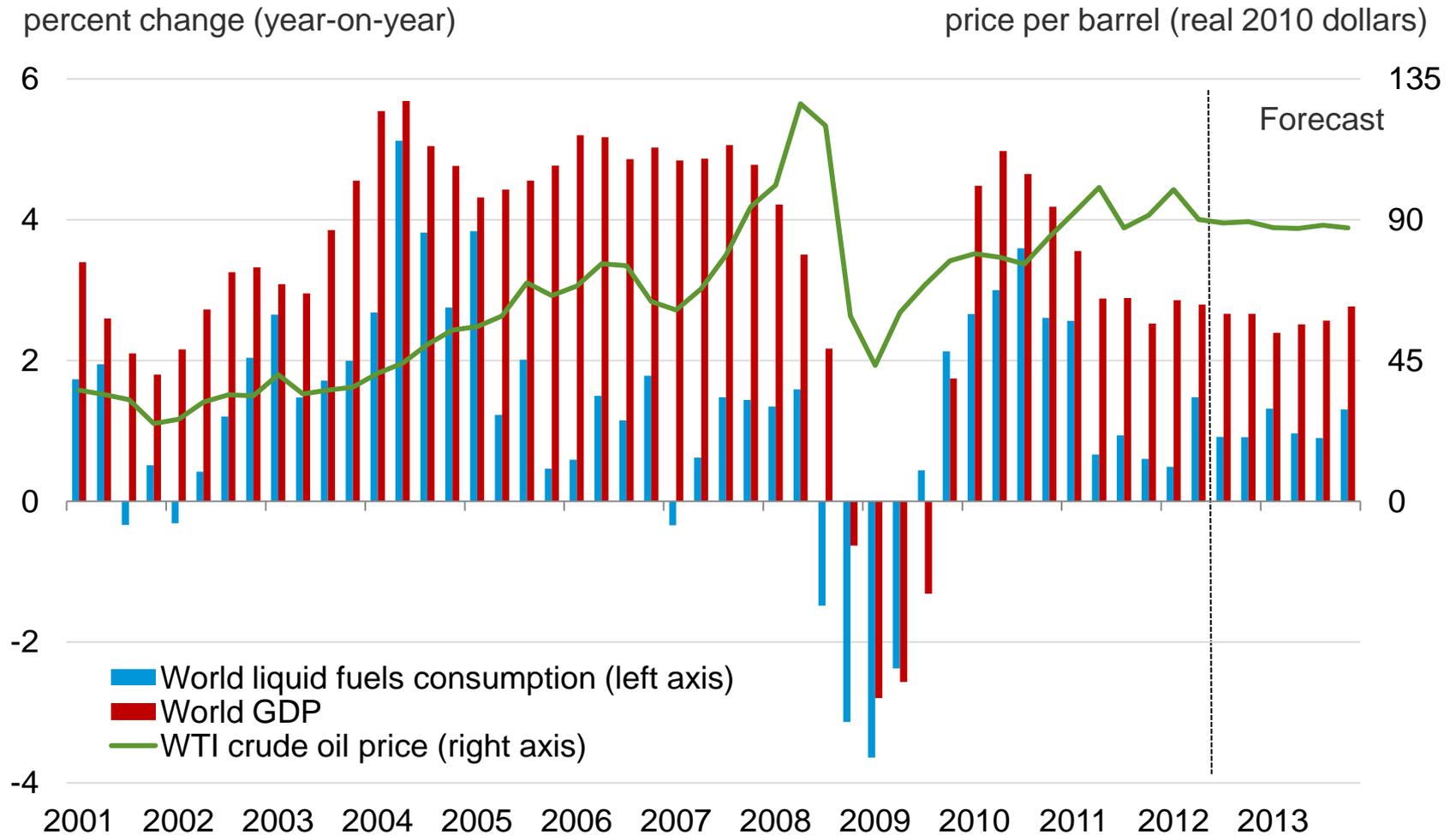
Source: U.S. Energy Information Administration, Annual Energy Outlook 2012

In OECD countries, price increases have coincided with lower consumption



Sources: EIA Short Term Energy Outlook, Thomson Reuters

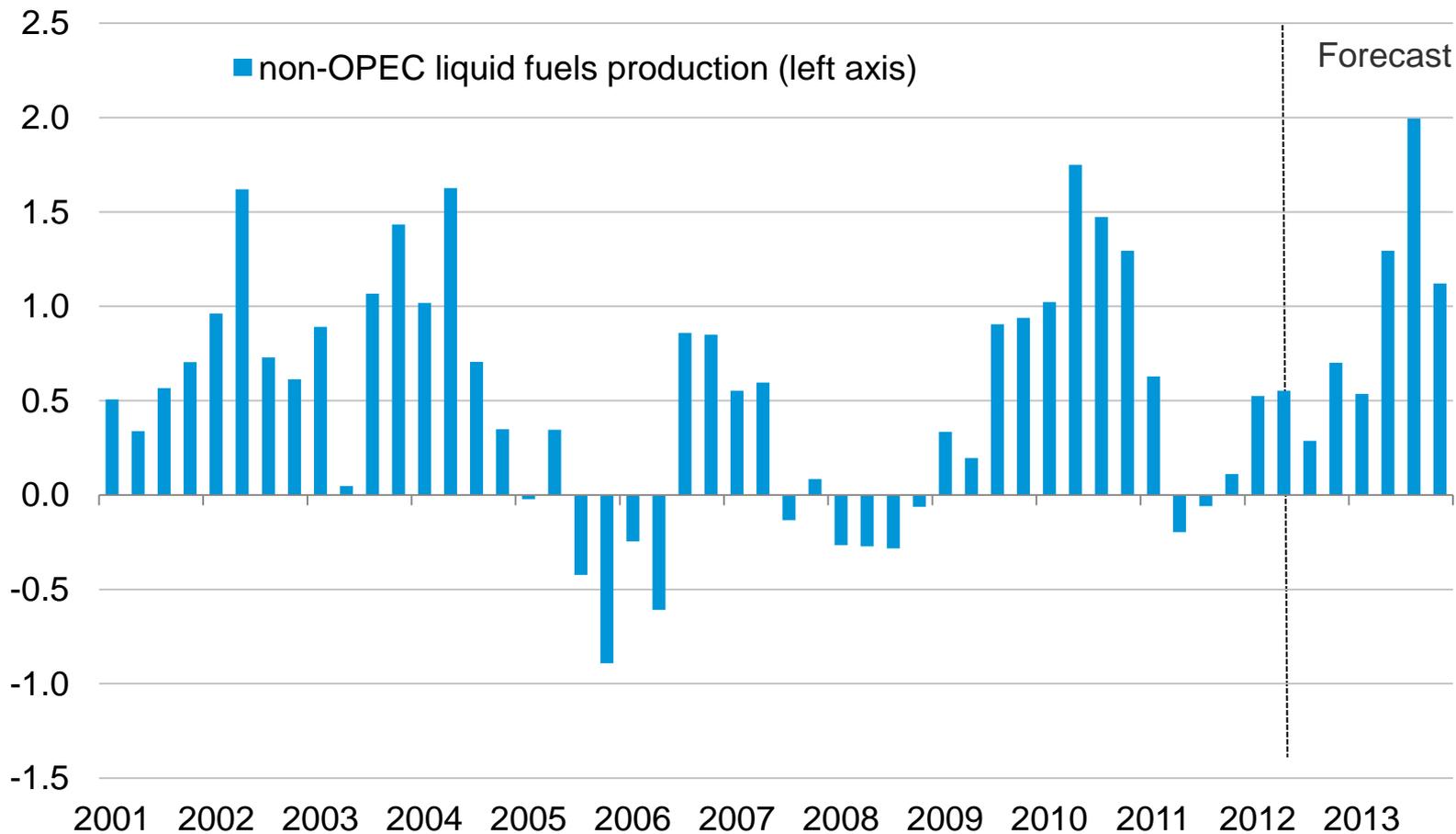
Rising oil prices held down global oil consumption growth from 2005-2008, despite high economic growth



Sources: EIA Short Term Energy Outlook, Thomson Reuters

Non-OPEC production slowed in 2011, but EIA expects stronger growth in 2012 and 2013

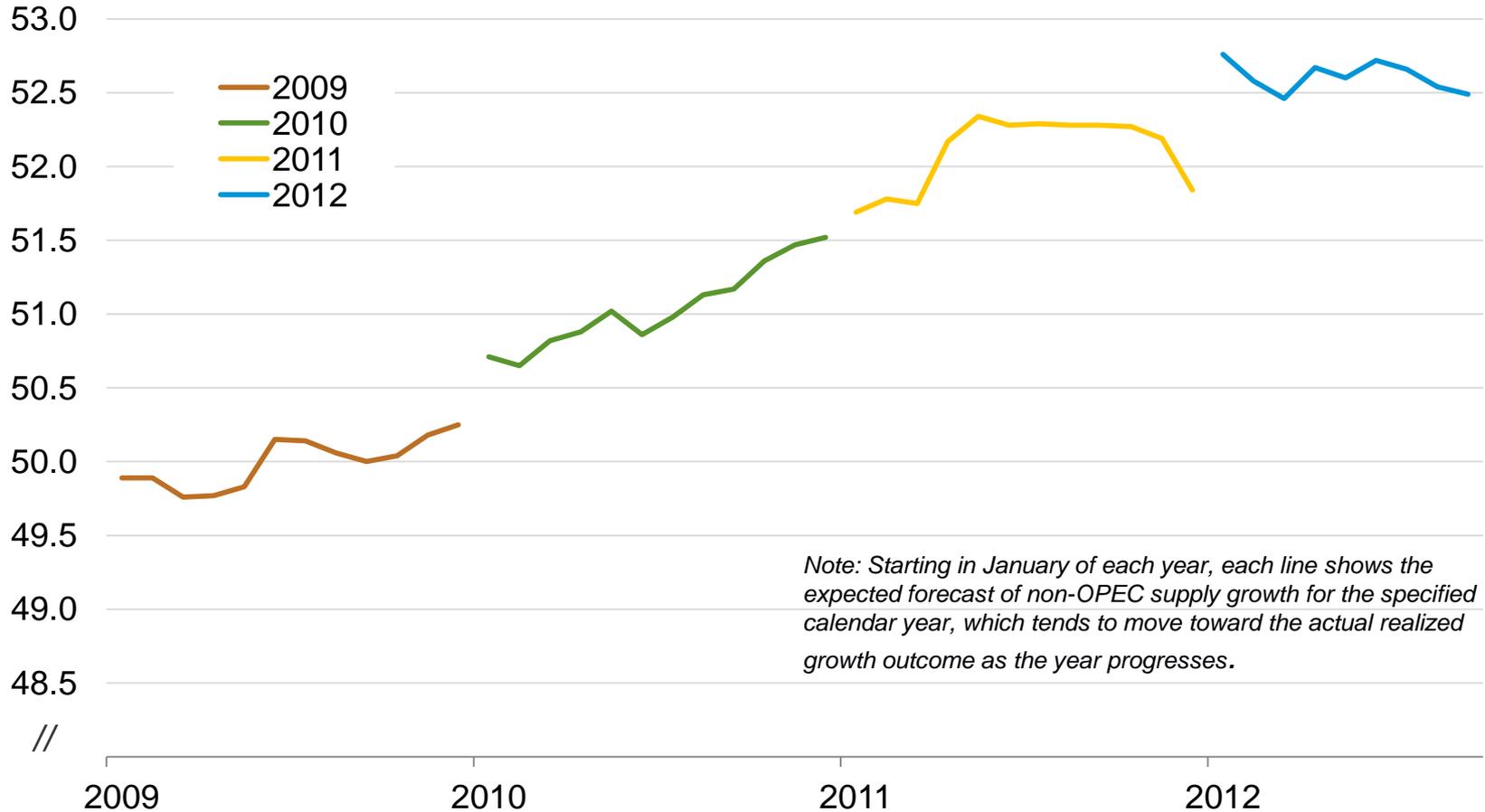
million barrels per day change (year-on-year)



Sources: EIA Short Term Energy Outlook, Thomson Reuters

Non-OPEC supply expectations were adjusted upward in 2009-2010 after production decreased during economic downturn

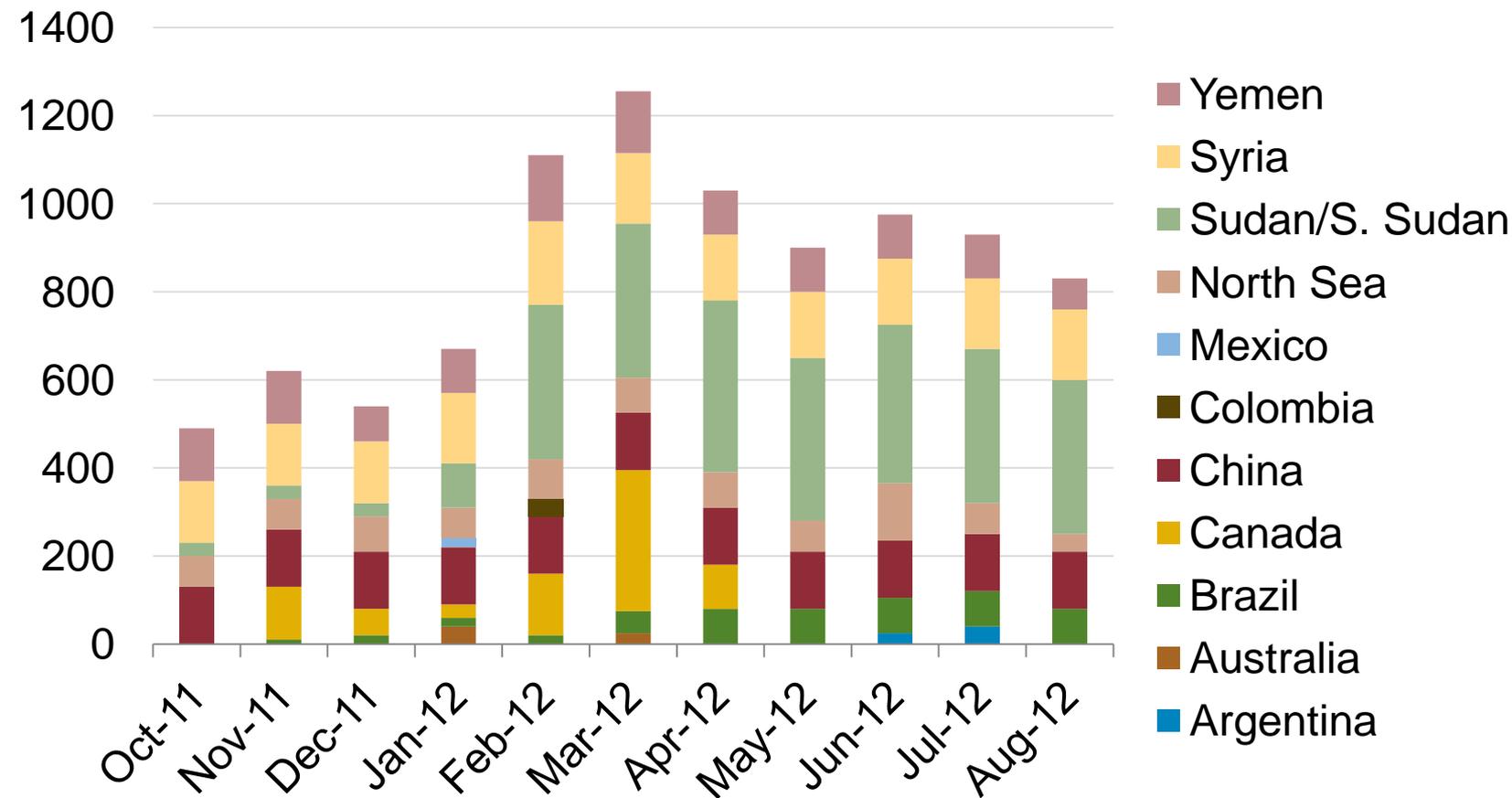
million barrels per day
annual average expectations



Sources: U.S. Energy Information Administration Short Term Energy Outlook, September 2012

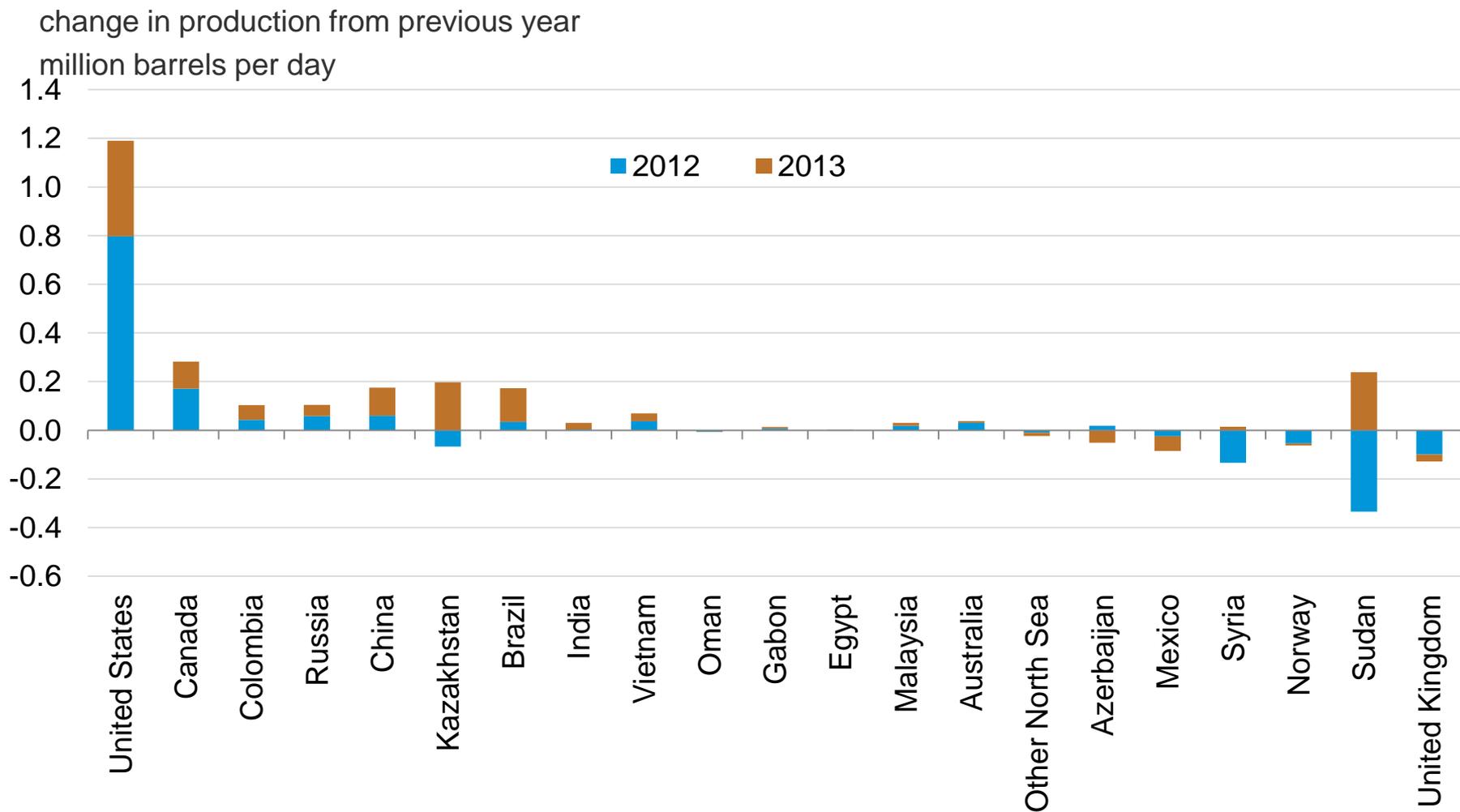
Estimated unplanned production disruptions among non-OPEC producers, through August 2012

thousand barrels per day



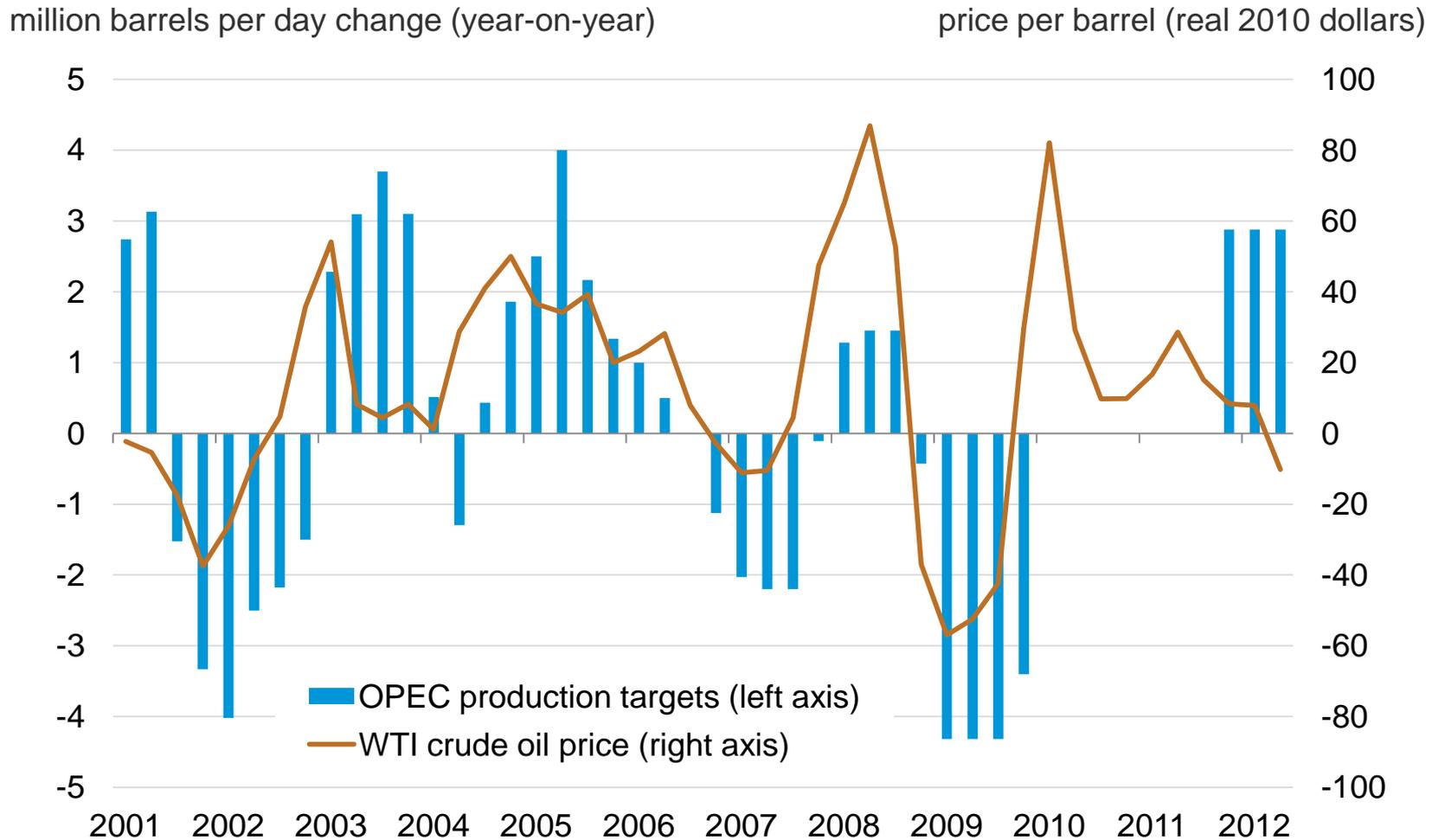
Source: U.S. Energy Information Administration Availability and Price of Petroleum and Petroleum Products Produced in Countries Other Than Iran Report, August 2012

Projected non-OPEC supply growth over the next two years, major countries



Source: U.S. Energy Information Administration Short-Term Energy Outlook, September 2012

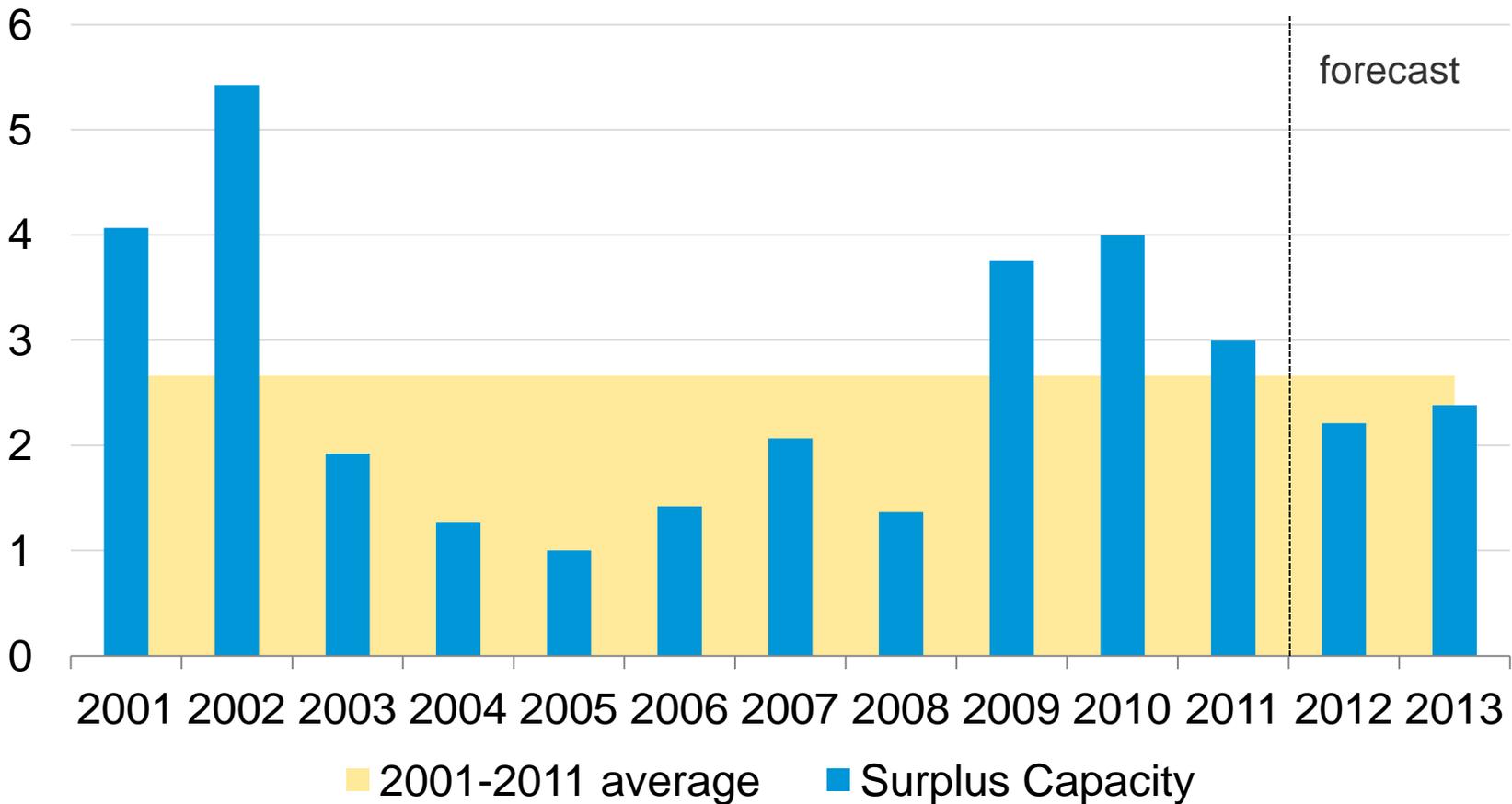
OPEC production often acts to balance the oil market. Cuts in OPEC production targets tend to lead to price increases.



Sources: U.S. Energy Information Administration, Thomson Reuters

OPEC surplus crude oil production capacity

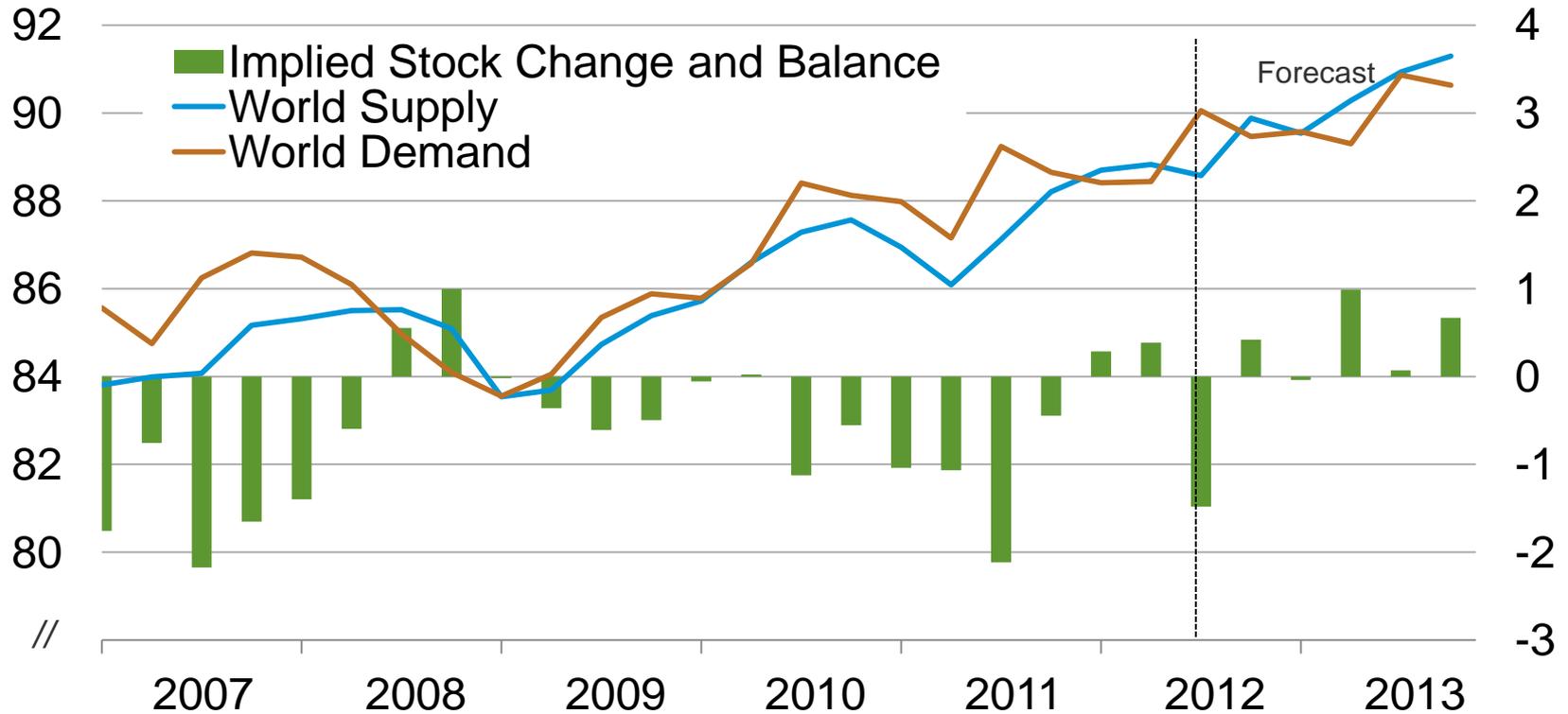
million barrels per day



Source: U.S. Energy Information Administration Short-Term Energy Outlook, September 2012

World Crude Oil Supply and Demand Balance

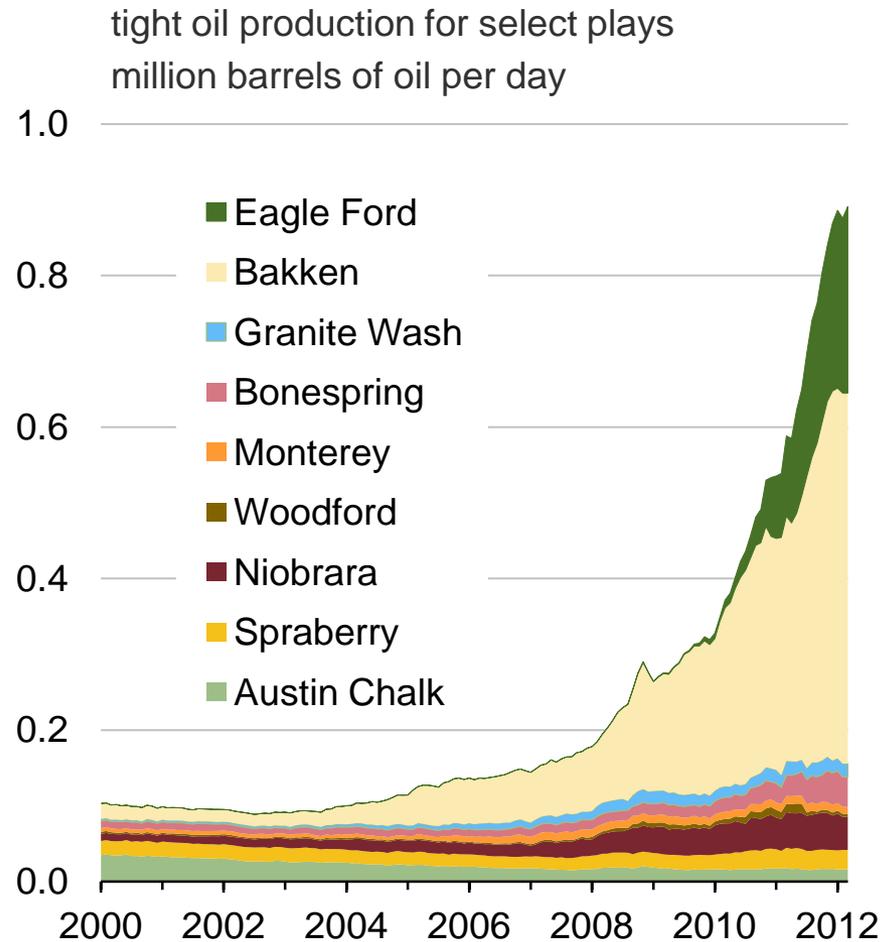
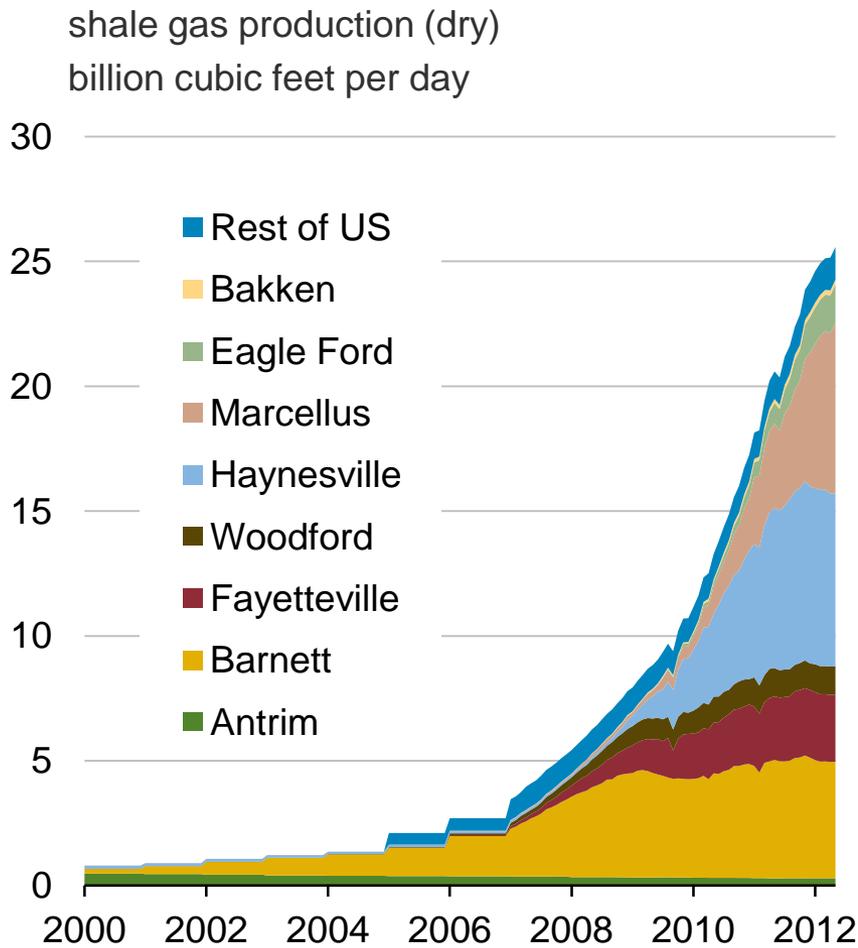
million barrels per day



Source: U.S. Energy Information Administration Short-Term Energy Outlook, September 2012

U.S. Oil Market

Domestic production of shale gas and tight oil has grown dramatically over the past few years

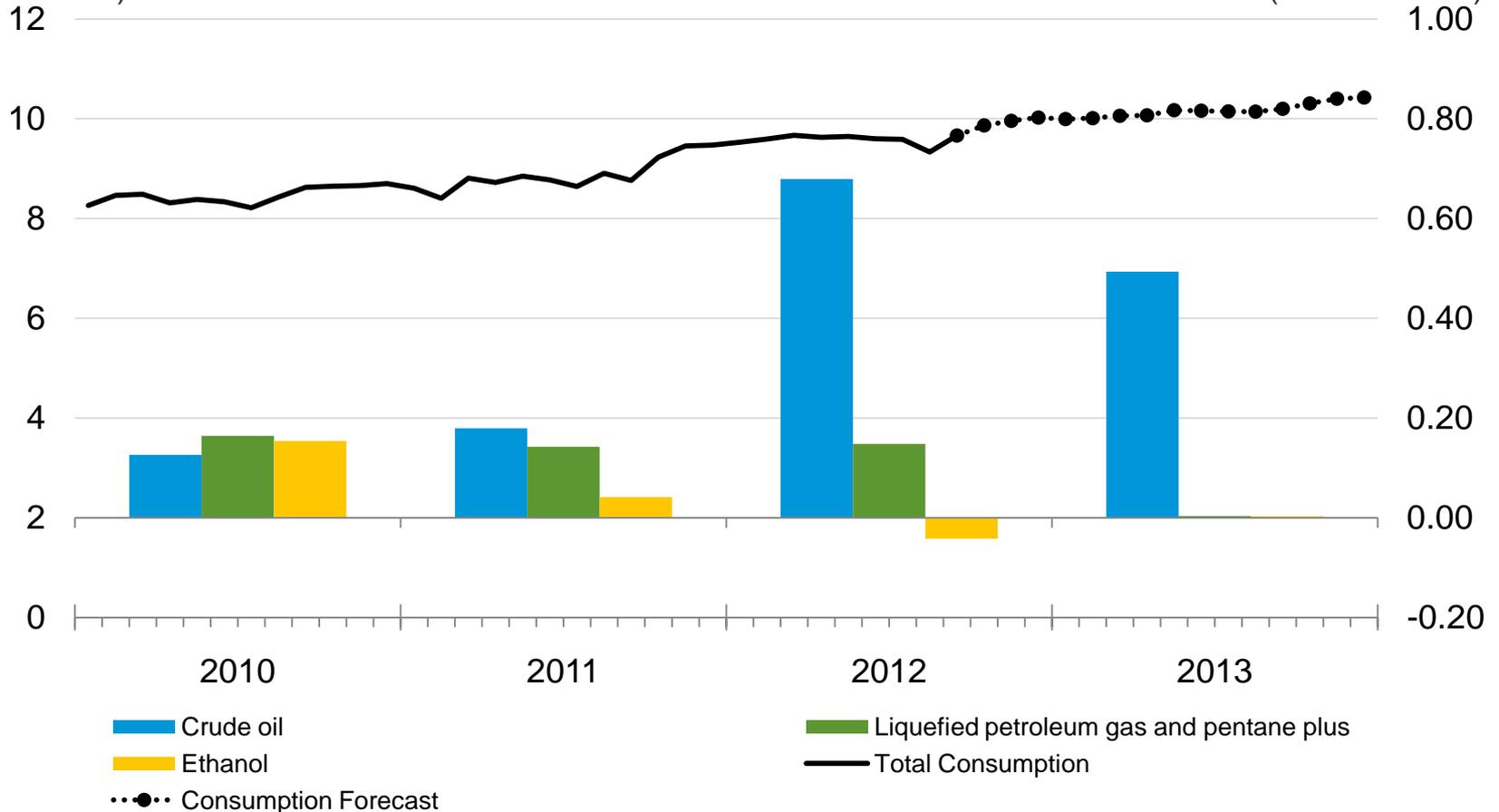


Source: HPDI, Texas RRC, North Dakota department of mineral resources, and EIA, through March, 2012.

U.S. liquid fuels production

Total liquids fuels production
million barrels per day
(line chart)

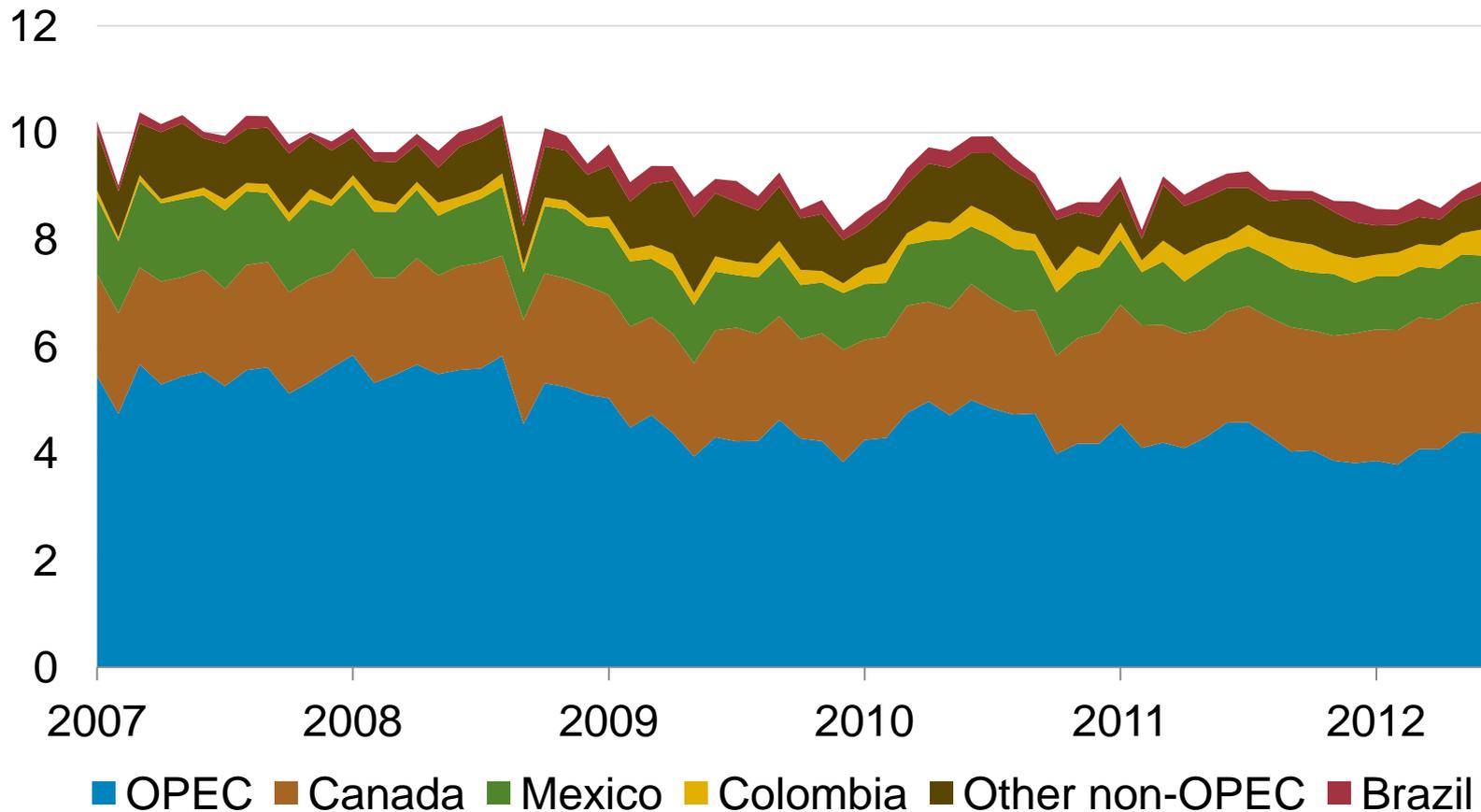
Change from prior year
million barrels per day
(column chart)



Source: U.S. Energy Information Administration Short-Term Energy Outlook, September 2012

Composition and volume of U.S. crude oil imports is shifting

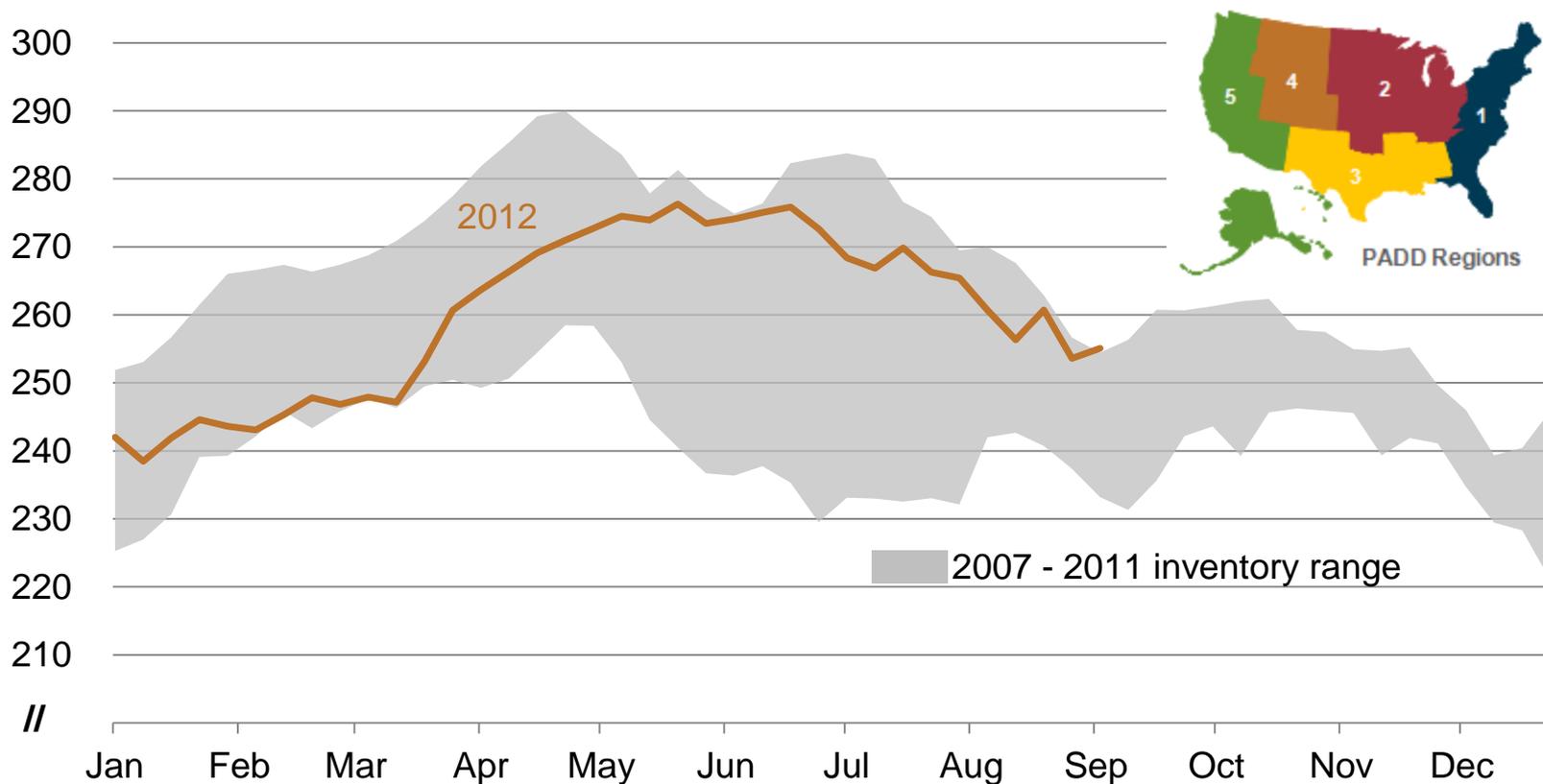
Crude oil imports
million barrels per day



Source: U.S. Energy Information Administration through June 2012

U.S. commercial crude inventories outside of the mid-continent (PADD 2) are within the normal range

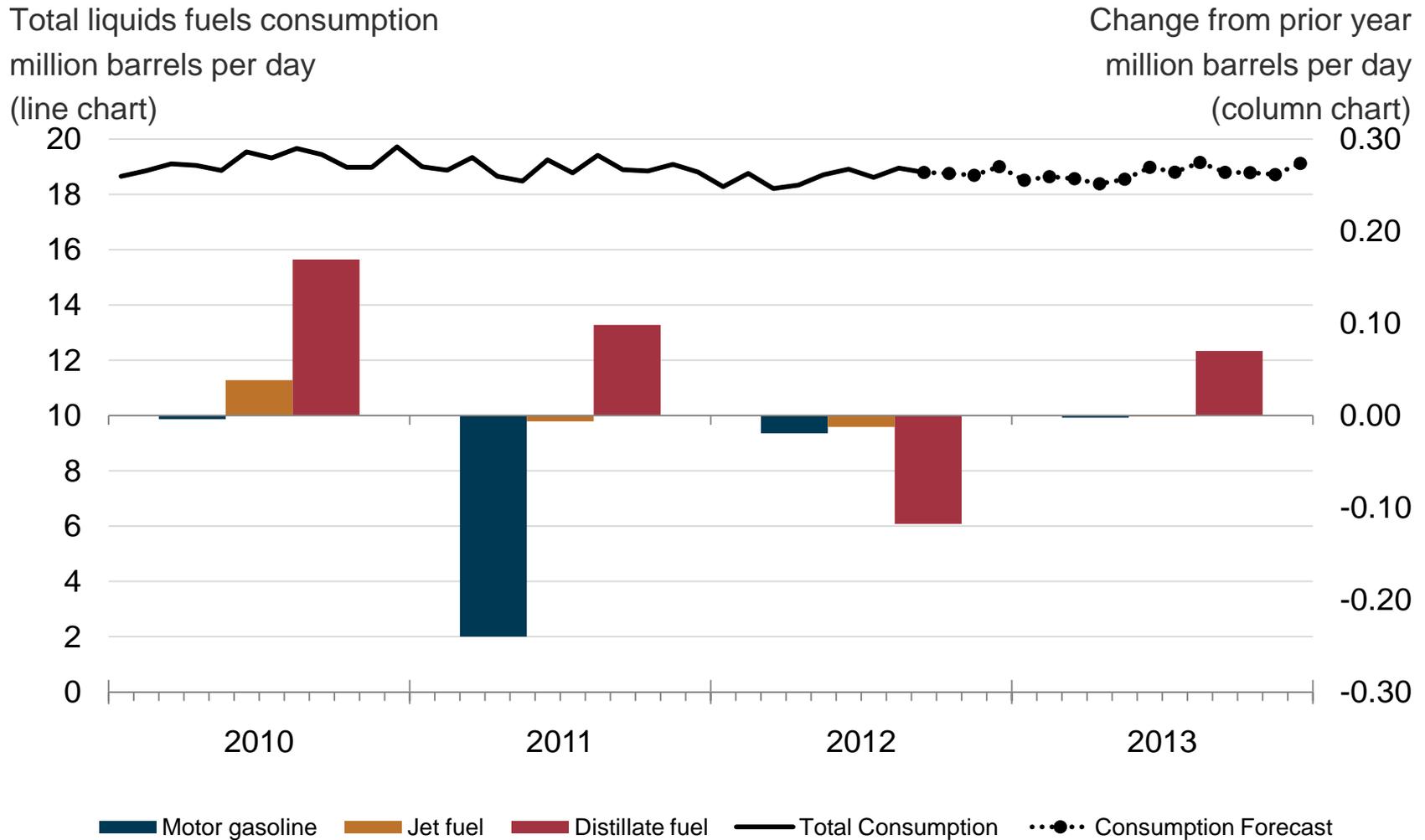
million barrels



Note: Inventories include only commercial stocks of crude oil in Petroleum Administration for Defense Districts other than PADD 2

Source: U.S. Energy Information Administration

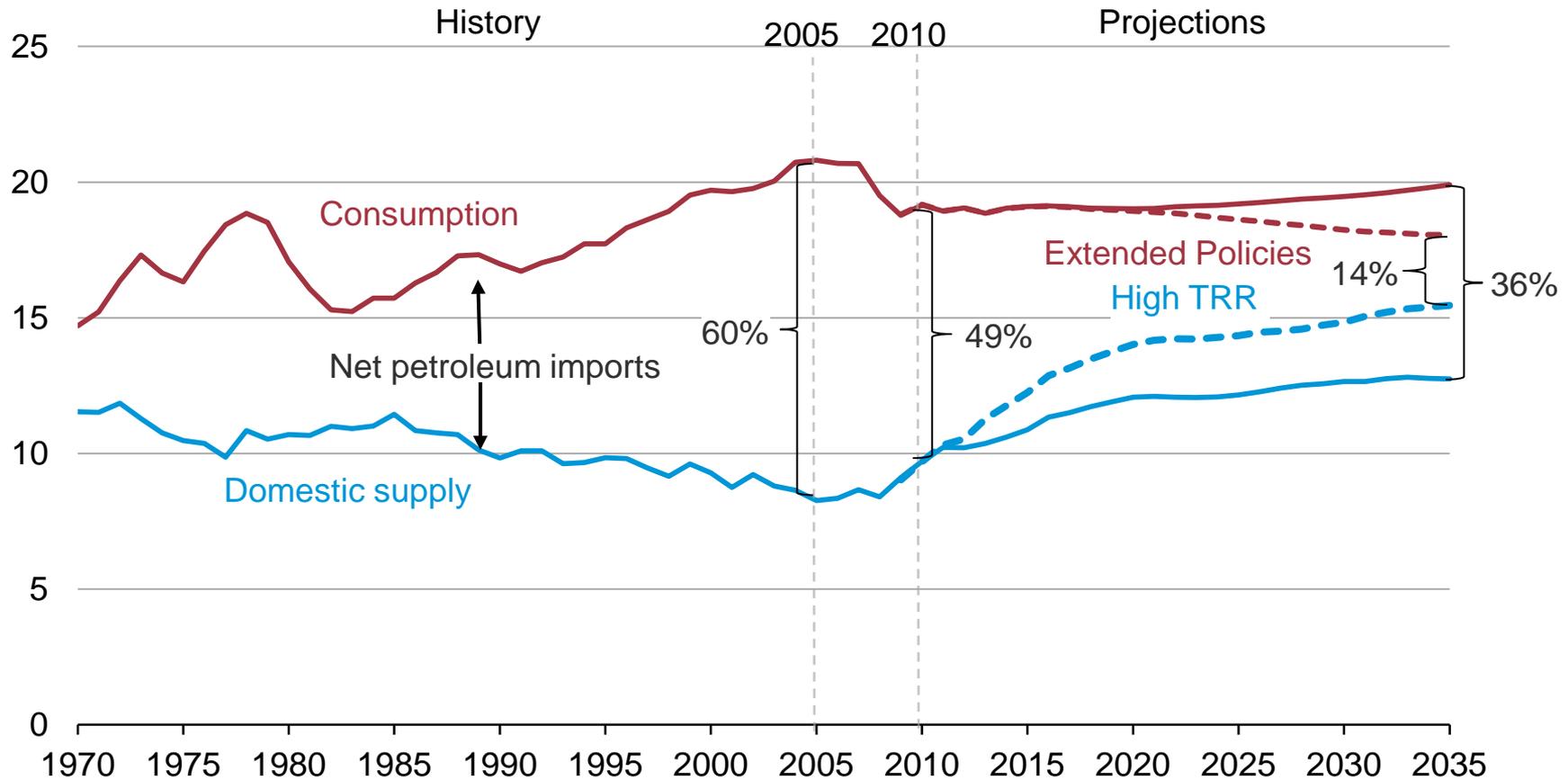
U.S. liquids fuel consumption is flattening



Source: U.S. Energy Information Administration Short-Term Energy Outlook, September 2012

U.S. dependence on imported petroleum declines ...moves even lower in various “side case” scenarios

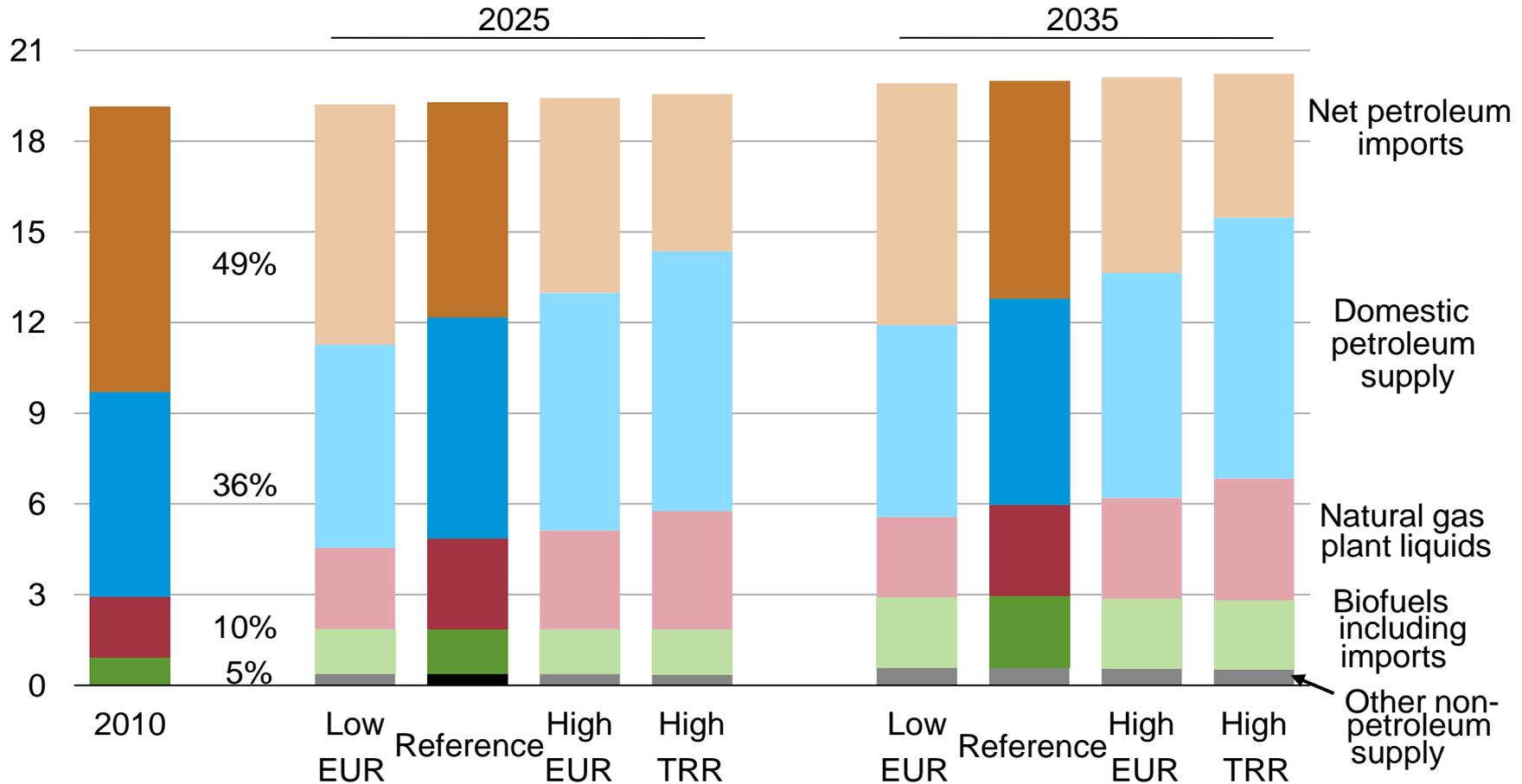
U.S. liquid fuel supply
million barrels per day



Source: U.S. Energy Information Administration, Annual Energy Outlook 2012

Composition of U.S. liquid fuels consumption – implication for Brazil

U.S. liquid fuels consumption
million barrels per day



Source: U. S. Energy Information Administration, Annual Energy Outlook 2012

For more information

U.S. Energy Information Administration home page / www.eia.gov

Short-Term Energy Outlook / www.eia.gov/steo

Annual Energy Outlook / www.eia.gov/aeo

International Energy Outlook / www.eia.gov/ieo

Monthly Energy Review / www.eia.gov/mer

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