

SUMMARY

With solid global and U.S. economic growth, total domestic petroleum deliveries in December were the strongest of any month in the last decade. For 2017, total domestic petroleum deliveries rose by 1.0 percent year-on-year (y/y), despite oil prices that rose over the second half of the year. U.S. oil production also continued to increase in December to 9.75 million barrels per day (MBD), a 47-year high, while U.S. exports of crude oil and refined products – up by nearly 1.0 MBD for 2017 – set new records. Historically, this has set the stage for oil and gas industry activity. Upstream drilling began 2018 on a strong note with rigs up 35 percent y/y as of January 19th, and downstream refinery utilization of 94.8 percent in December was the third highest rate in more than 12 years.

Strongest oil demand since 2007. U.S. petroleum demand, as measured by total domestic petroleum deliveries, rose to 20.7 million barrels per day (MBD) in December, which was an increase of 3.9 percent month-over-month (m/m) from November and 3.4 percent y/y versus December 2016. This was the strongest December monthly demand since 2007. Cumulatively for 2017, total domestic petroleum deliveries rose by 1.0 percent y/y, which exceeded demand growth in 2016 despite higher prices. Product highlights:

- Consumer gasoline demand, as measured by total motor gasoline deliveries, rose by 0.5 percent y/y to 9.3 MBD, which was the strongest December since 2006 and the highest annual gasoline deliveries on record.
- Distillate deliveries are a measure of industrial activity and freight transportation, both of which have been strong recently. December distillate deliveries were nearly 4.1 MBD, up by 2.9 percent versus November and 1.1 percent compared with December 2016. For 2017, distillate deliveries rose by 1.5 percent above those of 2016 and marked a return to growth following two consecutive years of declines.
- Residual fuel oil demand rose to 438 thousand barrels per day (KBD) in December, which was an increase of 20.3 percent from November and 43.1 percent compared with December 2016. For 2017, residual fuel oil demand rose to 356 KBD, up 9.5 percent versus 2016 and the highest level since 2012.
- “Other oils” comprise liquid petrochemical feedstocks, naphtha and gasoil, which together represent nearly one quarter of total deliveries. In December, other oils’ demand increased by 8.3 percent from November and 6.7 percent compared with December 2016. For 2017, other oils demand increased by 0.5 percent y/y compared with 2016.

Oil prices continued to rise. West Texas Intermediate (WTI) crude prices averaged \$57.88/Bbl in December, which was an increase of 2.2 percent from November and 11.4 percent versus December 2016. For 2017, WTI crude prices averaged \$50.88/Bbl, which was an increase of 17.9 percent over 2016. The price rise reflected solid market fundamentals, including economic and oil demand growth. Domestic WTI prices ran at a discount of \$6.50/Bbl to WTI in December, which has motivated crude oil exports from North America.

Solid economic growth has supported market fundamentals. Oil demand goes hand-in-hand with economic growth, and leading economic indicators have continued to suggest expanding business conditions. API estimates global GDP growth for 2017 at 2.9 percent y/y on a market exchange rate basis, which is on par with the average for the past 20 years. The Bureau of Economic Analysis reports that U.S. economy gained momentum through the first three quarters of the year with consecutive quarterly growth rates of 1.2 percent, 3.1 percent and 3.2 percent at seasonally adjusted annualized rates.

December production at a 47-year high. In December, U.S. crude oil production rose to 9.75 MBD, which was an increase of 11.1 percent from December 2016 and 0.6 percent versus November; this was the highest monthly output in nearly 47 years, since April 1971. For 2017, U.S. crude oil production increased by 4.9 percent y/y.

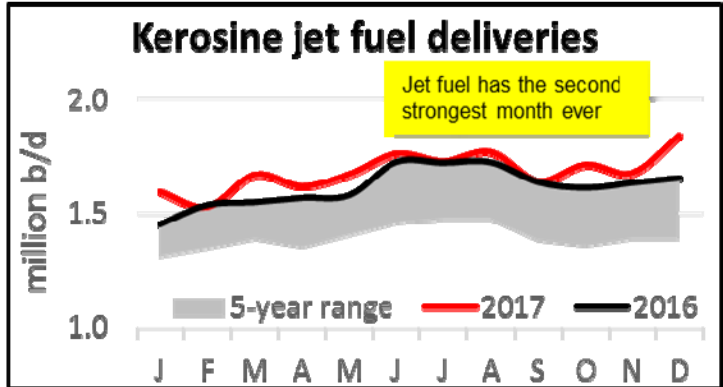
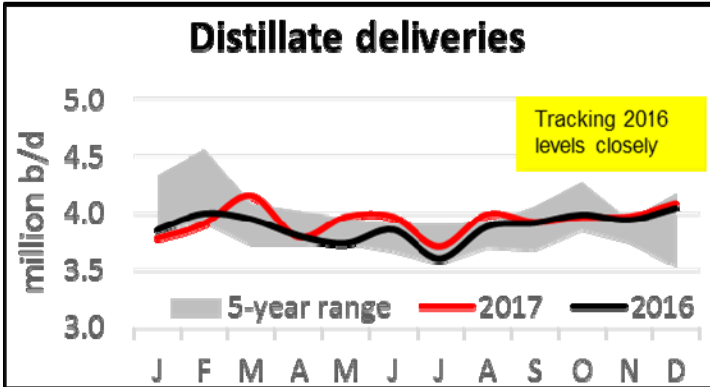
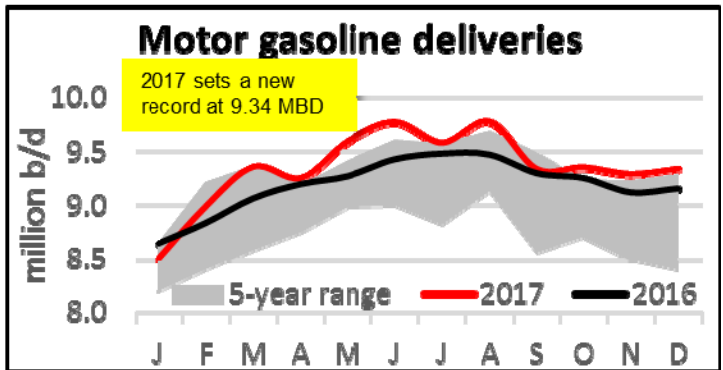
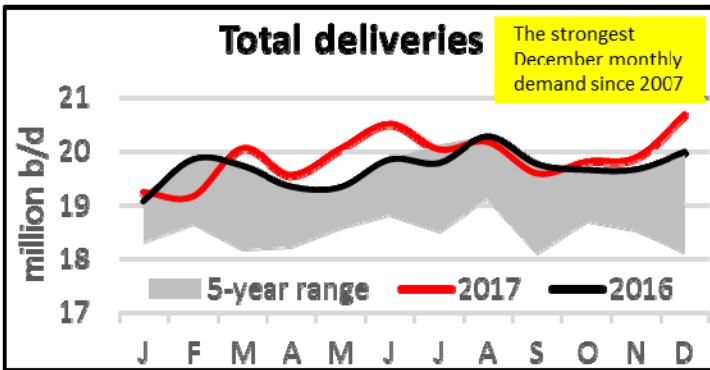
Natural gas liquids (NGL) production, a co-product of natural gas production, achieved record output for the month of December at nearly 4.0 MBD, up by 6.3 percent from November, 17.8 percent from December 2016, and 5.7 percent for 2017. Additionally, U.S. dry natural gas production averaged a record-high 78.1 billion cubic feet per day (Bcf/d) during December 2017, which was up by 1.1 percent from November and 9.8 percent from December 2016.

The recent rise in oil and gas production follows with a lag from recent drilling activity. According to current reports from Baker-Hughes, Inc., the U.S. rig count averaged 921 rigs during Q4 2017, down from 946 rigs during Q3 2017 but up from 895 rigs in Q2 2017. Through the first few weeks of January, the rig count picked up again to 933, which represents a 35 percent increase from the same week in 2017, so with some seasonal variation the rig count has sustained its gains.

Peak refinery utilization drives record throughput. The refinery utilization rate in December was 94.8 percent, 2.7 percentage points greater than November and 3.5 percentage points above that of December 2016. Notably, December was only the third time in the past 12 years when utilization has been as high as 94.8 percent. In December, total refinery gross inputs rose by 2.6 percent m/m and 3.8 percent y/y to 17.5 MBD for the second strongest month on record. For 2017, total refinery gross inputs averaged 16.9 MBD, which also was the highest annual throughput on record. Production of two major products – gasoline and distillate – was higher than demand for those products, so these products were exported. Exports of refined petroleum products were 5.1 MBD in December, up by 0.2 percent versus December 2016.

Record 2017 U.S. petroleum exports. In December, the U.S. exported 6.5 MBD of crude oil and refined products, which was an increase of 16.8 percent y/y. For 2017, U.S. crude oil and refined product exports also were up by 971 KBD or 18.5 percent compared with 2016.

Canadian imports grew, while imports from rest of world declined. In December, imports of crude oil and refined products were 9.7 MBD, which fell by 4.0 percent m/m from November and by 0.7 percent compared with December 2016. Canadian imports made up 33.7



	API ESTIMATES		YEAR TO DATE	
	DECEMBER		DECEMBER	
	Million B/D	Percent Change	Million B/D	Percent Change
Total domestic deliveries	20.7	3.4	19.9	1.0
Crude production	9.7	11.1	9.3	4.9
Total imports	9.7	(0.7)	10.1	0.3
Stocks (million bbl)	1,133.0	(15.1)	na	na

level on record and the largest year-over-year change for any month since January 2003. By contrast, conventional gasoline is used more in rural areas and fell by 2.6 percent y/y in December to 6.1 MBD. For the year, conventional gasoline deliveries declined by 0.4 percent compared with 2016, which may indicate shifting economic conditions between urban and rural areas.

In December, the average price of regular-grade gasoline fell by 8.4 cents from November to \$2.594 per gallon. Prices for WTI crude oil in December averaged \$1.378 per gallon (\$57.88 per barrel), up by 3.0 cents from the prior month's price of \$1.349 per gallon (\$56.64 per barrel) and up by 14.1 cents from December 2016's price of \$1.237 per gallon (\$51.97 per barrel), according to the latest EIA price data

percent of total petroleum imports in 2017. Canadian crude imports were up by 0.9 percent y/y in December to 3.4 MBD. Notably, crude oil imports from all other countries besides Canada were down by 10.7 percent y/y to 3.9 MBD in December.

Q4 2017 was a record quarterly inventory drawdown. In December, total crude and refined product inventories declined by 4.8 percent m/m (15.1 percent y/y) to end at 1.1 billion barrels, which was the lowest level since November 2014. This follows a large drawdown in November. Notably, the total drawdown of 172 million barrels in Q4 2017 was largest ever three-month decline. Within total inventories, crude oil stocks fell by 6.4 percent m/m (12.7 percent y/y) to end at 423.0 million barrels, which was the lowest level since February 2015. Stocks of major products also decreased from last year's levels.

Distillate Fuel Oil
2017 DEMAND GREW DUE TO FREIGHT TRANSPORTATION DEMAND.

Distillate deliveries are a measure of industrial activity and freight transportation. In December, distillate deliveries were nearly 4.1 MBD, which was an increase of 2.9 percent versus November and 1.1

percent compared with December 2016. For 2017, distillate deliveries rose by 1.5 percent above those of 2016, which marked a return to growth following two consecutive years of declines. Nearly 94 percent of distillate demand was for ultra low sulfur distillate (ULSD). ULSD deliveries exceeded 3.8 MBD in December, which was the strongest December demand since 2014 and contributed to the third highest annual ULSD demand on record.

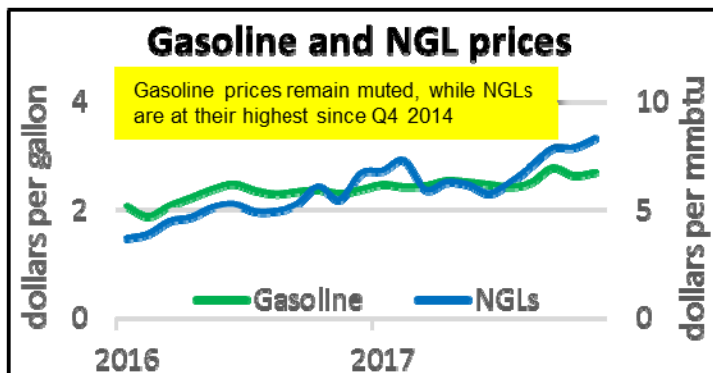
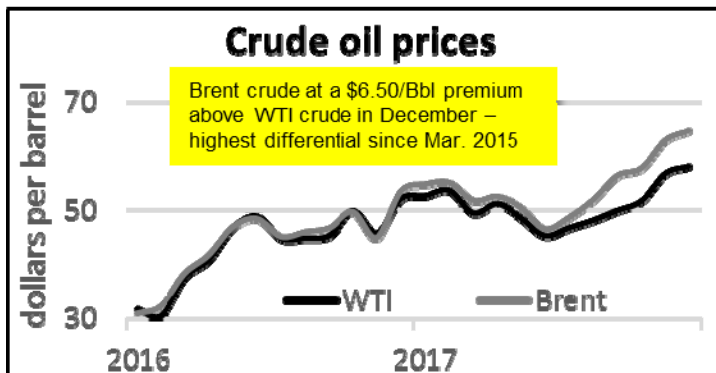
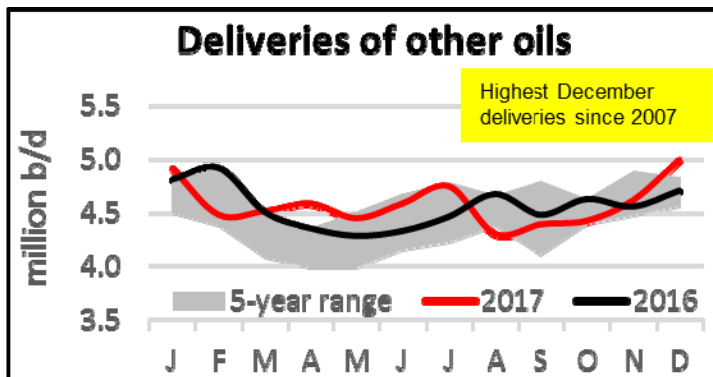
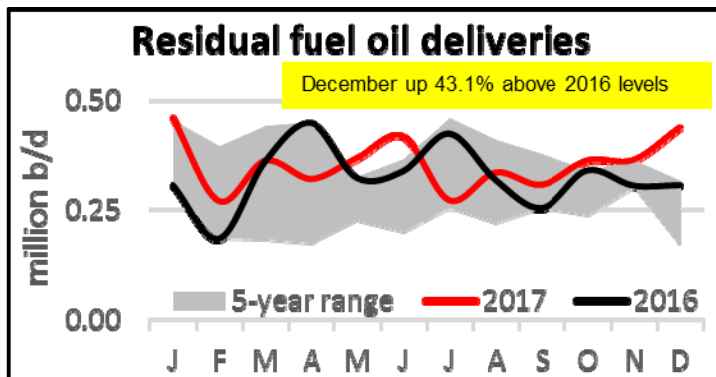
PRODUCT DELIVERIES
Gasoline
DELIVERIES ACHIEVE A RECORD YEAR.

Consumer gasoline demand, as measured by total motor gasoline deliveries, rose by 0.5 percent y/y to 9.3 MBD, which was the strongest December since 2006. Consequently, annual

2017 gasoline demand was the highest on record and reflected a combination of solid economic growth and relatively low prices.

Reformulated-type gasoline, which is consumed primarily in urban areas, grew by 7.1 percent y/y in December to 3.2 MBD – the highest

The distillate demand increases suggest solid underlying road freight transportation and industrial demand, despite recent price increases. The U.S. Bureau of Transportation Statistics' freight transportation services index rose by 6.0 percent y/y in Q4 2017, compared with the same period in 2016; this was the strongest freight increase since Q4 2010. The freight services index was corroborated by the U.S. Bureau of the Census' reported the value of manufacturers' shipments for manufacturing industries, which rose by nearly 7 percent in Q4 2017, compared with the same period in 2016.



The remaining six percent of distillate deliveries was for high sulfur distillate fuel (HSD). In December, HSD deliveries rose seasonally by 25.9 percent compared with November but were down by 3.0 percent versus December 2016. For 2017, HSD deliveries increased by 2.2 percent relative to 2016. HSD is used mainly as heating oil in the residential and commercial sectors or as a marine fuel when blended to upgrade heavy fuel oil. Demand for both applications has risen. Consistent with the changes in HSD deliveries, the EIA estimates that U.S. average heating degree days were down by 0.4 percent y/y in December but for 2017 were up by 1.8 percent y/y. Additionally, the U.S. Bureau of Labor Statistics' producer price index for deep sea freight transportation fell by 0.6 percent m/m in December, which also was consistent with a seasonal slowing in shipping activity.

Kerosine Fuel Oil
STRONG AIR TRANSPORTATION GROWTH DRIVES HIGHEST JET FUEL DEMAND IN 17 YEARS.

In December, kerosine jet fuel deliveries rose by 10.0 percent compared with November and 11.4 percent versus December 2016. For 2017, kerosine jet fuel demand also was up by 4.4 percent

y/y to 1.7 MBD, the highest year since 2000. This was the fifth consecutive rise in annual jet fuel demand and strongest sustained growth since the late 1990s.

The International Air Transport Association (IATA) stated that passenger traffic growth and freight demand have been rising. Domestic U.S. passenger demand grew by 4.9 percent y/y in November. Coupled with increases in total capacity and the load factor, air travel has been strong. According to the [IATA](#), "the airline industry is in a good place entering 2018. November's strong demand gives the industry momentum....Passengers not only have more travel choices than ever, the cost of travel in real terms has never been cheaper." Additionally, U.S. air freight also has been expanding solidly. The U.S. Bureau of Transportation Statistics reported that air revenue ton miles of freight and mail rose in November by 1.0 percent compared with October and 8.8 percent versus November 2016.

Residual Fuel Oil
FUEL OIL DEMAND REBOUNDS TO HIGHEST LEVEL SINCE 2012.

In December, residual fuel oil demand rose to 438 thousand barrels per day, which was an increase of 20.3 percent from November and 43.1 percent compared with December 2016. For 2017, residual fuel oil demand rose to 356 KBD, which was an increase of 9.5 percent versus 2016 and the highest level since 2012.

Residual fuel oil is used in electric power production, space heating, vessel bunkering and other industrial applications. Residual fuel demand has declined in recent years due to environmental restrictions and competition with low-prices natural gas. However, as described in the section on high sulfur distillate, heating degree days and marine fuel demand rose in 2017 compared with 2016.

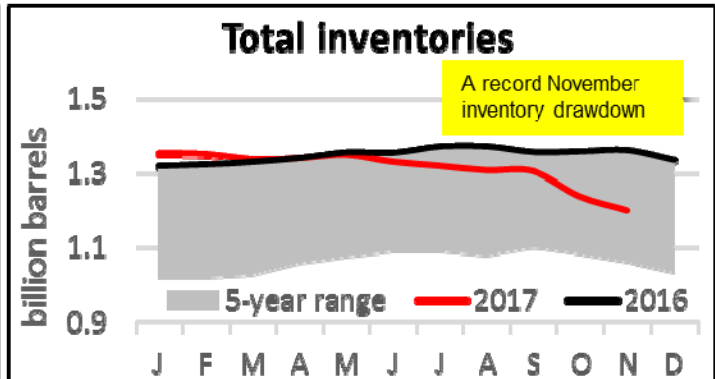
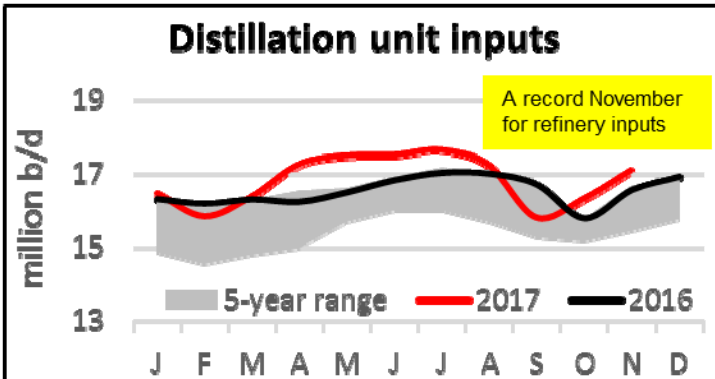
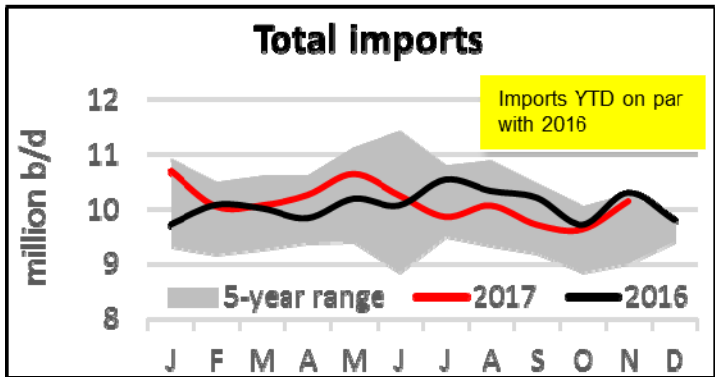
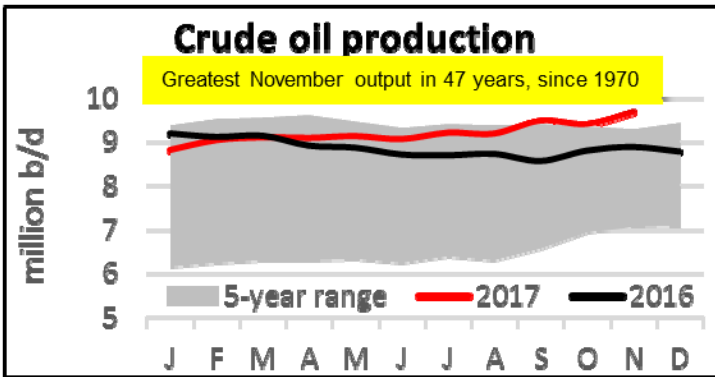
Other Oils
PETROCHEMICAL FEEDSTOCKS SUSTAINED SOLID GROWTH IN 2017.

"Other oils" comprise liquid petrochemical feedstocks, naphtha and gasoil, which together represent 24 percent of total deliveries. In December, other oils demand

increased by 8.3 percent from November and 6.7 percent compared with December 2016. For 2017, other oils demand increased by 0.5 percent compared with 2016.

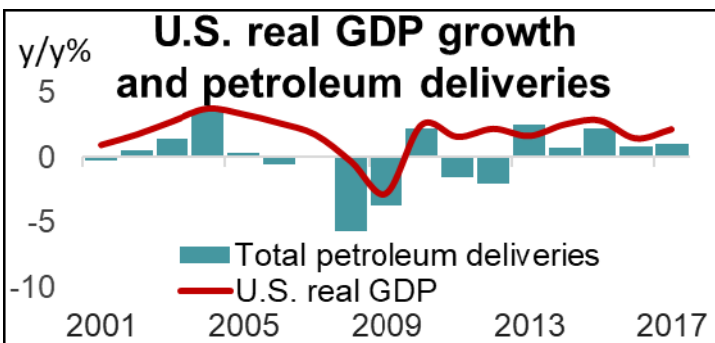
PRICES

Oil prices continued to rise. WTI crude prices averaged \$57.88/Bbl in November, which was an increase of 2.2 percent from November and 11.4 percent versus December 2016. For 2017, WTI crude prices averaged \$50.88/Bbl, which was an increase of 17.9 percent over 2016. The price rise reflected solid market fundamentals, including economic and oil demand growth. Domestic WTI prices ran at a discount of \$6.50/Bbl to WTI in December, which has motivated crude oil exports from North America. Separately, composite natural gas liquids (NGL) prices remained above \$8.00 per million BTU in December, in line with their growing value in petrochemical applications, which generally tend to correlate with crude oil prices.



MACROECONOMY

Solid economic growth has supported market fundamentals. Oil demand goes hand-in-hand with economic growth, which has continued to perform well. API estimates global GDP growth for 2017 at 2.9 percent y/y on a market exchange rate basis, which is on par with the average for the past 20 years. The Bureau of Economic Analysis reports that U.S. economy gained momentum through the first three quarters of the year with consecutive quarterly growth rates of 1.2 percent, 3.1 percent and 3.2 percent at seasonally adjusted annualized rates. The EIA, Conference Board and consensus expect U.S. GDP growth for 2017 was 2.3 percent y/y. By comparison, petroleum deliveries grew by 1.0 percent y/y in 2017.



Leading indicators of economic growth continued to suggest expanding business conditions. According to the Manufacturing ISM® Report On Business, economic activity in the manufacturing sector expanded in December, and the overall economy grew for the 103rd consecutive month. Specifically, the Purchasing Managers Index (PMI) registered at 59.7 percent in December, which was an increase of 1.5 percentage points from the November reading of 58.2 percent. Specifically, new orders and production led the gains. Employment expanded at a slower rate. Order backlogs expanded at a faster rate, and export orders and imports continued to grow in December. Price increases continued at a faster rate.

Crude Oil Production (Thousand B/D)

	December	Year Ago	Percent Change
Lower 48	9,223	8,252	11.8
Alaska	525	519	1.2

Separately, the U.S. economy added 148,000 new jobs in December, and according to the Bureau of Labor and Statistics (BLS), the nation's unemployment rate remained unchanged at 4.1 percent for the third consecutive month. A four-week average of initial claims for unemployment insurance remained flat in December.

Equity performance is another leading indicator of economic growth and affects consumer sentiment. U.S. financial markets remained optimistic about corporate profits and the positive follow-on effects of tax reform. In December, the S&P 500 Index rose by 1 percent m/m December and by another 5.1 percent through January 19th. Additionally, in December and early January, the University of Michigan's consumer sentiment index remained at favorable levels. Consumer sentiment and spending are intertwined and have supported growth.

SUPPLY

Production DECEMBER PRODUCTION AT 47-YEAR HIGH.

In December, U.S. crude oil production rose to 9.75 MBD, which was an increase of 11.1 percent from December 2016 and 0.6 percent versus November; this was the highest monthly output in nearly 47 years, since March 1971. For 2017, U.S. crude oil production increased by 4.9 percent y/y.

Domestic crude oil production in the lower 48 states increased by 0.5 percent from November and was 11.8 percent higher than December 2016 at more than 9.2 MBD. Among regional highlights, Texas crude oil production averaged 3.7 MBD, up 2.2 percent from November, and up 16.1 percent from December 2016. North Dakota crude oil production averaged approximately 1.2 MBD, up 1.9 percent from November and 27.9 percent from December 2016. Meanwhile, oil production in the Bakken, Eagle Ford, and Permian regions increased m/m by 1.0 percent, 0.2 percent, and 2.5 percent compared with November, aver-

aging 1.2 MBD, 1.2 MBD and 2.7 MBD, respectively. The Permian region oil production in December was a record high, up by 28.6 percent from December 2016.

Natural gas liquids (NGL) production, a co-product of natural gas production, was up from the prior month, year and year-to-date to reach a record output for the month of December. NGL production in December averaged nearly 4.0 MBD, up 6.3 percent from last month, 17.8 percent from last year, and 5.7 percent for 2017. According to the EIA's Short-Term Energy Outlook (STEO), released January 9, 2018, U.S. dry natural gas production averaged a record-high 78.1 billion cubic feet per day (Bcf/d) during December 2017, which was up by 1.1 percent from November and 9.8 percent from December 2016.

The recent rise in oil and gas production follows with a lag between most drilling and production. According to current reports from Baker-Hughes, Inc., the U.S. rig count averaged 921 rigs during Q4 2017, down from 946 rigs during Q3 2017 but up from 895 rigs in Q2 2017. Through the first few weeks of January, the rig count picked up again to 933, which represents a 35 percent increase from the same week in 2017, so with some seasonal variation the rig count has continued to sustain its gains.

Imports
CANADIAN IMPORTS GROW, WHILE IMPORTS FROM REST OF WORLD DECLINE.

In December, imports of crude oil and refined products were 9.7 MBD, which fell by 4.0 percent from November and by 0.7 percent compared with December 2016. For 2017, however, crude oil and refined product imports were 0.3 percent y/y above those of 2016. Within the 2017 total, crude oil imports rose by 0.6 percent y/y, while refined product imports fell by 0.7 percent y/y. Canadian imports made up 33.7 percent of total petroleum imports in 2017. Canadian crude imports were up by 0.9 percent y/y in December to 3.4 MBD. Notably, crude oil imports from all other countries besides Canada were down by 10.7 percent y/y to 3.9 MBD in December.

Refined product imports rose by 18.9 percent y/y in December to 2.3 MBD. Imports of major products were all up except for gasoline and blending components, for which imports fell by 19.4 percent y/y in December to 456 KBD. Distillate imports increased by 64.1 percent y/y in December to 274 KBD. Residual fuel oil imports were up by 34.8 percent y/y to 240 KBD, and kerosine-jet fuel imports increased by 14.0 percent y/y to 147 KBD.

Product Imports (Thousand B/D)			
	December	Year Ago	Percent Change
Gasoline and Components	456	566	(19.4)
Distillate	274	167	64.1
Kerosine jet	147	129	14.0
Resid	240	178	34.8

Exports

2017 HIGHEST U.S. PETROLEUM EXPORTS ON RECORD

With the aforementioned discount of domestic WTI crude prices to those of international Brent crude, U.S. petroleum exports have risen. In December, the U.S. exported 6.5 MBD of crude oil and refined products, which was an increase of 16.8 percent y/y. For 2017, U.S. crude oil and refined product exports also were up by 970 KBD or 18.5 percent y/y compared with 2016.

Industry Operations
PEAK REFINERY UTILIZATION DRIVES RECORD THROUGH-PUT.

In December, total refinery gross inputs rose by 2.6 percent m/m (3.8 percent y/y) to 17.5 MBD in the second strongest month on record. For 2017, total refinery gross inputs averaged 16.9 MBD, which also was the highest annual throughput on record. Production of two major products – gasoline and distillate – was higher than demand for those products, so the products were exported. Exports of refined petroleum products were 5.1 MBD in December, up by 0.2 percent versus December 2016.

In December, gasoline production sustained near-record levels of 10.2 MBD, down 0.9 percent from the high in November and 1.9 percent higher versus December 2016. For 2017, however, gasoline production was down by 0.7 percent compared with 2016. Distillate fuel production of 5.3 MBD reflected increases of 0.9 percent m/m and 3.8 percent y/y in December and also was the highest December output on record.

The refinery utilization rate in December was 94.8 percent, 2.7 percentage points greater than November and 3.5 percentage points above that of December 2016. Notably, December was only the third time in the past 12 years when utilization has been as high as 94.8 percent.

Product Output (Thousand B/D)			
	December	Year Ago	Percent Change
Finished gasoline	10,200	10,013	(19.4)
Distillate	5,342	5,148	64.1
Kerosine jet	1,754	1,661	14.0
Resid	412	401	34.8

Inventories
A RECORD QUARTERLY INVENTORY DRAWDOWN IN Q4 2017.

In December, total crude and refined product inventories declined by 4.8 percent m/m (15.1 percent y/y) to end at 1.1 billion barrels, which was the lowest level since November 2014. This follows a large drawdown in November. Notably, the total drawdown of 172 million barrels in Q4 2017 was largest ever three-month decline.

Within total inventories, crude oil stocks fell by 6.4 percent m/m (12.7 percent y/y) to end at 423.0 million barrels, which was the lowest level since February 2015. Stocks of major products also decreased from last year's levels. Gasoline stocks were down 2.2 percent y/y, but up by 5.0 percent from month-ago levels to end 2017 at 233.4 million barrels. Distillate fuel stocks were down by 16.7 percent y/y, but up by 5.9 percent m/m, to end 2017 at 138.3 million barrels. Jet fuel stocks were down 6.3 percent y/y and 4.3 percent m/m.

The API **Monthly Statistical Report** is available via IHS Global (www.global.ihs.com). For more information, go to <http://www.api.org/statistics> or contact IHS at 1-800-854-7179.

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ESTIMATED UNITED STATES PETROLEUM BALANCE¹
(Daily average in thousands of 42 gallon barrels)

Disposition and Supply	December			Year-to-Date		
	2017 ²	2016	% Change	2017 ³	2016	% Change
Disposition:						
Total motor gasoline.....	9,333	9,283	0.5	9,342	9,317	0.3
Finished reformulated.....	3,190	2,979	7.1	3,114	3,066	1.6
Finished conventional.....	6,143	6,304	(2.6)	6,228	6,251	(0.4)
Kerosine-jet.....	1,842	1,653	11.4	1,685	1,614	4.4
Distillate fuel oil.....	4,086	4,043	1.1	3,935	3,877	1.5
≤ 500 ppm sulfur.....	3,828	3,777	1.3	3,750	3,696	1.5
≤ 15 ppm sulfur.....	3,825	3,774	1.3	3,745	3,692	1.4
> 500 ppm sulfur.....	258	266	(3.0)	185	181	2.2
Residual fuel oil.....	438	306	43.1	357	326	9.5
All other oils (including crude losses)	4,988	4,676	6.7	4,573	4,549	0.5
Reclassified ⁴	(24)	23	na	2	4	na
Total domestic product supplied.....	20,663	19,984	3.4	19,894	19,687	1.0
Exports.....	6,512	5,574	16.8	6,232	5,261	18.5
Total disposition.....	27,175	25,558	6.3	26,126	24,948	4.7
Supply:						
Domestic liquids production						
Crude oil (including condensate).....	9,748	8,771	11.1	9,287	8,857	4.9
Natural gas liquids.....	3,950	3,352	17.8	3,710	3,509	5.7
Other supply ⁵	1,920	1,231	55.9	1,300	1,177	10.4
Total domestic supply.....	15,618	13,354	16.9	14,296	13,543	5.6
Imports:						
Crude oil (excluding SPR imports).....	7,376	7,817	(5.6)	7,896	7,850	0.6
From Canada.....	3,428	3,398	0.9	3,400	3,227	5.4
All other.....	3,948	4,419	(10.7)	4,496	4,623	(2.7)
Products.....	2,349	1,975	18.9	2,190	2,205	(0.7)
Total motor gasoline (incl. blend.comp)....	456	566	(19.4)	623	708	(12.0)
All other.....	1,893	1,409	34.3	1,567	1,497	4.7
Total imports.....	9,725	9,792	(0.7)	10,086	10,055	0.3
Total supply.....	25,343	23,146	9.5	24,382	23,598	3.3
Stock change, all oils.....	(1,833)	(2,411)	na	(1,744)	(1,349)	na
Refinery Operations:						
Input to crude distillation units.....	17,539	16,896	3.8	16,889	16,514	2.3
Gasoline production.....	10,200	10,013	1.9	9,979	10,052	(0.7)
Kerosine-jet production.....	1,754	1,661	5.6	1,699	1,656	2.6
Distillate fuel production.....	5,342	5,148	3.8	5,020	4,862	3.2
Residual fuel production.....	412	401	2.6	432	420	2.8
Operable capacity.....	18,503	18,510	(0.0)	18,567	18,402	0.9
Refinery utilization ⁶	94.8%	91.3%	na	91.0%	89.7%	na
Crude oil runs.....	17,206	16,516	4.2	16,578	16,187	2.4

1. Total supply, i.e., production plus imports adjusted for net stock change is equal to total disposition from primary storage. Total disposition from primary storage less exports equals total domestic products supplied. Information contained in this report is derived from information published in the API *Weekly Statistical Bulletin* and is based on historical analysis of the industry. All data reflect the most current information available to the API and include all previously published revisions.

2. Based on API estimated data converted to a monthly basis.

3. Data for most current two months are API estimates. Other data come from U.S. Energy Information Administration (including any adjustments).

4. An adjustment to avoid double counting resulting from differences in product classifications among different refineries and blenders.

5. Includes unaccounted-for crude oil, withdrawals from the SPR when they occur, processing gain, field production of other hydrocarbons and alcohol, and downstream blending of ethanol.

6. Represents "Input to crude oil distillation units" as a percent of "Operable capacity".

R: Revised. na: Not available.

ESTIMATED UNITED STATES PETROLEUM BALANCE¹
(Daily average in thousands of 42 gallon barrels)

	December 2017	November 2017	December 2016	% Change From	
				Month Ago	Year Ago
Stocks (at month-end, in millions of barrels):					
Crude oil (excluding lease & SPR stocks).....	423.0	451.8	484.3	(6.4)	(12.7)
Unfinished oils.....	84.5	86.3	80.3	(2.1)	5.2
Total motor gasoline.....	233.4	222.2	238.6	5.0	(2.2)
Finished reformulated.....	0.1	0.1	0.1	0.0	0.0
Finished conventional.....	24.8	24.1	28.4	2.9	(12.6)
Blending components.....	208.5	198.0	210.2	5.3	(0.8)
Kerosine-jet.....	40.3	42.1	43.0	(4.3)	(6.3)
Distillate fuel oil.....	138.3	130.6	166.1	5.9	(16.7)
≤ 500 ppm sulfur.....	128.7	120.7	152.7	6.6	(15.7)
≤ 15 ppm sulfur.....	122.3	114.5	144.3	6.9	(15.2)
> 500 ppm sulfur.....	9.6	9.9	13.4	(3.0)	(28.4)
Residual fuel oil.....	30.8	34.1	41.5	(9.7)	(25.7)
All other oils.....	182.7	222.7	280.6	(18.0)	(34.9)
Total all oils.....	1,133.0	1,189.8	1,334.5	(4.8)	(15.1)

QUARTERLY ESTIMATED UNITED STATES PETROLEUM BALANCE¹
(Daily average in thousands of 42 gallon barrels)

Disposition and Supply	Fourth Quarter		
	2017 ²	2016	% Change
Disposition			
Total motor gasoline.....	9,322	9,203	1.3
Finished reformulated.....	3,125	3,001	4.1
Finished conventional.....	6,197	6,202	(0.1)
Kerosine-jet.....	1,744	1,632	6.9
Distillate fuel oil.....	4,008	3,990	0.5
≤ 0.05 percent sulfur.....	3,796	3,783	0.3
≤ 15 ppm sulfur.....	3,792	3,779	0.3
> 0.05 percent sulfur.....	212	207	2.4
Residual fuel oil.....	389	317	22.7
All other oils (including crude losses)	4,678	4,605	1.6
Reclassified ⁵	(21)	19	na
Total domestic product supplied.....	20,120	19,765	1.8
Exports.....	6,767	5,327	27.0
Total disposition.....	26,887	25,092	7.1
Supply:			
Domestic liquids production			
Crude oil (including condensate).....	9,693	8,812	10.0
Natural gas liquids.....	3,880	3,496	11.0
Other supply ⁴	1,611	1,205	33.7
Total domestic supply.....	15,184	13,514	12.4
Imports:			
Crude oil (excluding SPR imports).....	7,612	7,801	(2.4)
From Canada.....	3,345	3,372	(0.8)
All other.....	4,267	4,429	(3.6)
Products.....	2,225	2,123	4.8
Total motor gasoline (incl. blend.comp).....	470	666	(29.4)
All other.....	1,755	1,457	20.4
Total imports.....	9,837	9,924	(0.9)
Total supply.....	25,020	23,438	6.8
Stock change, all oils.....	(1,866)	(1,655)	na
Refinery Operations:			
Input to crude distillation units.....	16,991	16,407	3.6
Operable capacity.....	18,520	18,491	0.2
Gasoline production.....	10,202	10,014	1.9
Distillate fuel production.....	5,203	4,941	5.3
Kerosine-jet production.....	1,676	1,644	2.0
Residual fuel production.....	422	435	(3.0)
Refinery utilization ⁵	91.7%	88.7%	na
Crude oil runs.....	16,661	16,067	3.7
	Fourth Quarter		
	2017²	2016	% Change
Stocks (at end of quarter, in millions of barrels):			
Crude oil (excluding lease & SPR stocks).....	423.0	484.3	(12.7)
Unfinished oils.....	84.5	80.3	5.2
Total motor gasoline.....	233.4	238.6	(2.2)
Finished reformulated.....	0.1	0.1	0.0
Finished conventional.....	24.8	28.4	(12.6)
Blending components.....	208.5	210.2	(0.8)
Kerosine-jet.....	40.3	43.0	(6.3)
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