



Webinar – The summer return of OPEC+ barrels

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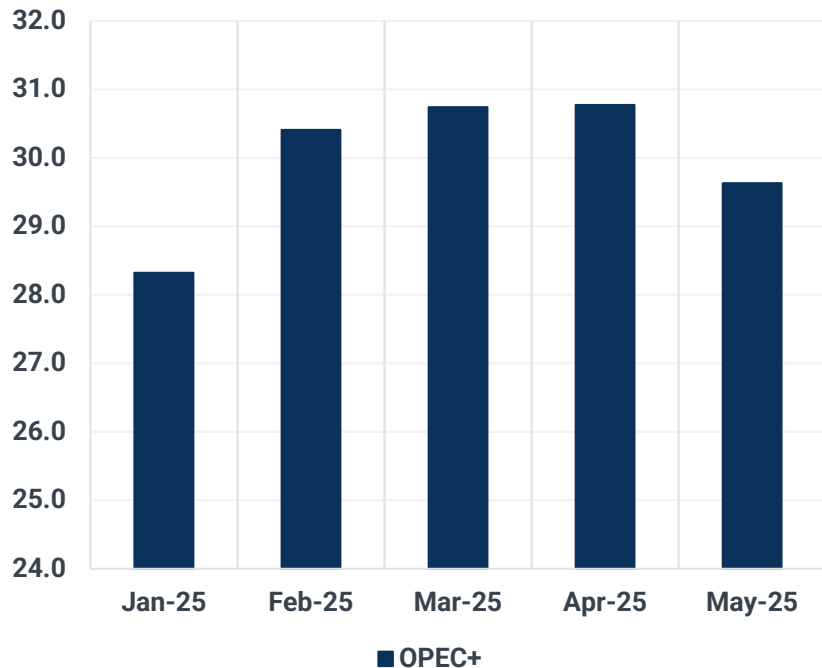
2 June 2025



OPEC: Another output acceleration for July... with more to come?

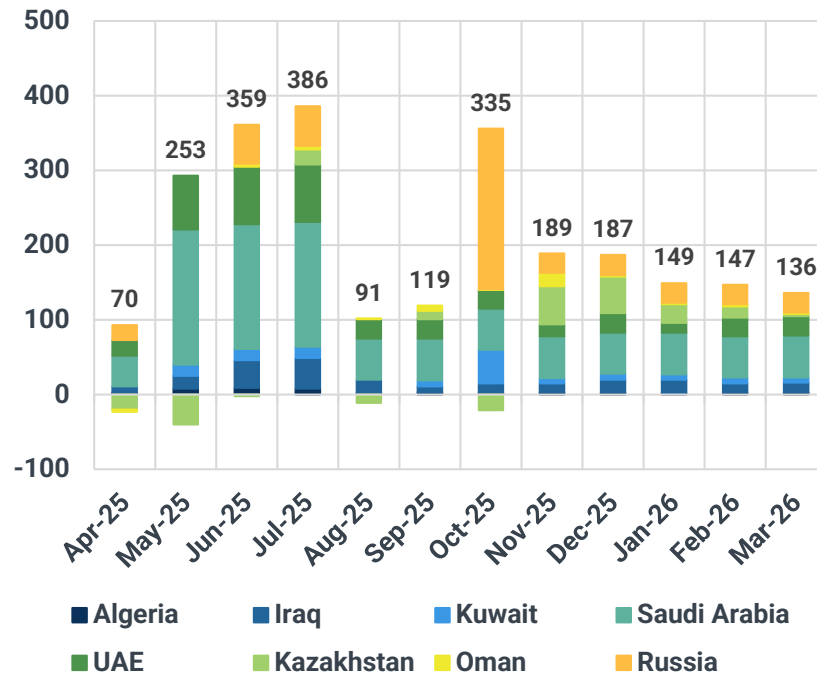
Strategic pivot from defending oil prices to capturing bigger market share and fighting WoS competition

OPEC+ seaborne oil exports, Mbd



Source: Kpler

Current OPEC+ calendar: output m/m change, kbd

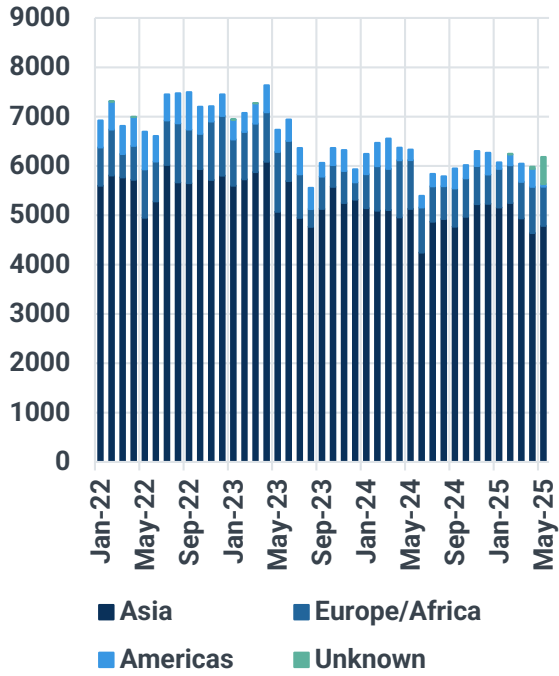


Source: Kpler based on OPEC May 3 decision

Saudi Arabia's strategy shift is real

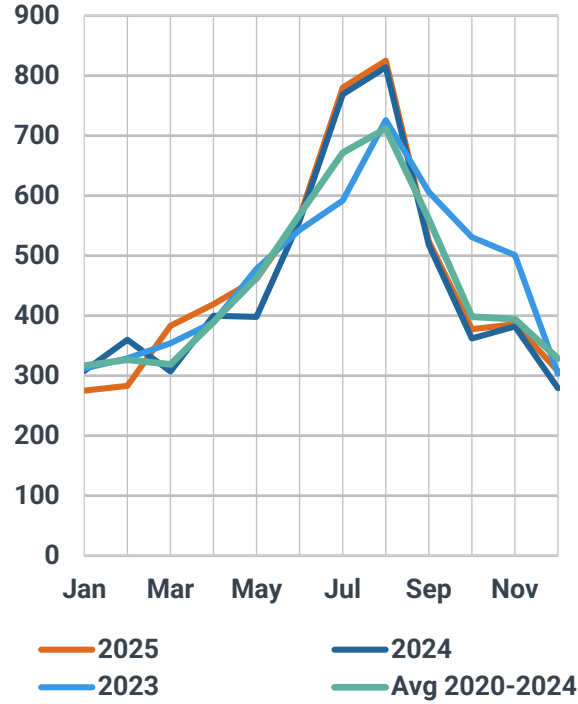
Realisation that low oil prices hold other benefits compared to balancing the fiscal budget

Saudi oil exports by destination, kbd



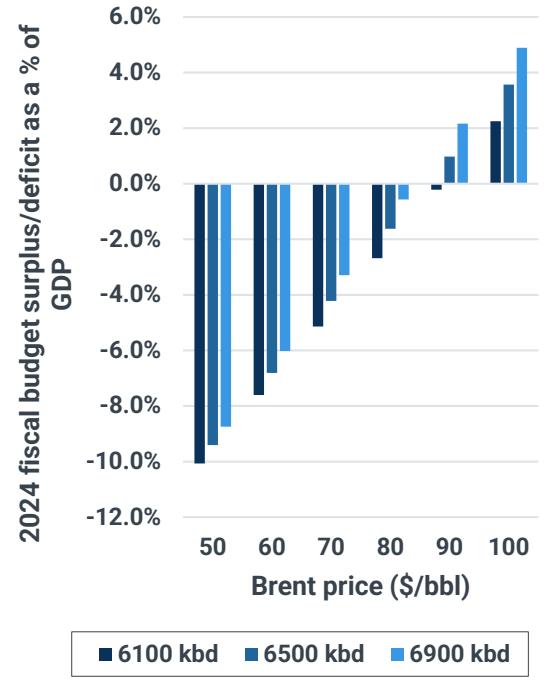
Source: Kpler. Includes half of Neutral Zone exports

Saudi crude burn, kbd



Source: Kpler, JODI

Sensitivity analysis on Saudi's 2025 fiscal budget

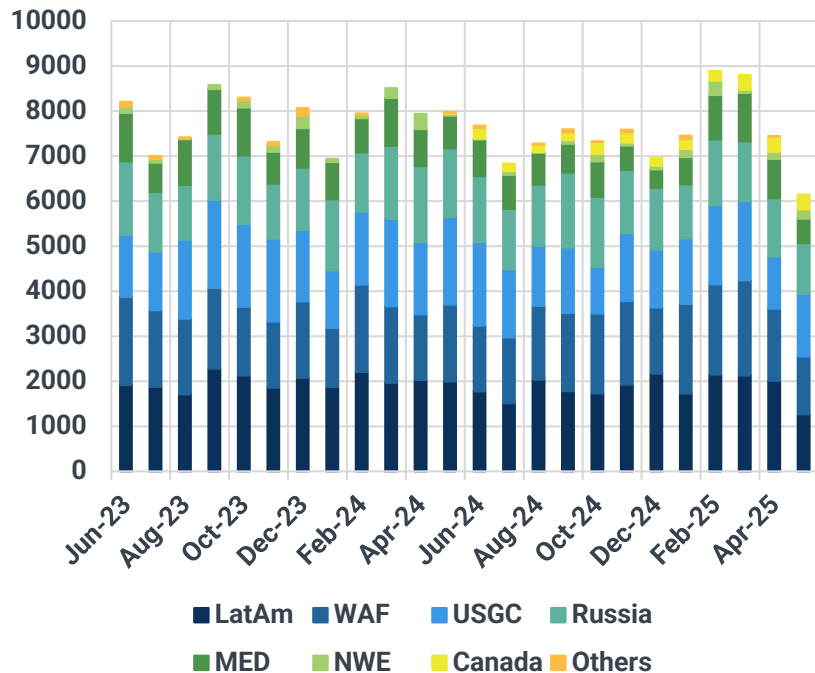


Source: Kpler

OPEC+ aims to reduce competitiveness of West of Suez crude into Asia

Brent-Dubai EFS averaged \$1.46/bbl in May, up from \$0.43/bbl in April and \$0.30/bbl in March

WoS crude flows to Asia by origin, Mbd



Source: Kpler

Brent-Dubai EFS, \$/bbl

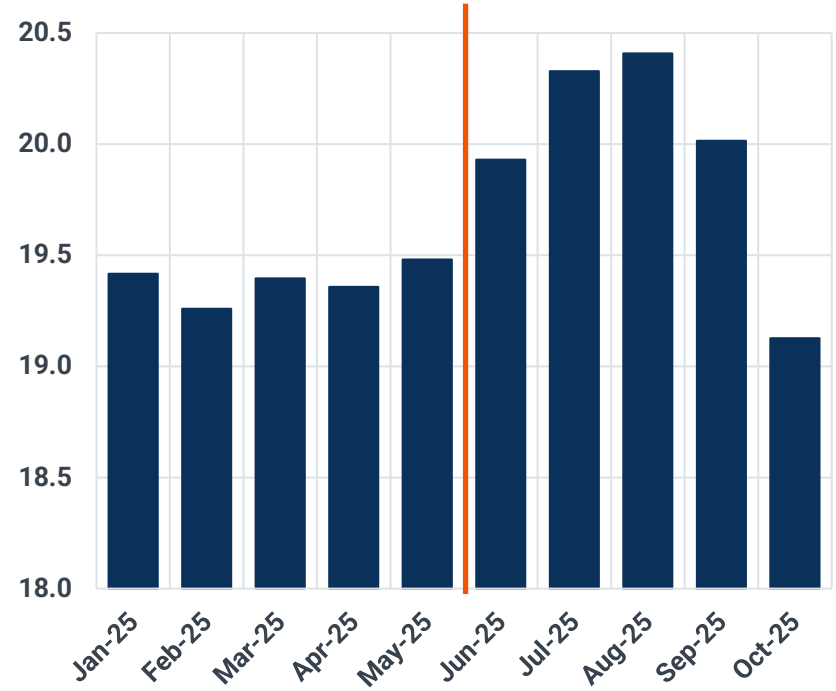


Source: Argus Media

The OPEC+ strategy shift holds little risk for prices in the short-term

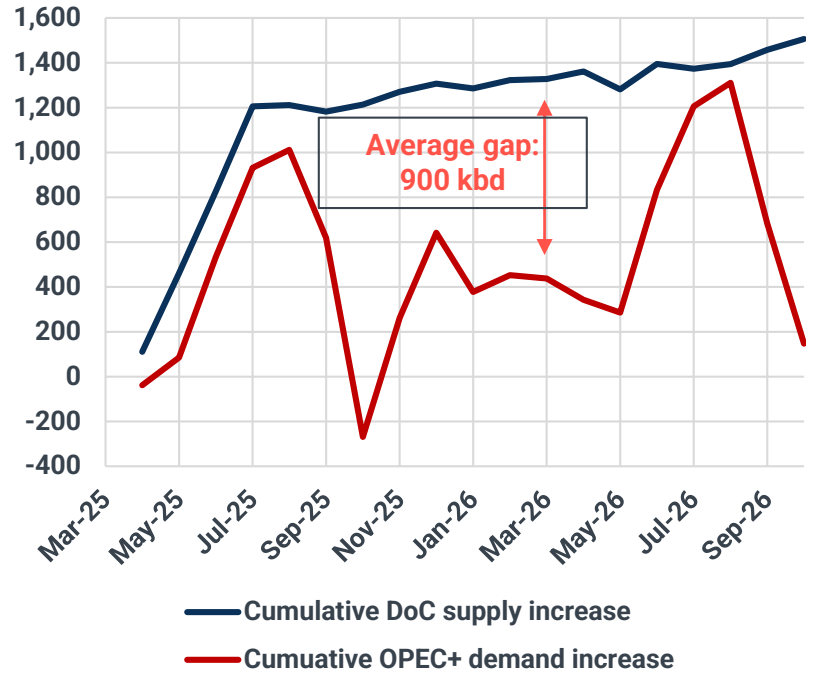
The move comes as OPEC+ domestic demand is set to rise by 1 Mbd by August

OPEC+ crude demand, Mbd



Source: Kpler

Cumulative supply vs cumulative demand, kbd

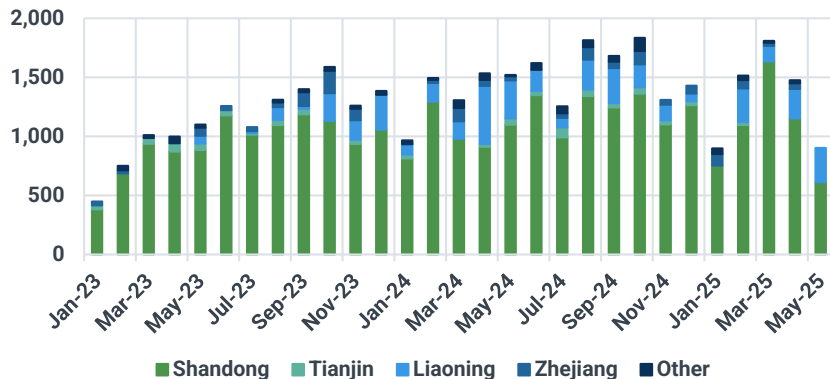


Source: Kpler

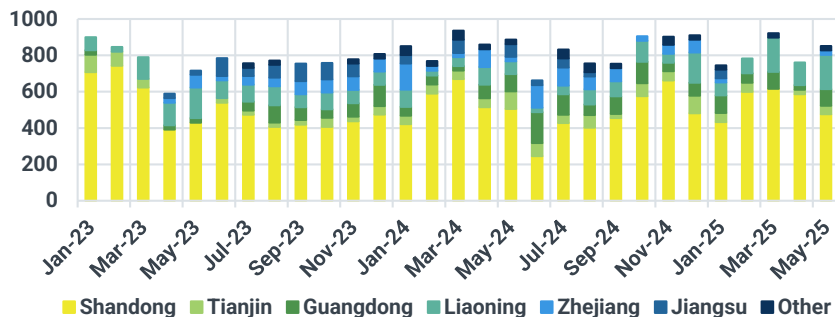
China's Iranian crude buying slows as US sanctions bite

Teapots also scale back ESPO imports; India takes more

China's imports of Iranian crude by destination, kbd

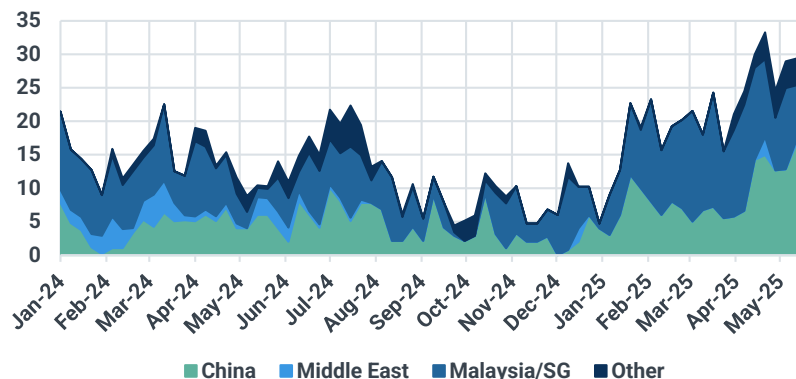


China's imports of ESPO crude by destination, kbd

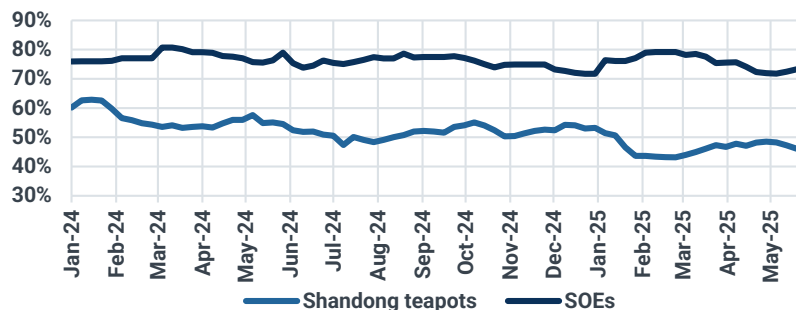


Source: Kpler

Iranian crude floating storage by current location, mb



China's refineries operating rate, %

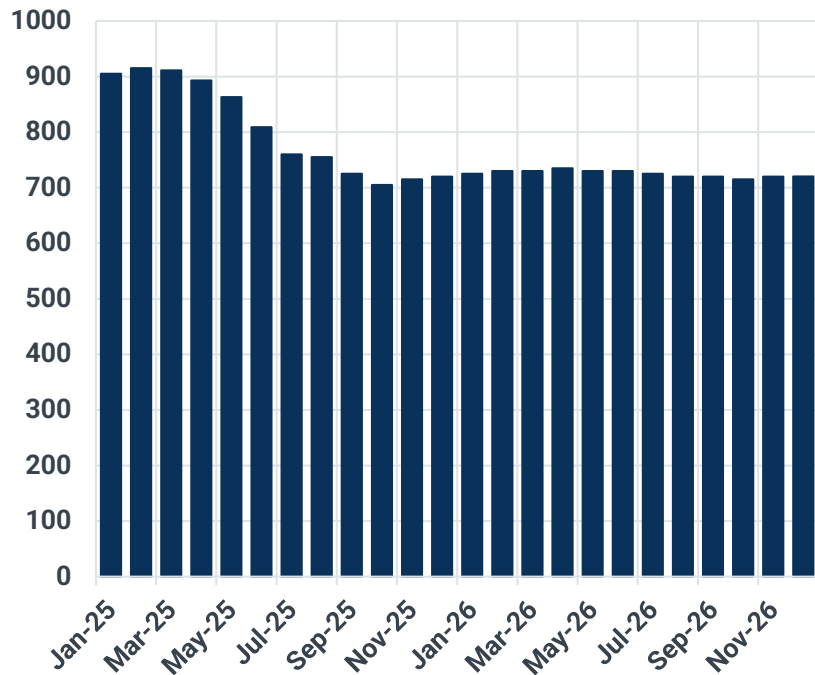


Source: Kpler (top); Oilchem (bottom)

US u-turns on Chevron's waiver to turn heavy sour markets upside down

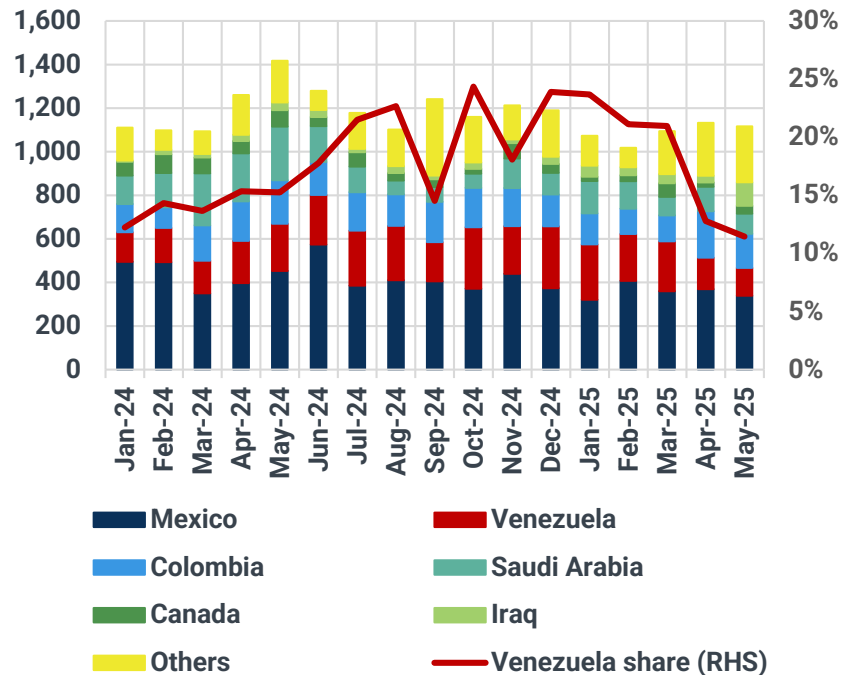
Venezuelan output to drop by 160 kbd by October

Venezuela crude supply, kbd



Source: Kpler

USGC seaborne imports by origin, kbd

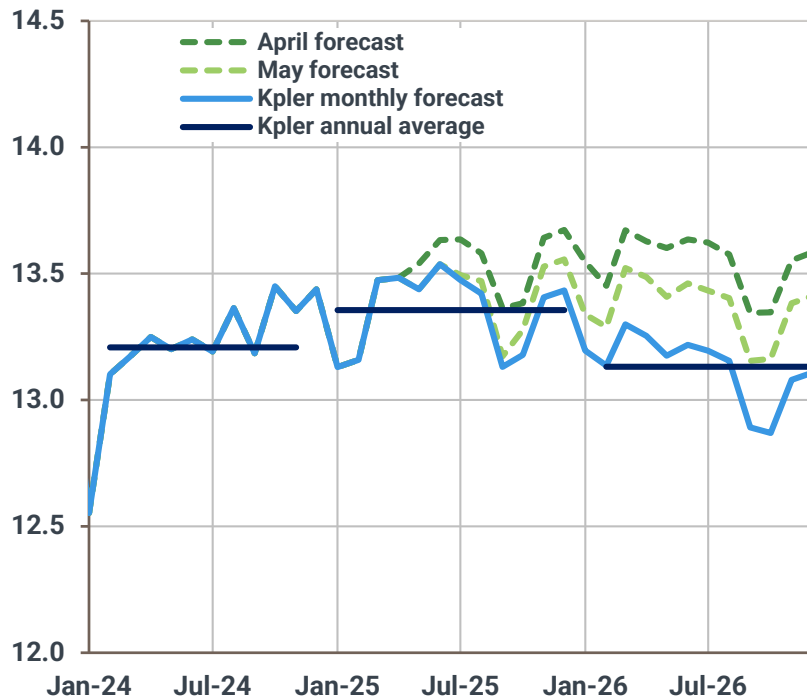


Source: Kpler

US shale activity to come under pressure in Q4

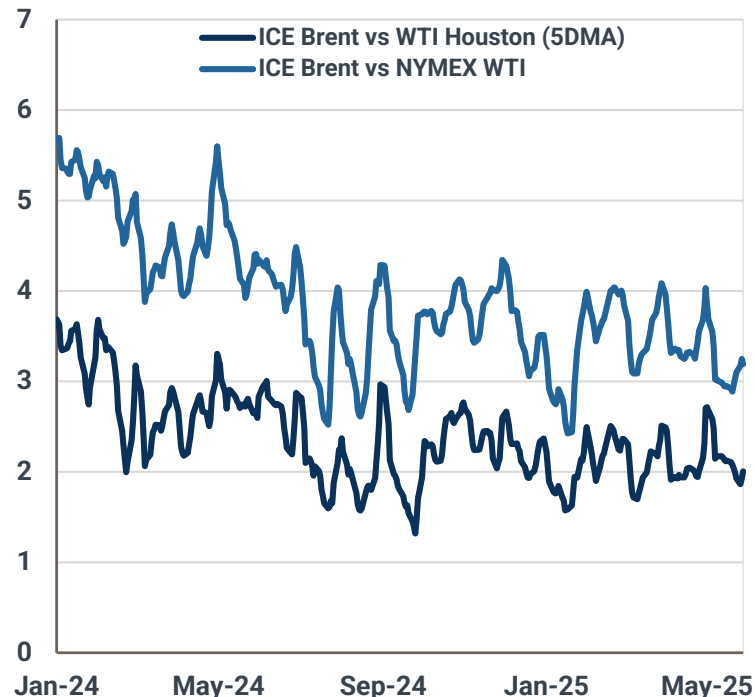
A weaker price outlook has resulted in yet another downward revision to our US supply outlook from Q4 onwards

US crude & condensate supply, Mbd



Source: Kpler

Brent-WTI spread, \$/bbl

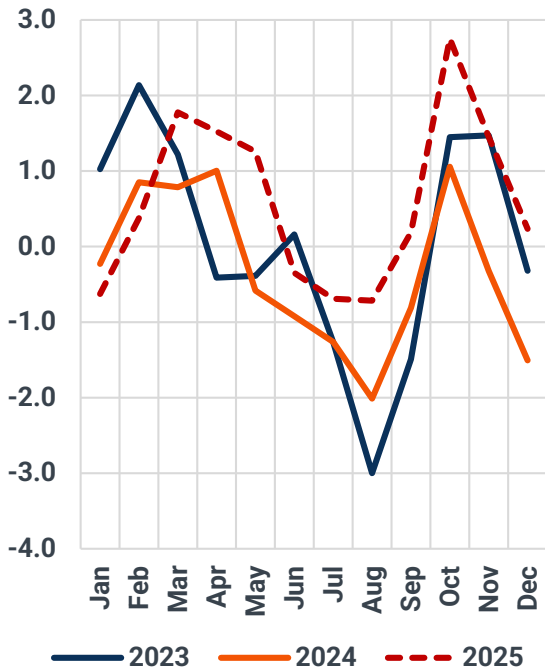


Source: Argus Media

Lengthening balances drive a sharp bearish turn for prices in H2

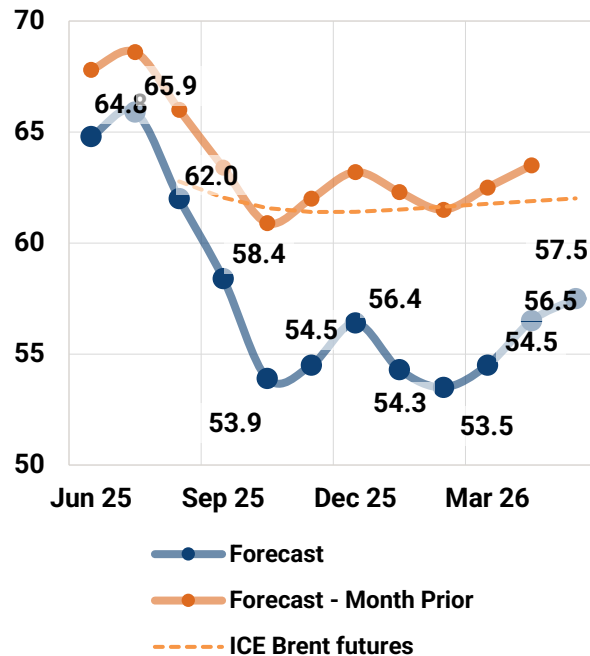
Summer tightness will support prices in the short-term nonetheless

Global crude and condensate balances, Mbd



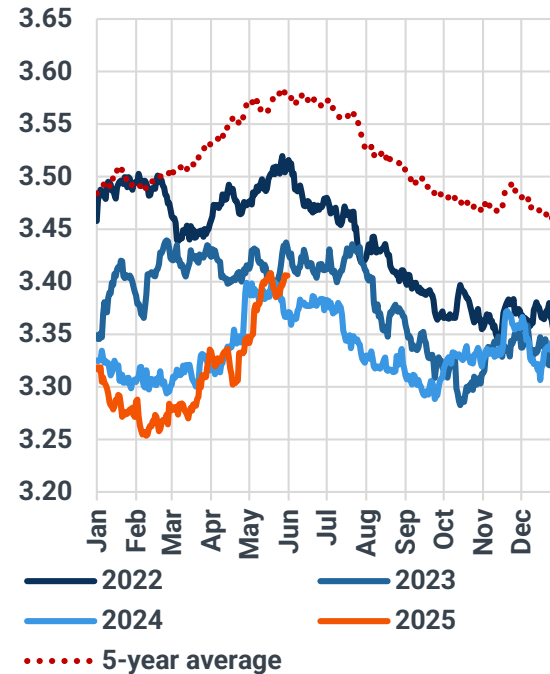
Source: Kpler

Kpler Dated Brent forecast, \$/bbl



Source: Kpler, ICE

Global oil inventories, Mbbls



Source: Kpler

Thank you!

