

API - Petroleum Demand, Production Rises in June

The **American Petroleum Institute (API)**, Washington, D.C., reports total petroleum deliveries moved up 2.6 percent from June 2016 and were up by 1.0 percent from May to average 20.3 million barrels per day in June. These deliveries were the highest deliveries for the year and the highest deliveries for the month of June in 10 years, since 2007. For the second quarter, total domestic petroleum deliveries increased 3.0 percent compared to the second quarter 2016. For year to date, total domestic petroleum deliveries increased 1.6 percent compared to the same period last year.

The overall economy in the U.S. showed gains for the fifth time in the year, adding 222,000 jobs in June, according to the U.S. Bureau of Labor Statistics (BLS). The U.S. unemployment rate fell 0.4 percentage points to 4.4 percent, and the number of unemployed persons decreased 658,000 to 7.0 million. “Strong demand for petroleum is a good sign for the economy which grew for the 97th consecutive month,” said API Director of Statistics Hazem Arafa. “American workers and consumers continue to benefit from these positive economic signs along with relatively low fuel prices.”

At 9.3 million barrels per day, U.S. crude oil production in June increased 7.2 percent from June 2016, but nearly unchanged from May. Compared to second quarter 2016 and year to date 2016, domestic crude oil production increased 4.6 percent and 1.4 percent, respectively. This was the highest crude production level for the month of June in 45 years, since 1972.

Natural gas liquids (NGL) production, a co-product of natural gas production, was strong in June, up from the prior month, the prior year, the prior quarter, and the prior year to date levels. NGL production in June averaged 3.6 million barrels per day, which was the highest for the month of June on record. This was 2.6 percent above May’s output and 0.3 percent higher than June 2016’s output. Compared to second quarter 2016, NGL production increased 0.8 percent. Compared with year to date 2016, NGL production rose 2.6 percent.

U.S. total petroleum imports in June averaged 10.2 million barrels per day, up 3.3 percent from the prior month, and 1.6 percent higher than the prior year. Last month’s total petroleum imports were the highest imports for the month of June since 2012. For the second quarter, total imports were up 1.0 percent compared with the same period last year. Year to date total imports were up by 2.3 percent to 10.2 million barrels per day compared with year to date 2016. Crude oil imports in June were up from the prior month, the prior year, the prior quarter, and the prior year.

Crude oil imports averaged close to 8.0 million barrels per day, up 4.9 percent with the prior year and up 4.0 percent from May. For the second quarter, crude imports were up by 2.5 percent compared with the second quarter of 2016. Compared to the prior year to date, crude imports were up by 2.9. Last month’s crude imports were also the highest June imports since 2012.

Gasoline deliveries in June were down from the prior year and the prior year to date, but were up from the prior month and the prior quarter. Total motor gasoline deliveries, a measure of consumer gasoline demand, moved down 0.5 percent from June 2016 but were up 0.3 percent from May to average 9.6 million barrels per day—the second highest June deliveries on record. For the second quarter, total motor gasoline deliveries increased 0.5 percent compared to the second quarter 2016. For year to date, total motor gasoline deliveries decreased 0.5 percent compared with the same period last year.