Forecast highlights

Global liquid fuels

- The June Short-Term Energy Outlook (STEO) remains subject to heightened levels of uncertainty related to the ongoing economic recovery from the COVID-19 pandemic. The U.S. economy continues to rise after reaching multiyear lows in the second quarter of 2020 (2Q20). The increase in economic activity and easing of the COVID-19 pandemic have contributed to rising energy use. U.S. gross domestic product (GDP) declined by 3.5% in 2020 from 2019 levels. This STEO assumes U.S. GDP will grow by 6.7% in 2021 and by 4.9% in 2022. The U.S. macroeconomic assumptions in this outlook are based on forecasts by IHS Markit. Our forecast assumes continuing economic growth and increasing mobility as a result of the easing of the COVID-19 pandemic. Any developments that would cause deviations from these assumptions would likely cause energy consumption and prices to deviate from our forecast.

- Brent crude oil spot prices averaged $68 per barrel (b) in May, up $4/b from April. Brent prices were higher in May as global oil inventories continued to decline, albeit at a slower pace than in the first four months of the year. In the coming months, we expect that global oil production will increase to match rising levels of global oil consumption. The rising oil production in the forecast is largely a result of the OPEC+ decision to raise production. We expect rising production will end the persistent global oil inventory draws that have occurred for much of the past year and lead to relatively balanced global oil markets in the second half of 2021 (2H21). We expect Brent prices will remain near current levels in 3Q21, averaging $68/b. However, in 2022, we expect that continuing growth in production from OPEC+ and accelerating growth in U.S. tight oil production—along with other supply growth—will outpace decelerating growth in global oil consumption and contribute to declining oil prices. Based on these factors, we expect Brent to average $60/b in 2022.

- We expect U.S. gasoline consumption will average 9.1 million barrels per day (b/d) this summer (April–September), which is 1.3 million b/d more than last summer but still more than 0.4 million b/d less than summer 2019. Weekly consumption data reflect the Colonial Pipeline outage and subsequent increase in gasoline demand, but consumption both before and after this event indicate more gasoline demand than we had previously forecast. Our latest forecast also reflects IHS Markit’s increased employment forecast.
We expect U.S. gasoline consumption to average 8.7 million b/d in for all of 2021 and 9.0 million b/d in 2022.

- For the 2021 April–September summer driving season, we forecast U.S. regular gasoline retail prices will average $2.92 per gallon (gal), up from an average of $2.07/gal last summer. The higher forecast gasoline prices reflect higher crude oil prices and higher wholesale gasoline margins. Wholesale gasoline margins have risen as a result of relatively low inventories and rising gasoline demand. Margins also temporarily widened because of outages on the Colonial Pipeline. These developments caused U.S. average regular gasoline retail prices to reach a monthly average of $2.99/gal in May, peaking at $3.03/gal on May 17, which were the highest monthly and weekly prices since 2014. We expect that prices will average $3.03/gal in June before falling to $2.76/gal by September. The drop in forecast retail gasoline prices reflects our forecast that gasoline margins will fall this summer in response to rising refinery utilization. For all of 2021, we expect U.S. regular gasoline retail prices to average $2.77/gal and gasoline retail prices for all grades to average $2.87/gal. Higher prices and more gasoline consumption would result in the average U.S. household spending about $570 (38%) more on motor fuel in 2021 compared with 2020.

- We estimate that 96.2 million b/d of petroleum and liquid fuels was consumed globally in May, an increase of 11.9 million b/d from May 2020 but 3.7 million b/d less than in May 2019. We forecast that global consumption of petroleum and liquid fuels will average 97.7 million b/d for all of 2021, which is a 5.4 million b/d increase from 2020. We forecast that global consumption of petroleum and liquid fuels will increase by 3.6 million b/d in 2022 to average 101.3 million b/d.

- We forecast OPEC crude oil production will average 26.9 million b/d in 2021 and 28.7 million b/d in 2022. OPEC crude oil production in the forecast rises from 25.0 million b/d in April to an average of 28.0 million b/d in 3Q21. Our expectation of rising OPEC production is primarily based on our assumption that OPEC will raise production by about 1 million b/d in both June and in July in response to rising global oil demand and seasonal increases in oil consumption for power generation for some OPEC members. It also reflects an assumption that Iran’s crude oil production will continue to increase this year. Although sanctions that target Iran’s crude oil exports remain in place, crude oil exports—according to ClipperData, LLC.—and production from Iran are up from most of 2020.

- According to our most recent data, U.S. crude oil production averaged 11.2 million b/d in March 2021, an increase of 1.4 million b/d from February. The March rise indicates that the production outages caused by the February winter freeze were temporary and that production came back online quickly. Because prices of West Texas Intermediate crude oil remain above $60/b during 2021 in the current forecast, we expect that producers will drill and complete enough wells to raise 2022 production from 2021.
levels. We estimate that 2022 production will average 11.8 million b/d, up from a forecast average of 11.1 million b/d in 2021.

**Natural Gas**

- In May, the natural gas spot price at Henry Hub averaged $2.91 per million British thermal units (MMBtu), which is up from the April average of $2.66/MMBtu. We expect the Henry Hub spot price will average $2.92/MMBtu in 3Q21 and $3.07/MMBtu for all of 2021, which is up from the 2020 average of $2.03/MMBtu. Higher natural gas prices this year primarily reflect two factors: growth in liquefied natural gas (LNG) exports and rising domestic natural gas consumption outside of the power sector. In 2022, we expect the Henry Hub price will average $2.93/MMBtu amid slowing growth in LNG exports and rising U.S. natural gas production.

- We expect that U.S. consumption of natural gas will average 82.9 billion cubic feet per day (Bcf/d) in 2021, down 0.5% from 2020. U.S. natural gas consumption declines in the forecast, in part, because electric power generators switch to coal from natural gas as a result of rising natural gas prices. In 2021, we expect residential and commercial natural gas consumption combined will rise by 1.2 Bcf/d from 2020 and industrial consumption will rise by 0.7 Bcf/d from 2020. Rising consumption outside of the power sector results from expanding economic activity and colder winter temperatures in 2021 compared with 2020. We expect U.S. natural gas consumption will average 82.8 Bcf/d in 2022.

- We estimate that natural gas inventories ended May 2021 at almost 2.4 trillion cubic feet (Tcf), which is 3% lower than the five-year (2016–20) average. More natural gas was withdrawn from storage during the winter of 2020–21 than the previous five-year average, largely as a result of the colder-than-average February temperatures that contributed to a drop in natural gas production. We forecast that inventories will end the 2021 injection season (end of October) at 3.6 Tcf, which would be 4% below the five-year average.

- Following a significant weather-related decline in U.S. natural gas production in February, U.S. dry natural gas production rose by 6.0 Bcf/d in March to 92.3 Bcf/d. We expect dry natural gas production will average 92.9 Bcf/d in 2H21 and then rise to 93.9 Bcf/d in 2022.

**Electricity, coal, renewables, and emissions**

- We forecast that retail sales of electricity in the United States will increase by 2.3% in 2021 after falling by 3.9% in 2020. The largest increase in consumption will occur in the residential sector, where we forecast retail sales of electricity will grow by 2.8% this year. This growth is primarily a result of colder temperatures in the first quarter of 2021 compared with the same period in 2020. Much of the forecast increase in electricity consumption in the commercial and industrial sectors reflects improving economic
conditions in 2021. We expect retail electricity sales to these two sectors combined will increase by 2.0% in 2021. For 2022, we forecast that U.S. retail sales of electricity will grow by another 1.4%.

- We expect the share of electric power generation produced by natural gas in the United States will average 36% in 2021 and 35% in 2022, down from 39% in 2020. The forecast share for natural gas as a generation fuel declines in response to our expectation of a higher delivered natural gas price for electricity generators, which we forecast will average $4.09/MMBtu in 2021 compared with an average of $2.39/MMBtu in 2020. As a result of the higher expected natural gas prices, the forecast share of generation from coal rises from 20% in 2020 to 23% this year but falls to 22% next year. New additions of solar and wind generating capacity support our expectation that the renewables share of U.S. generation will rise from 20% in 2020 to 21% in 2021 and to 23% in 2022. The nuclear share of U.S. electricity generation declines from 21% in 2020 to 20% in 2021 and to 19% in 2022 as a result of retiring capacity at some nuclear power plants.

- We forecast that planned additions to U.S. wind and solar generating capacity in 2021 and 2022 will contribute to rising electricity generation from those sources. We estimate that the U.S. electric power sector added 14.8 gigawatts (GW) of new wind capacity in 2020. We expect 16.0 GW of new wind capacity will come online in 2021 and 5.3 GW in 2022. Utility-scale solar capacity rose by an estimated 10.5 GW in 2020. Our forecast for added utility-scale solar capacity is 15.5 GW 2021 and 16.6 GW for 2022. We expect significant solar capacity additions in Texas during the forecast period. In addition, 4 GW to 5 GW of small-scale solar capacity (systems less than 1 megawatt) will come online each year during the 2021–22 STEO forecast.

- We expect U.S. coal production to total 600 million short tons (MMst) in 2021, which is 61 MMst (11%) more than in 2020. The increase is driven primarily by rising electricity demand. In 2022, we expect coal production to grow by an additional 5 MMst (1%).

- We expect U.S. coal exports to be about 81 MMst in 2021, 12 MMst (17%) more than in 2020. We expect most of this growth to come from rising demand for steam coal in Europe and Asia as increased steel prices during 2021 and 2022 drive exports. Forecast U.S. coal exports in 2022 rise by an additional 12 MMst (14%).

- We estimate that U.S. energy-related carbon dioxide (CO₂) emissions decreased by 11% in 2020 as a result of less energy consumption related to reduced economic activity and responses to COVID-19. In 2021, we forecast energy-related CO₂ emissions will increase about 6% from the 2020 level as economic activity increases and leads to rising energy use. We also expect energy-related CO₂ emissions to rise in 2022, but by a slower rate of 2%. We forecast that after declining by 19% in 2020, coal-related CO₂ emissions will rise by 15% in 2021 and then decrease by 1% in 2022.
Petroleum and natural gas markets review

**Prices:** The front month futures price for Brent crude oil settled at $71.31 per barrel (b) on June 3, up $3.75/b from $67.56/b on May 3. The front-month futures price for West Texas Intermediate (WTI) crude oil for delivery at Cushing, Oklahoma, increased by $4.32/b during the same period, settling at $68.81/b on June 3 (Figure 1).

![Figure 1. Crude oil front-month futures prices](image)

After declining in April, crude oil prices in May moved toward post-pandemic daily highs at nearly $70/b. Continuing draws on global oil inventories contributed to upward crude oil price pressures. Despite rising COVID-19 case counts in some countries, particularly India, global oil demand remained higher than supply in May, contributing to continued global withdrawals from inventories of crude oil and petroleum products. However, we estimate withdrawals fell to 1.2 million barrels per day (b/d) in May, compared with average monthly withdrawals of 2.1 million b/d since June 2020.

On June 1, front-month Brent futures prices closed above $70/b for the first time since January 2020. At its June 1 meeting, OPEC+ reaffirmed its commitment to continued production increases in the coming months. Despite the group’s plans to raise production, prices increased as the market weighed the planned increases relative to expected increases in consumption. Scheduled increases in production targets contributed to OPEC crude oil production reaching 25.5 million barrels per day (b/d) in May, its highest level since April 2020. This increase brought global supply to an estimated 95.0 million b/d compared with consumption of 96.2 million b/d.

We expect OPEC crude oil production will increase to an average of 28.0 million b/d in the third quarter of 2021 (3Q21).

In the June STEO, we raised our Brent price forecast for the coming months. We now expect Brent prices to average $69/b in June and $68/b in 3Q21, which are $4/b and $5/b higher, respectively, than in last month’s forecast. This price forecast keeps prices near or slightly below
current levels through 3Q21, and it incorporates the recent price increases and our forecast of mostly balanced oil markets in the coming months. Given announced increases in OPEC crude oil production, we expect production to increase more rapidly in the second half of 2021 (2H21) to keep pace with rising demand. In the forecast, global oil consumption rises by 2.8 million b/d from 2Q21 to 2H21 while global oil production rises by 4.3 million b/d during the same period, balancing out the 1.5 million b/d of global oil inventory draws from 2Q21. We expect more significant downward oil price pressures to emerge later in 2021 and into 2022 as forecast global oil supply outpaces slowing oil demand growth.

**U.S. oil rigs and WTI prices:** Baker Hughes’ U.S. crude oil rotary rig count, which serves as an indicator of active U.S. crude oil production capacity, reached a low of 172 active rigs on August 14, 2020 (Figure 2). Since then, the number of U.S. oil rigs has more than doubled, increasing by 187 rigs to a total of 359 rigs as of May 28. The pace at which crude oil producers deploy drilling rigs at any price level is an important driver of crude oil production in U.S. tight oil basins.

We expect that the rig count is likely to continue to increase in response to WTI crude oil prices rising from less than $50/b in late 2020 to a monthly average of $65/b in May. Our models show changes in rig counts typically lag behind changes in the WTI price from between three and six months, and production typically comes online about two months after rig deployment. Assuming that other factors remain constant, price increases over the past month will likely continue to drive rig deployments through much of the rest of 2021. However, the recent changes in rig counts indicate operators, notably in the Permian, could be deploying fewer rigs at current oil prices than they have previously deployed when oil prices were at similar levels. In the forecast, we have slightly reduced the responsiveness of rig deployments in the Permian to upward oil price movements.
Although U.S. crude oil producers have some incentive to remain cautious about deploying rigs and increasing production because of overall market uncertainty, if WTI crude oil prices remain near $65/b in the coming months, as we forecast, prices will continue to provide an incentive for producers to deploy additional rigs and resume production. Onshore U.S. crude oil production in the Lower 48 states during May 2021 was 8.9 million b/d, near its highest level so far in 2021, and we expect production to reach almost 9.3 million b/d by December 2021 with further increases into 2022. However, our crude oil production forecast is lower than in recent STEOs because of relatively fewer rig deployments at existing price levels, particularly in the Permian. In the March STEO, we forecast slightly more onshore U.S. crude oil production at almost 9.4 million b/d by December 2021, while we forecast WTI prices in 2Q21 and 3Q21 to average $6/b less than in our current forecast. Assumptions about the oil price levels at which rigs are deployed are one of the key uncertainties in our forecast.

**Brent Price and S&P 500 correlation:** In 2020, the widespread impact of the COVID-19 pandemic across sectors resulted in an increased correlation between the Brent crude oil price and S&P 500, an equity index of widely traded U.S. public companies (Figure 3). Historically, the relationship between Brent prices and publicly traded equities is often mixed. Among many factors, rising oil prices present the risk of inflation and can increase transportation fuel costs for most firms, contributing to negative correlation. However, rising oil prices can also reflect strong economic growth, which leads to rising profitability for many companies, contributing to positive correlation. Rising oil prices can also indicate potentially higher earnings for many large companies in the S&P 500 that produce and refine petroleum, also contributing to a positive correlation. A positive correlation between the two can suggest that both asset prices are being determined primarily by demand-side factors, such as global economic growth, which can influence both demand for crude oil and for goods and services from other sectors. The rolling 30-day correlation between the Brent price and the S&P 500 reached a high point of 0.77 during July 2020, the highest correlation between the two series since December 2010.
Uneven increases in crude oil prices and equity values contributed to a gradual decrease in the correlation since July 2020, suggesting that drivers of the crude oil price are driven more by sector-specific, supply-side factors and less by macroeconomic conditions or global demand. In March 2021, the correlation decreased when crude oil prices increased more rapidly than the S&P 500 overall, which was after OPEC+ producers announced they would maintain production curtailments amid rising crude oil demand. After crude oil prices decreased later in March, and remained relatively flat through April, the S&P 500 climbed to record highs. The opposite directional movements between the two series resulted in a shift to a negative correlation between them. The correlation between the Brent crude oil price and the S&P 500 index reached -0.32 on May 13, the largest negative correlation since July 2014.

**Crude oil and inflation expectations:** The percentage difference in yields for five-year Treasury Inflation-Protected Securities (TIPS) compared with U.S. treasury bonds is often used to measure market expectations of inflation. Responses to the COVID-19 pandemic resulted in a dramatic decline in demand for goods, which significantly reduced petroleum and other commodity prices in early 2020. Because crude oil and other commodity prices are inputs to other sectors of the economy, changes in crude oil prices can also affect inflation expectations. The TIPS-Treasury spread decreased to an average of 0.7% in March 2020, reflecting low inflation expectations as a result of lower prices and reduced economic activity (Figure 4).

Inflation expectations have generally increased since August 2020. The TIPS-Treasury spread increased from 2.55% on April 1, 2021, to 2.60% on May 3 (the first trading day of May), before reaching a high of 2.72% on May 12, the spread’s highest point since 2008. The increasing inflation expectations correspond to increases in the Brent crude oil price, which increased from $65/b on April 1 to $68/b on May 3 and $69/b on May 12. Fuel price increases for consumers and firms as a result of high crude oil prices are an important contributor to inflation expectations. However, the TIPS-Treasury spread also increased at the end of March and into
April, while Brent prices remained below their mid-March levels. Differing directional movements between the spread and the crude oil price reflect the effects of other goods and commodity prices on inflation expectations.

**Petroleum products**

**Gasoline prices:** The front-month futures price of RBOB (the petroleum component of gasoline used in many parts of the country) settled at $2.20 per gallon (gal) on June 3, up 10 cents/gal from May 3 (Figure 5). The RBOB–Brent crack spread (the difference between the price of RBOB and the price of Brent crude oil) increased by 1 cent/gal to settle at 50 cents/gal during the same period.

The average RBOB–Brent crack spread of 50 cents/gal in May was the highest since July 2015. The high spread reflected increasing demand, low inventories, and disruptions to the flow of gasoline along the U.S. East Coast because of the Colonial Pipeline outage. We estimate U.S. gasoline consumption averaged 9.1 million b/d in May, a 4% increase from April and the highest level since November 2019. The increase in gasoline demand likely reflected typical seasonal factors such as Memorial Day travel, as well as increased willingness to travel as a result of rising vaccinations, rising employment, and increased gasoline purchases in response to outages at many gas stations during the Colonial Pipeline disruption in early May. In addition, refinery production has not kept up with the increases in demand the past few months. Gasoline stocks fell sharply because of **weather-related outages in February**. Those disruptions were followed by increasing gasoline consumption from March through May. The increase in gasoline consumption and supply disruptions have resulted in gasoline inventories being below the five-year average for every month in 2021. Low gasoline inventories have supported the high gasoline crack spread, and helped push retail gasoline prices above $3.00/gal. We forecast that as refineries increase runs in the coming months and increases in gasoline consumption slow, it
will put some downward pressure on gasoline crack spreads and contribute to U.S. average retail gasoline prices falling to $2.76/gal by September. However, we expect gasoline stocks to remain near five-year lows for the rest of 2021, keeping gasoline crack spreads higher than the five-year average.

**Regional gasoline prices:** The Colonial Pipeline outage interrupted the flow of gasoline from the U.S. Gulf Coast to the East Coast and led to a short-term increase in the spread between New York Harbor gasoline spot prices and Gulf Coast conventional gasoline spot prices (Figure 6). The spread peaked on May 13 at 11.5 cents/gal, the highest spread since December 16, 2019. The New York Harbor gasoline price increased relative to the Gulf Coast conventional gasoline price likely because of a combination of increasing stocks in the U.S. Gulf Coast, decreasing stocks in the East Coast, and increased demand in the Lower Atlantic. The Lower Atlantic, which receives much of its gasoline from the pipeline, had lower-than-average gasoline stocks at the time of the pipeline outage, and as a result had the highest demand for substitute supply sources. Although the spread exceeded 10 cents/gal for only four days in the month, the spread remained slightly elevated through May, averaging 8 cents/gal, which is higher than the five-year May average of 5 cents/gal and higher than the April 2021 average of 3 cents/gal. The spread decreased in early June, settling at 6 cents/gal on June 3.

![Figure 6. New York Harbor-Gulf Coast conventional gasoline spot price differentials](image)

**Ultra-low sulfur diesel prices:** The front-month futures price for ultra-low sulfur diesel (ULSD) for delivery in New York Harbor settled at $2.10/gal on June 3, up 15 cent/gal from May 3 (Figure 7). The ULSD–Brent crack spread (the difference between the price of ULSD and the price of Brent crude oil) increased 6 cents/gal, settling at 40 cents/gal during the same period.
May had the highest average ULSD–Brent crack spread since December 2019. The crack spread increase was likely the result of the most U.S. consumption of distillate fuel since November 2019 and relatively low distillate production. We estimate May distillate consumption of 4.1 million b/d, an increase of 0.5 million b/d (15%) from the May 2020 levels and 3% higher than the average from the five previous years (2015–2019). Although distillate consumption has increased above the five-year average for May, distillate production was at its lowest May level since 2012.

Because increases in distillate consumption have been outpacing increases in production and net imports in recent months, distillate inventories have been decreasing, which has supported increases in the ULSD–Brent crack spread (Figure 8). From August 2020 to April 2021, distillate inventories decreased from 179 million barrels, the highest level since 1982, to approximately 136 million barrels. During that same period, the ULSD–Brent crack spread increased from 17 cents/gal to 31 cents/gal. In May, we estimate inventories fell to about 133 million barrels, which is lower than the five-year average, and this reduction has coincided with steeper increases in the crack spread. On May 11, the crack spread exceeded 40 cents/gal for the first time since March 2020 and remained close to 40 cents/gal through June 3.
Prices: The front-month natural gas futures contract for delivery at the Henry Hub settled at $3.04 per million British thermal units (MMBtu) on June 3, 2021, which was up 7 cents/MMBtu from May 3, 2021 (Figure 9). The average price for front-month natural gas futures contracts in May was $2.96/MMBtu, the highest May average since 2017.
period in combination with high exports reduced storage levels below their previous five-year average. Although natural gas stocks were 191 Bcf higher than the five-year (2016–20) average at the start of the year, they were 61 Bcf lower than the five-year average as of the week ending May 28. Front-month natural gas futures prices have increased as stocks have decreased, starting the year at $2.58/MMBtu and closing at $3.04/MMBtu on June 3.

Although U.S. natural gas futures prices have risen, futures price volatility has declined to low levels. Historical volatility measures the magnitude of daily changes in closing prices for a commodity during a given time in the past. Based on rolling front-month contracts, the 30-day historical volatility of U.S. natural gas futures prices was 27.9% on June 3, a significant decrease from 73.5% a year ago. (Figure 10). However, the May 2020 historical volatility was unusually high as a result of COVID-19-related disruptions, and historical volatility tends to be low around May because of less demand for natural gas as a fuel for heating or cooling. The previous five-year (2015–19) average historical volatility for the first trading day of June was 35.7%. This year, historical volatility has been even lower so far than the seasonal average. Prices have hovered within a somewhat narrow range around $3.00/MMBtu, likely because of stable U.S. production and relatively stable U.S. consumption as a result of slightly below-average cooling demand during May.

![Figure 10. Natural gas historical volatility](image)

*Source: Graph by EIA, based on data from Bloomberg L.P.*

**International natural gas prices:** International LNG spot prices often reach yearly lows in May, but this year they have climbed to the high prices typically seen in winter months. The Japan-Korea Marker (JKM) price exceeded $10/MMBtu this May, compared with May 2019 and 2020 averages near $5/MMBtu and $2/MMBtu, respectively. The Title Transfer Facility (TTF) and National Balancing Point (NBP) prices in Europe have shown similar trends (Figure 11). In Asia, efforts to build stocks in anticipation of demand for summer electricity and to prepare for heating demand next winter has increased demand for LNG imports and supported high prices. Because LNG stocks in Asia have been lower than usual this year as a result of significant draws
during the extremely cold winter, demand in Asia for LNG imports has been much greater than usual. In Europe, the coldest April in nearly a century and low inventories also supported higher global demand and higher prices for LNG. Because of this strong global demand for LNG, we forecast that U.S. LNG exports will continue to be high and average more than 9.0 Bcf/d during the remainder of 2021.

Figure 11. International natural gas prices
dollars per million British thermal units

Source: Graph by EIA, based on data from CME Group, as compiled by Bloomberg L.P.
Note: TTF=Tulsa Transfer Facility
Notable forecast changes

- We forecast Brent and WTI crude oil spot prices will average $65/b and $62/b, respectively, in 2021. Both of these forecasts are $3/b higher than forecast in the May STEO. The higher forecasts reflect the incorporation of higher-than-forecast actual prices during May, along with our expectation that crude oil markets will be in balance through much of the second half of the year, limiting downward price pressures. However, we expect that Brent crude oil prices will decline to $60/b on average in 2022 as global oil supply begins to outpace global oil demand.

- We expect global oil inventories will build by 0.5 million b/d in 2022, compared with our expectation of generally unchanged inventories in the May STEO. Our forecast of inventory growth is the result of our expectation of higher global oil supply in 2022. We raised expectations of supply growth across several key producers in the June STEO including OPEC, China, and Mexico.

- We forecast U.S. coal production to total 600 MMst in 2021, up 18 MMst (3%) from last month’s STEO. High U.S. coal production in this forecast is the result of our expectation of higher inventory levels and more exports compared with the May STEO.