

kpler | ((▶)) **Live Webinar**

State of play in CPP

Esteban Moreno Cots

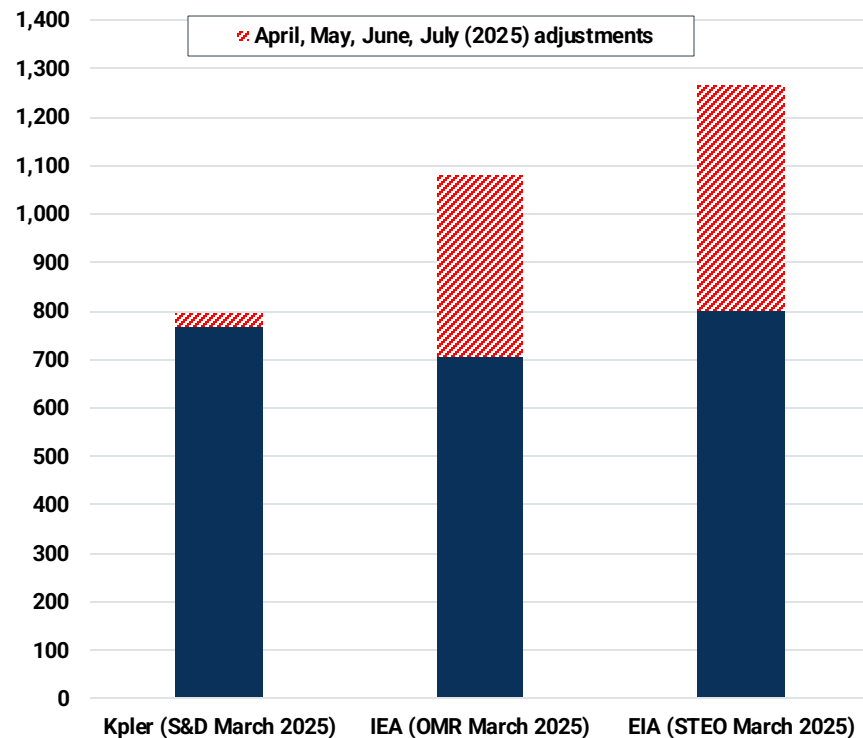
Lead Research Analyst, Refined Products Demand



Following 'Liberation Day', agencies significantly lower liquids demand forecasts

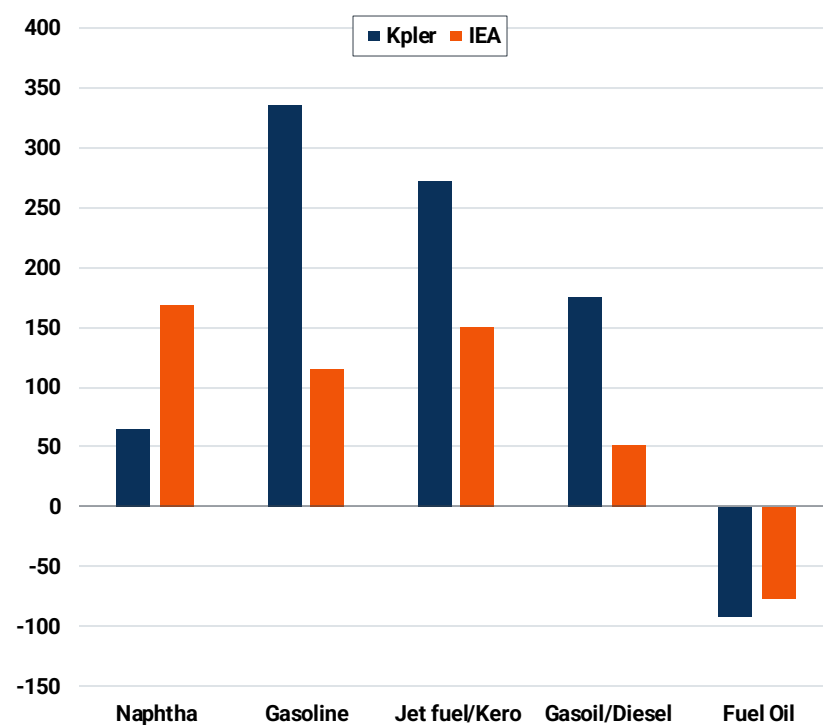
Kpler projects higher transport fuel growth than most, but trade tensions continue to weigh on the broader outlook

World oil demand growth forecasts for 2025, y/y (in kbd)



Source: Kpler, IEA, EIA

Kpler, IEA, 2025 y/y core products demand growth (kbd)

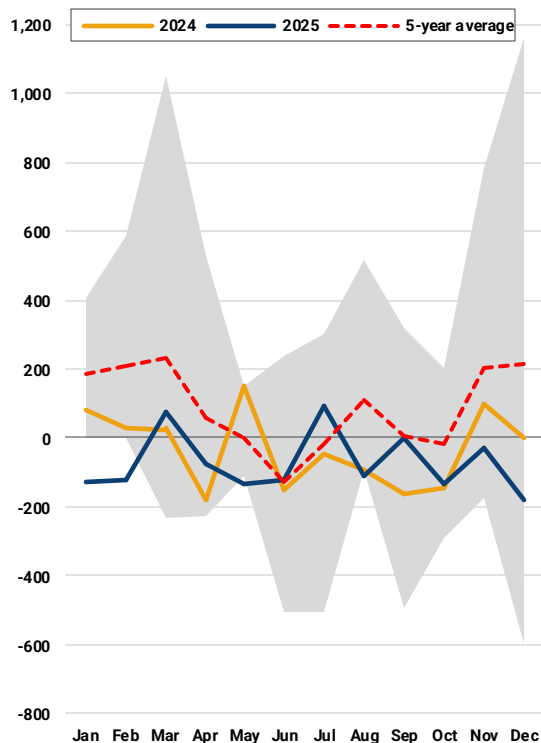


Source: Kpler, IEA

Gasoline to lead demand growth, but the East of Suez disappoints

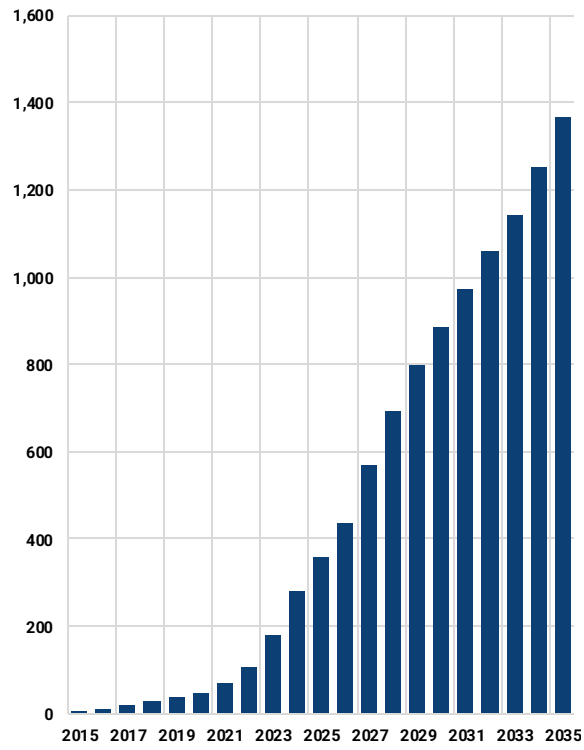
China's rising BEV penetration curbs demand; Indonesia's trade lag leaves regional balances largely unchanged

Asia-Pacific: Gasoline balance (kbd)



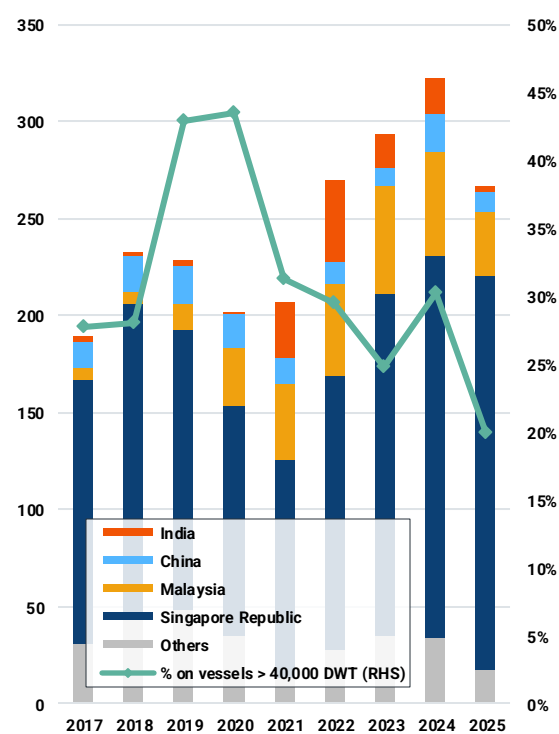
Source: Kpler

Gasoline displacement in China by BEVs (kbd)



Source: Kpler

Indonesian gasoline imports by origin (kbd)

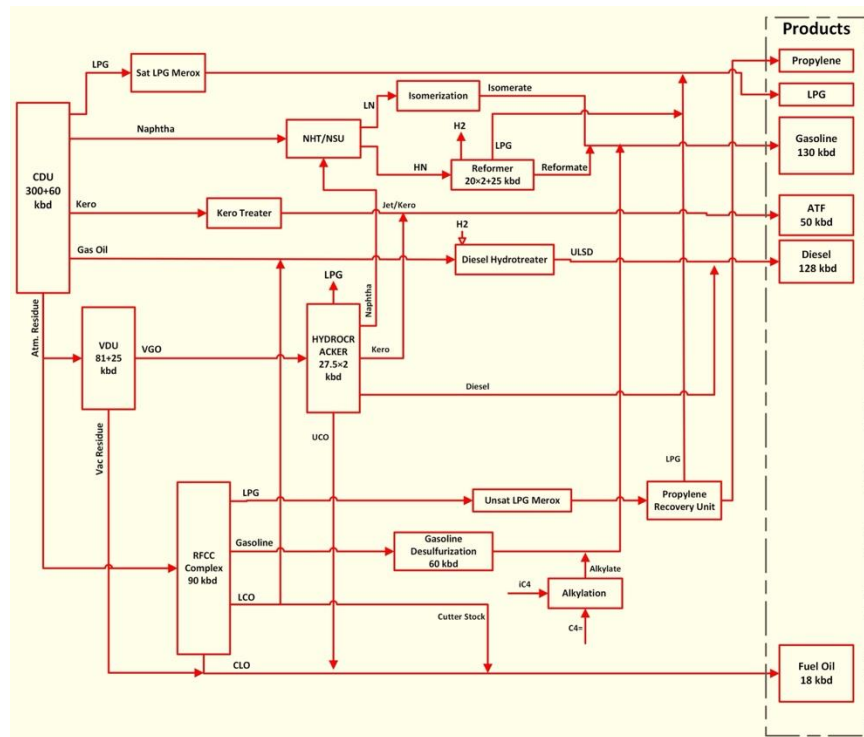


Source: Kpler

Indonesia's Balikpapan refinery upgrade to add up to 100 kbd of gasoline supply

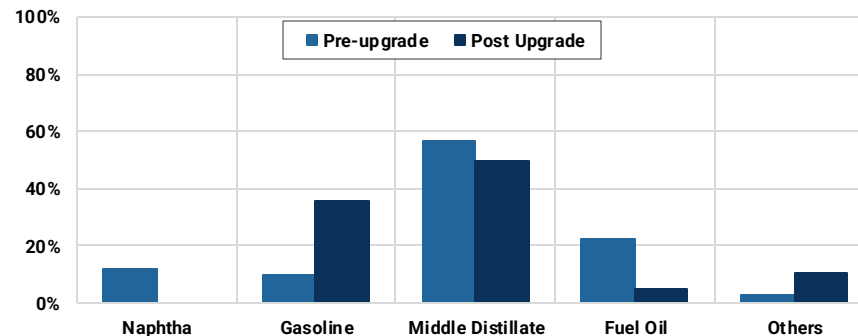
Commissioning in Q4-25 with full ramp-up by Q4-26; project will reduce Indonesia's gasoline and diesel import reliance

Post upgradation refinery scheme and output capacity

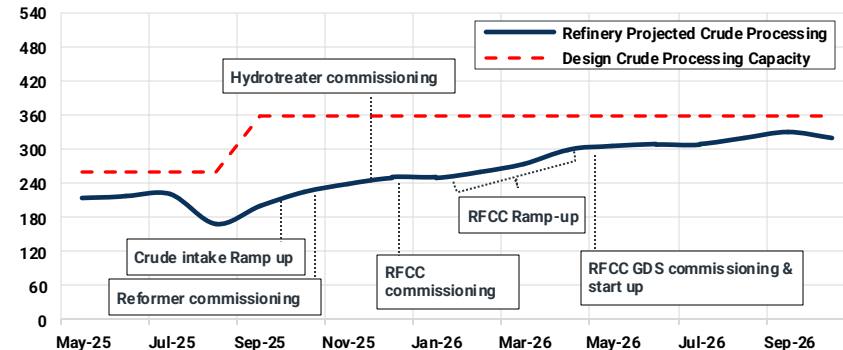


Source: Kpler

Refinery yields, pre vs. post upgrade



Operational readiness and project timeline (kbd)

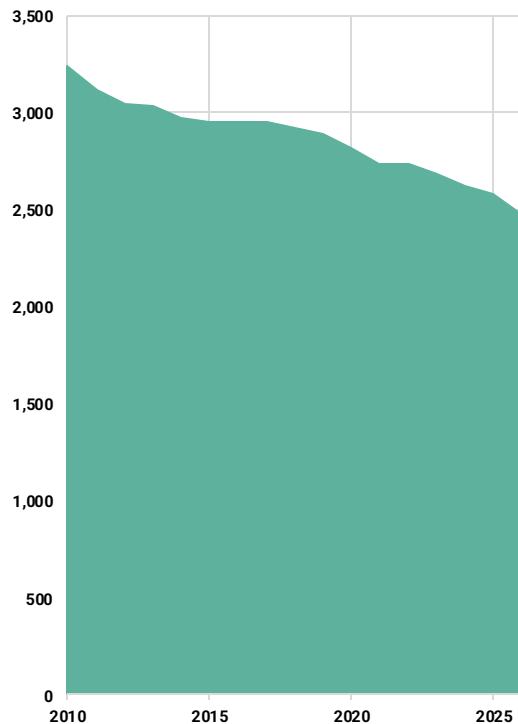


Source: Kpler

Refinery consolidations in PADD 5 to create structural shortfall in gasoline, jet

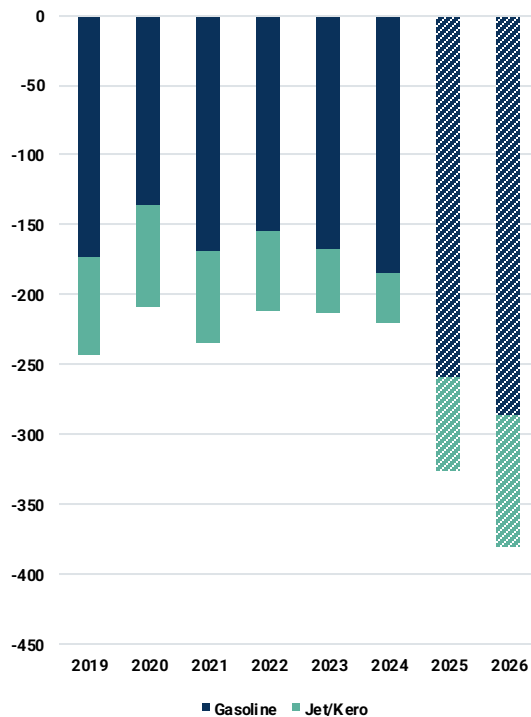
Limited pipeline capacity and Jones Act constraints leave the region reliant on imports, positioning Asia to benefit

PADD 5 Primary distillation capacity (kbd)



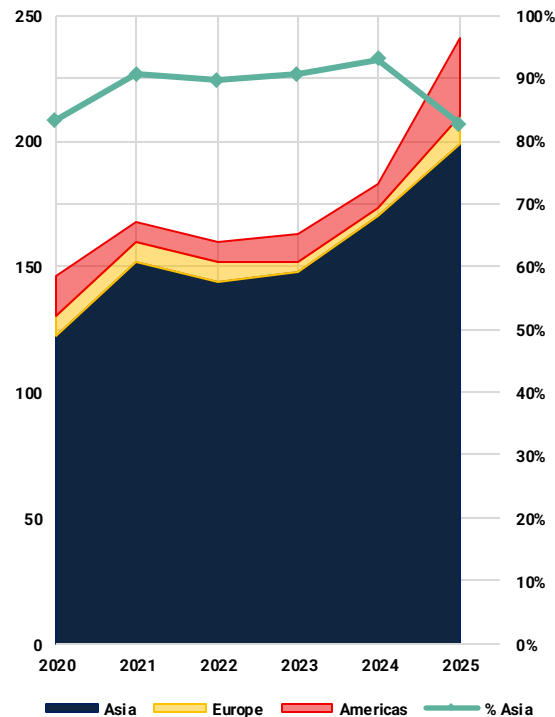
Source: IIR Energy

PADD 5 Gasoline, jet/kerosene balances(kbd)



Source: Kpler

PADD 5 Gasoline, jet imports by origin (kbd)

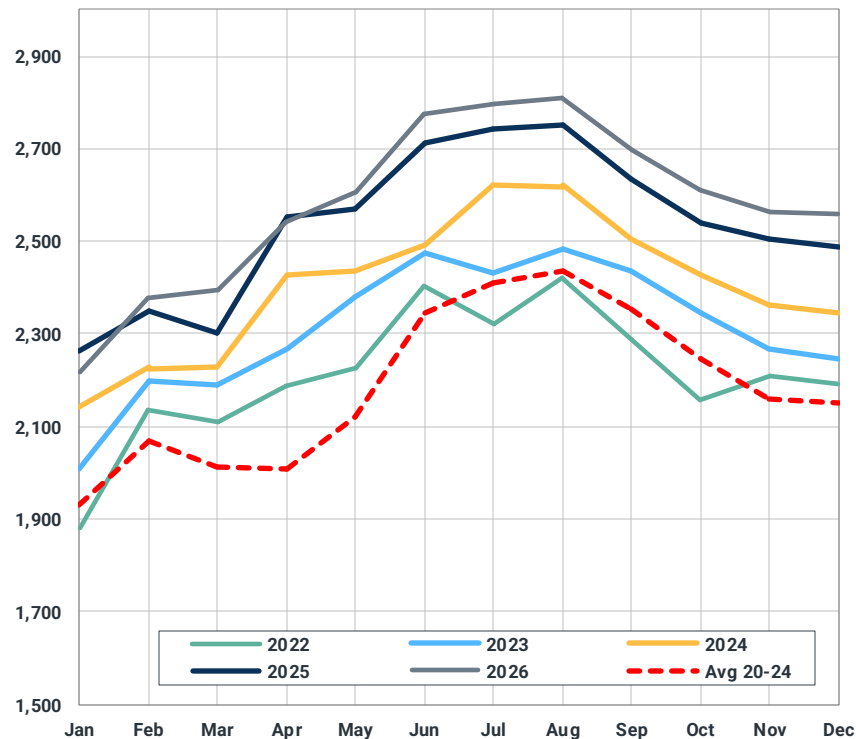


Source: Kpler

Europe leads global gasoline demand growth in 2025

US demand has held up on low retail prices, supporting a more constructive gasoline outlook for the year

Europe: Gasoline demand (kbd)



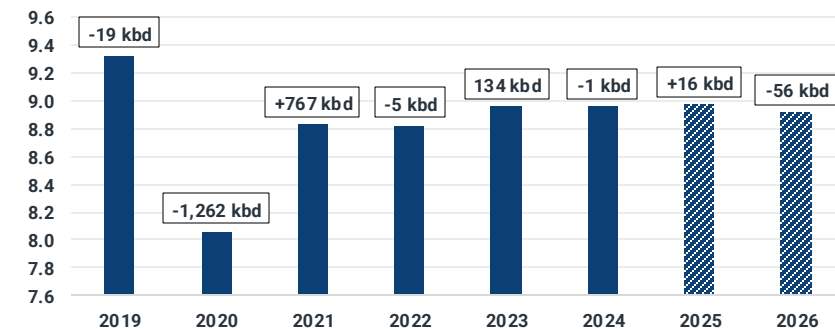
Source: Based on observed monthly statistics, as available. All data from May 2025 onwards is Kpler estimates

US Retail gasoline prices, adjusted for inflation (\$/gallon)



Source: EIA, US Bureau of Labor Statistics

United States: Gasoline demand (kbd, y/y delta)

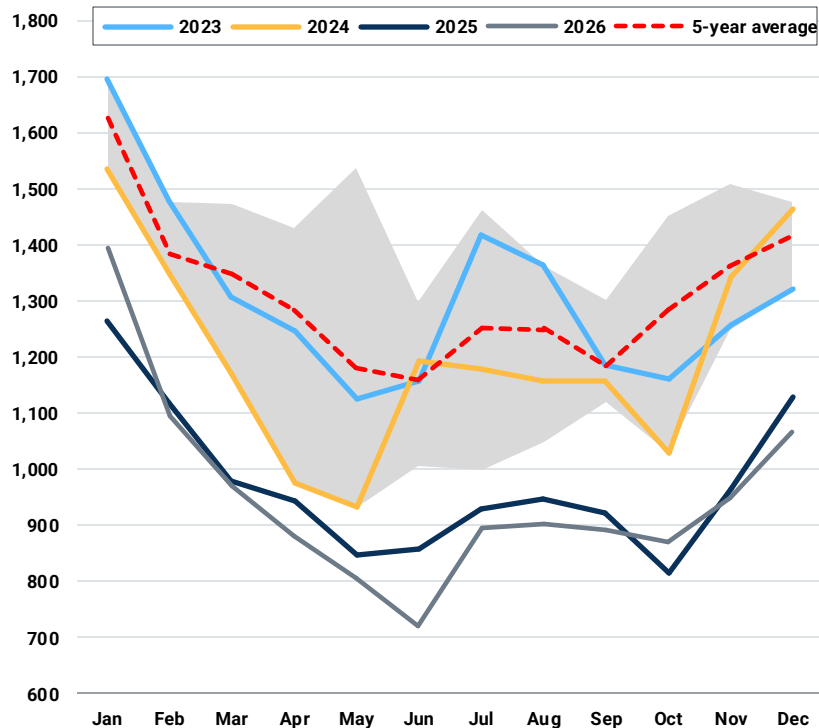


Source: EIA, Kpler forecasts

Demand upside masks a harsher reality: a persistent supply overhang

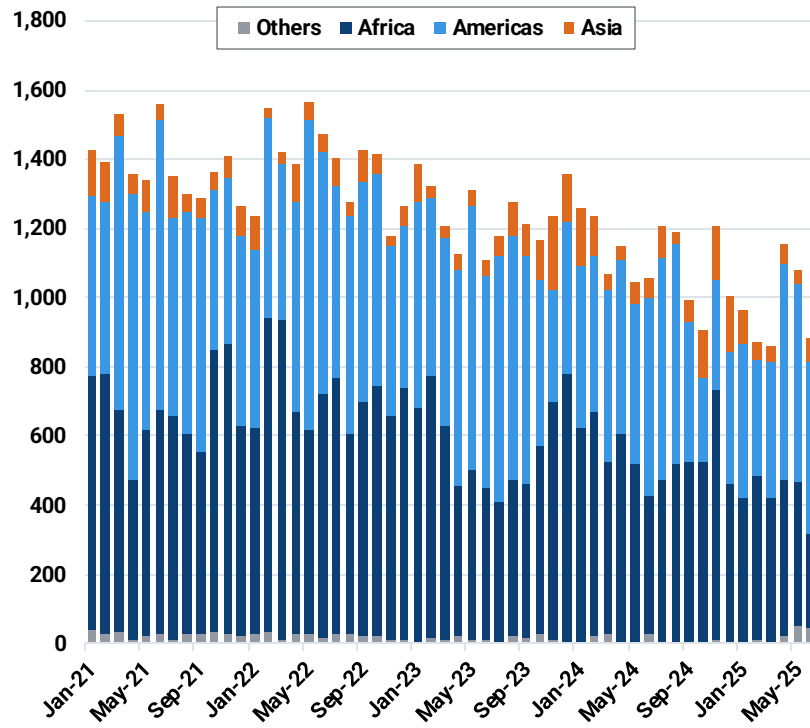
Europe faces declining import demand from key outlets, with little sign of reversal

Europe: Gasoline balance (kbd)



Source: Based on observed monthly statistics, as available. All data from May 2025 onwards is Kpler estimates

European gasoline exports by destination (kbd)

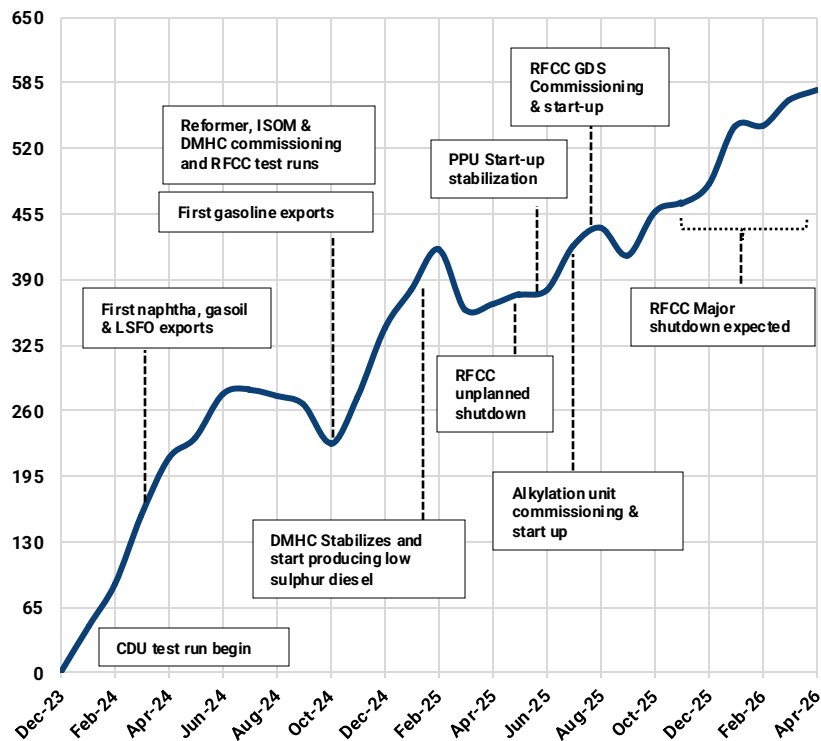


Source: Kpler

Africa angle: Weak Nigerian demand compounded by Dangote ramp-up

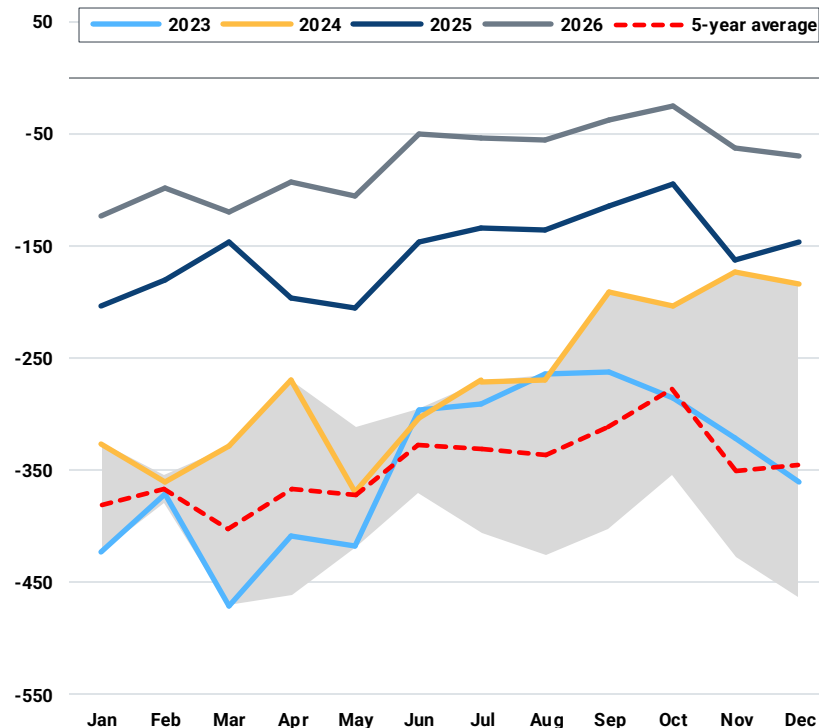
Gasoline exports to West Africa have fallen to a record low, dimming prospects for European suppliers

Dangote refinery crude throughput forecast (kbd)



Source: Kpler

Nigeria: Gasoline balance (kbd)

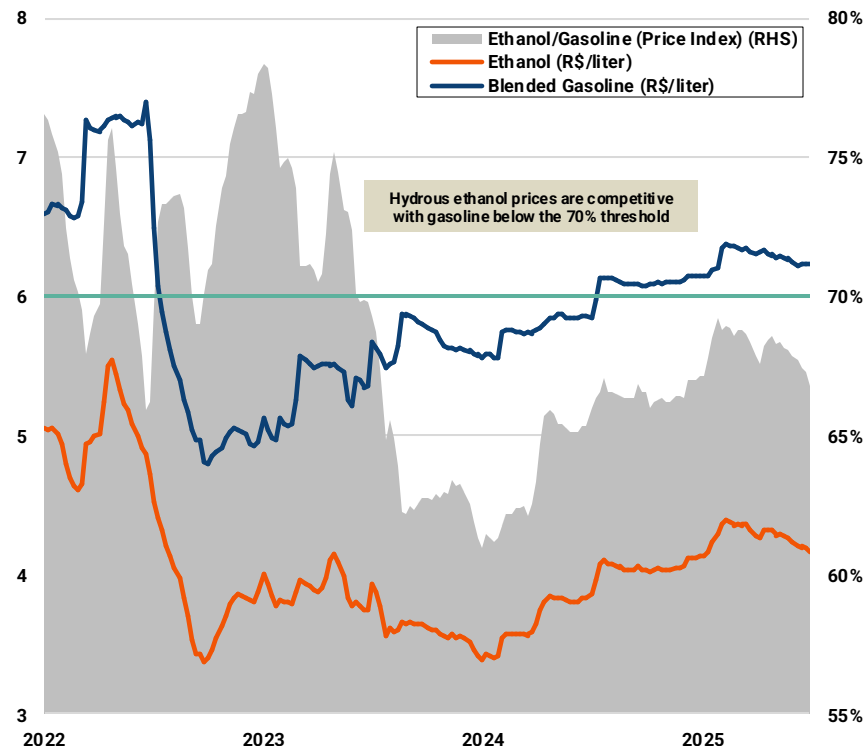


Source: Kpler

Latin America angle: Brazil lifts ethanol blending and turns to Russian imports

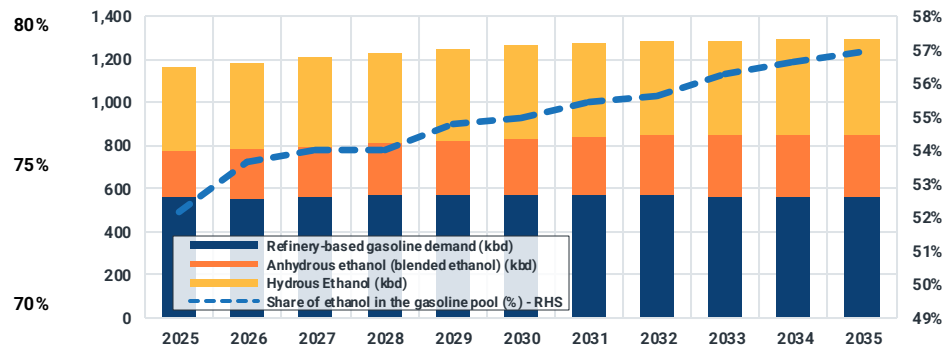
Gasoline demand growth across the rest of LatAm remains low amid muted economic growth and structural problems

Brazil gasoline and ethanol prices (R\$/l)

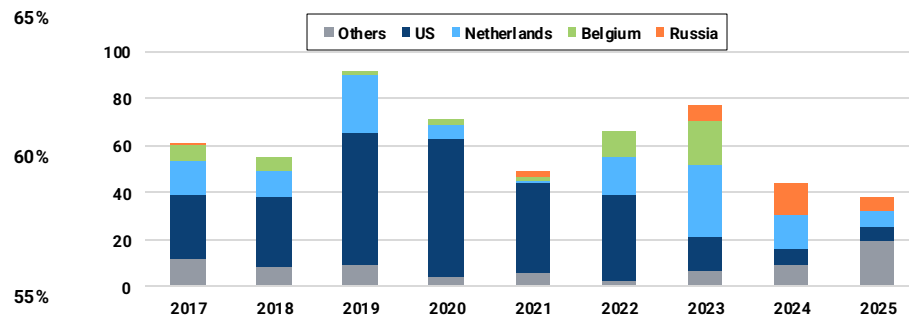


Source: Brazilian National Agency of Petroleum, Natural Gas and Biofuels (ANP)

Brazil gasoline demand forecast (kbd)



Brazil annual gasoline imports by origin country (kbd)

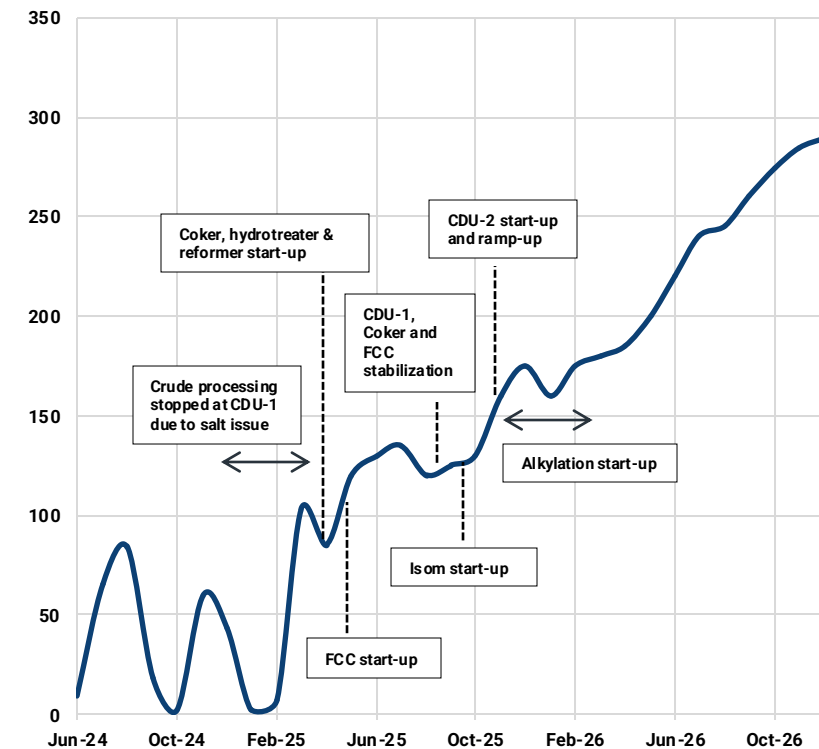


Source: Kpler

Mexico: Demand disappoints as Dos Bocas set to ramp up operations

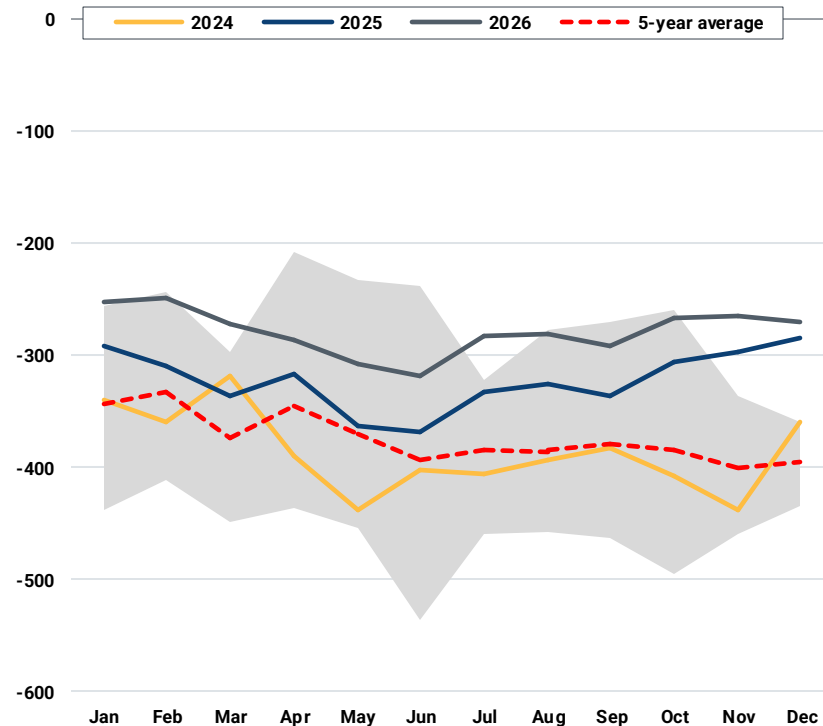
Once operational issues are resolved, Dos Bocas could add up to 300 kbd of distillates, cutting US import reliance

Dos Bocas refinery estimated ramp-up sequence (kbd)



Source: Kpler

Mexico: Gasoline balance (kbd)

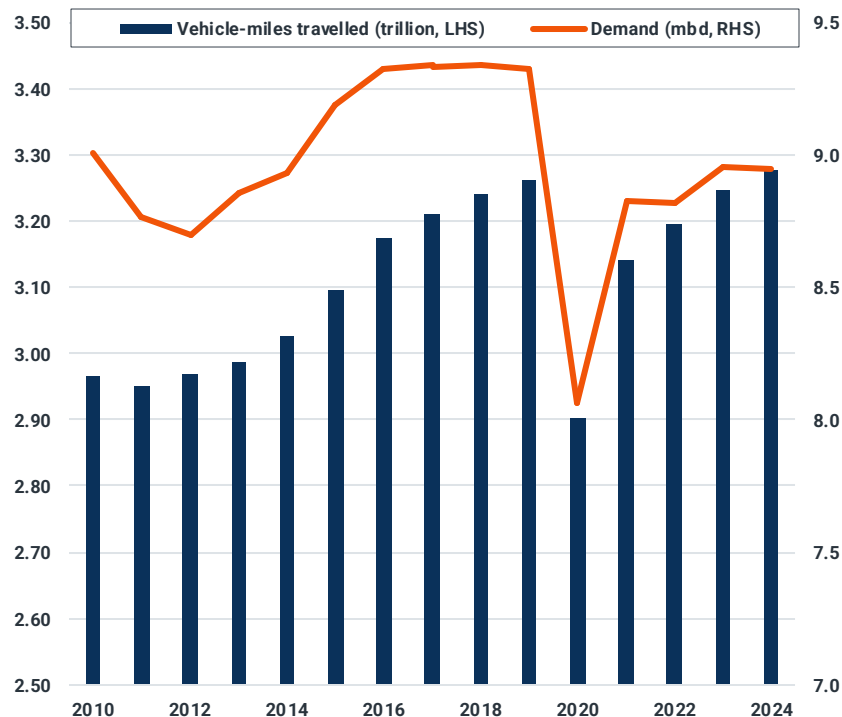


Source: Based on observed monthly statistics, as available. All data from April 2025 onwards is Kpler estimates

Atlantic Basin strength rests solely on US demand, a fragile foundation

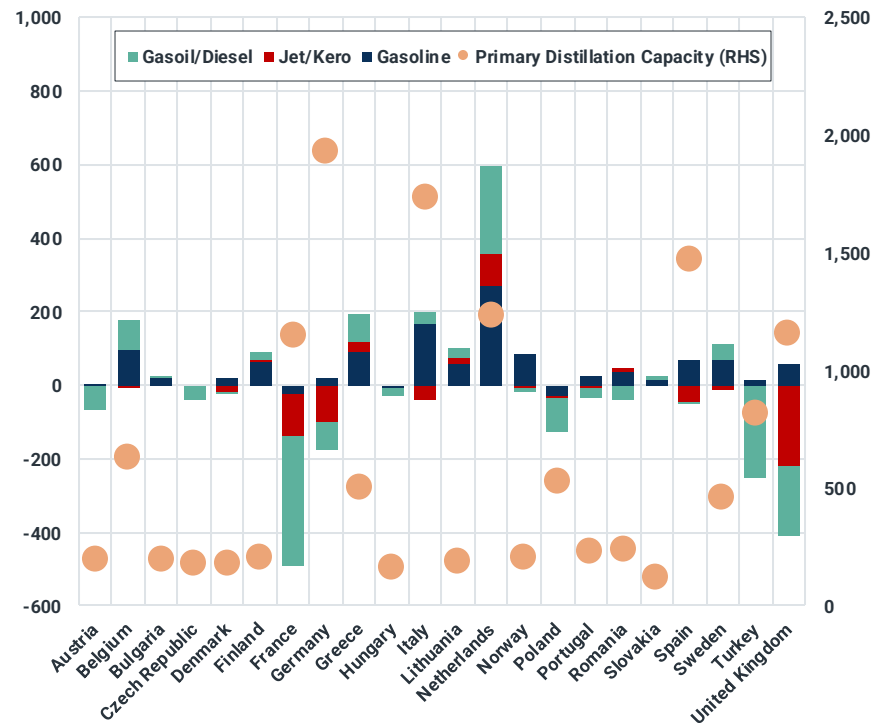
Despite record traffic, fuel economy gains have kept gasoline demand below pre-COVID levels in the US

US vehicles-miles travelled versus gasoline demand



Source: US Federal Highway Administration, EIA

2025 selected product balances and refinery capacity, kbd

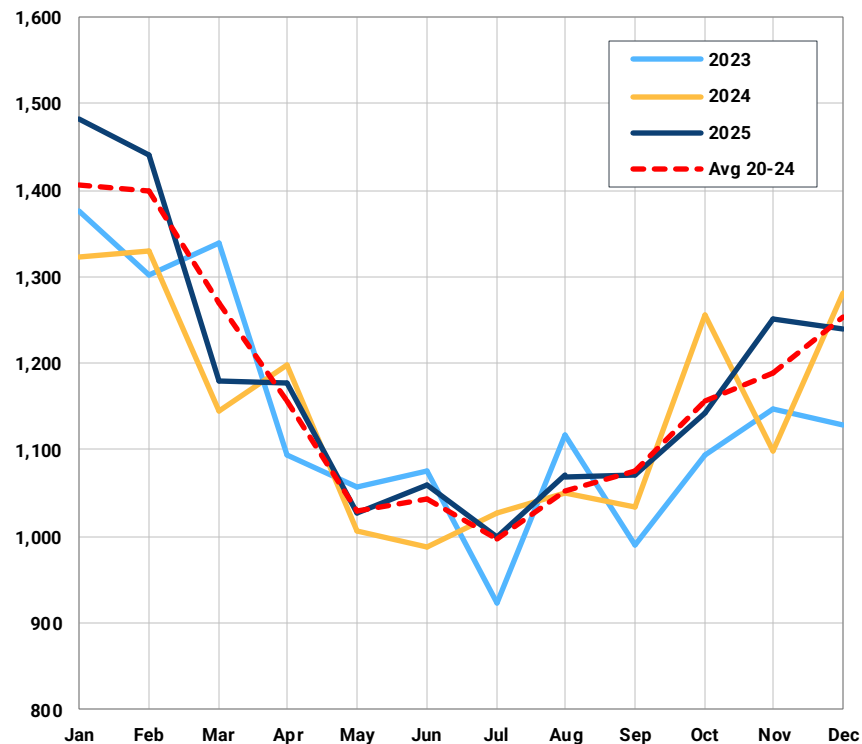


Source: Kpler

Global gasoil/diesel demand growth improved in Q1, but caution is warranted

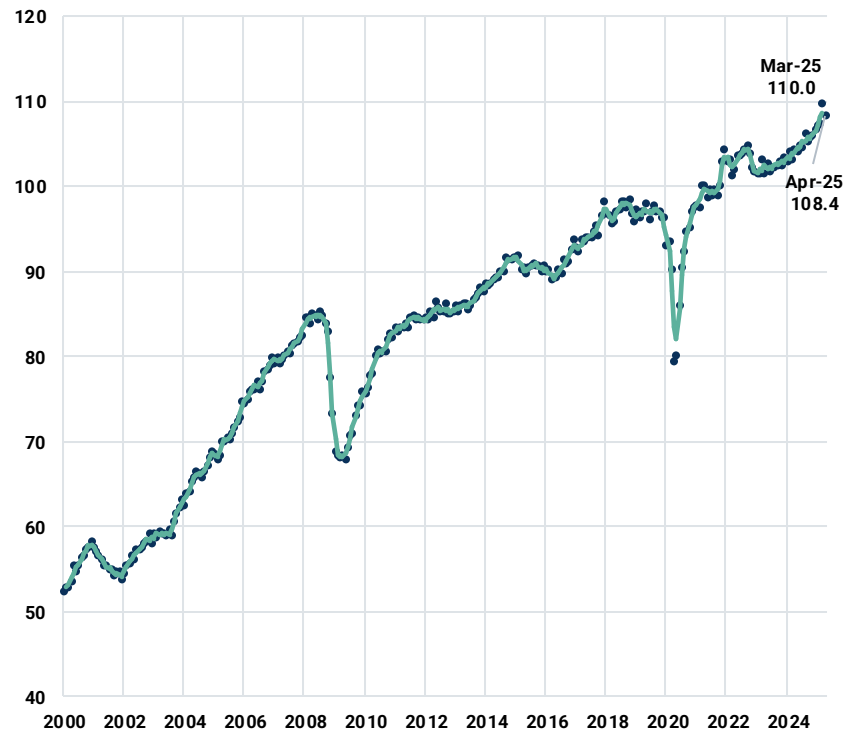
A cold winter and pre-tariff trade gains supported growth, but tariffs are now weighing heavily on global demand

PADD 1: Gasoil/Diesel demand (kbd)



Source: EIA until April 2025, Kpler forecasts

World trade volume (base 100 = 2021, monthly and 3MCA)

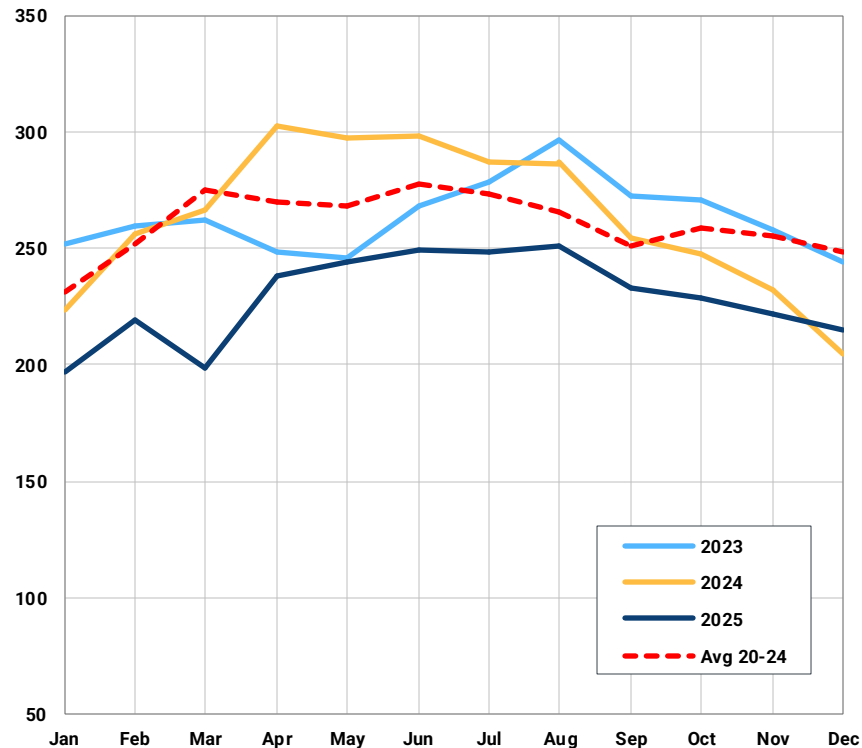


Source: Netherlands Bureau for Economic Policy Analysis, World Trade Monitor

Tariff-affected countries point to notable demand declines in Q2

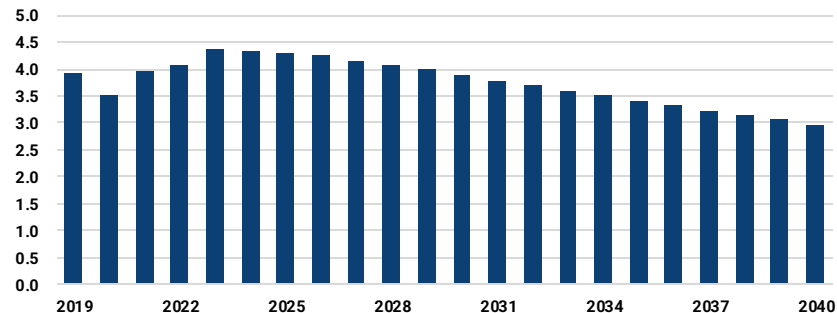
China, Japan, SK, the US, and Mexico lead the slowdown; Europe remains weak, and India's growth has moderated

Mexico: Gasoil/Diesel demand (kbd)



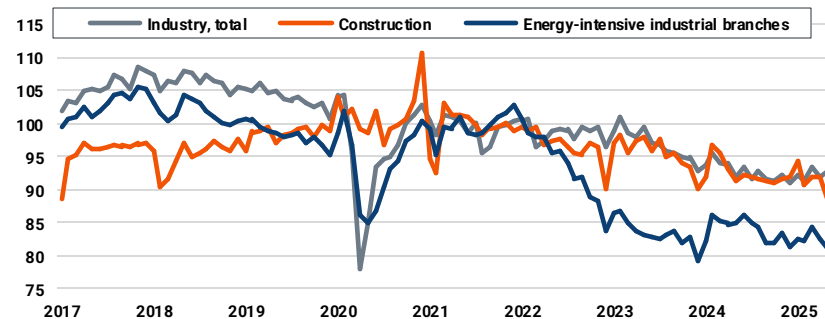
Source: Based on observed monthly statistics, as available. All data from April 2025 onwards is Kpler estimates

China: Gasoil/Diesel demand (mbd)



Source: Historical estimated based on supply, stock changes, net flows, blending assumptions. Data from June 2025 onwards are Kpler estimates

Germany industrial production (index base 2021=100)

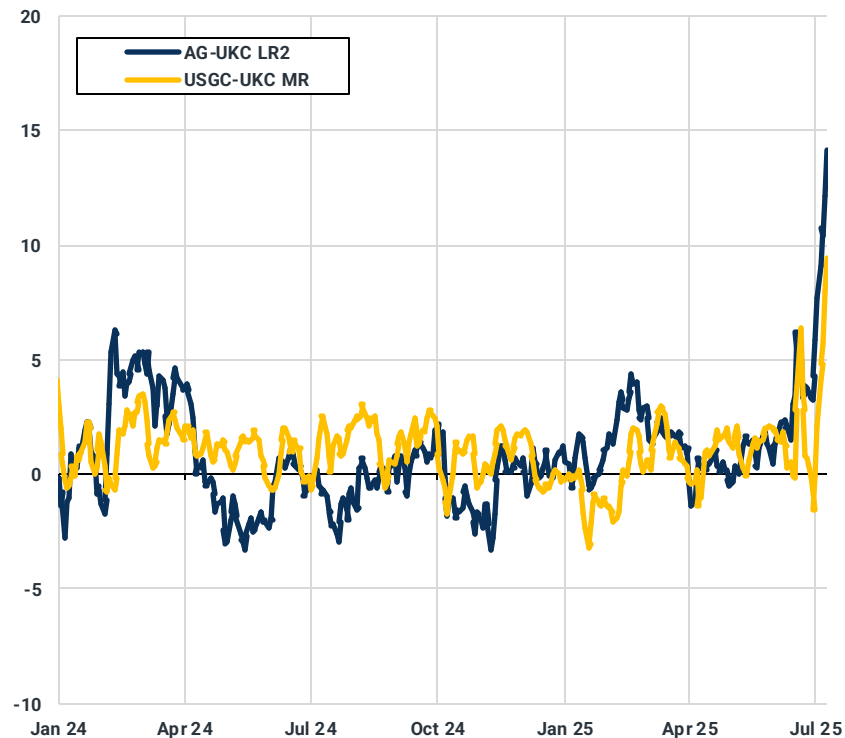


Source: German Federal Statistics Office

Diesel crack strength of late driven by closed arbs and low inventories

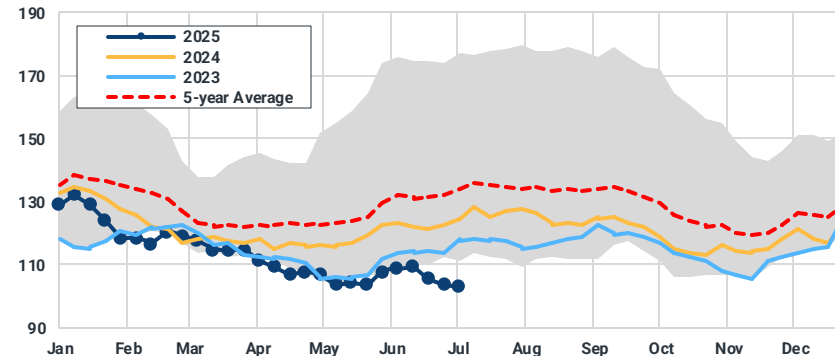
However, fundamentals are softening, with arbs to Northwest Europe opening from both sides

Arbitrage to NWE gasoil incentives 3DMA (\$/bbl)

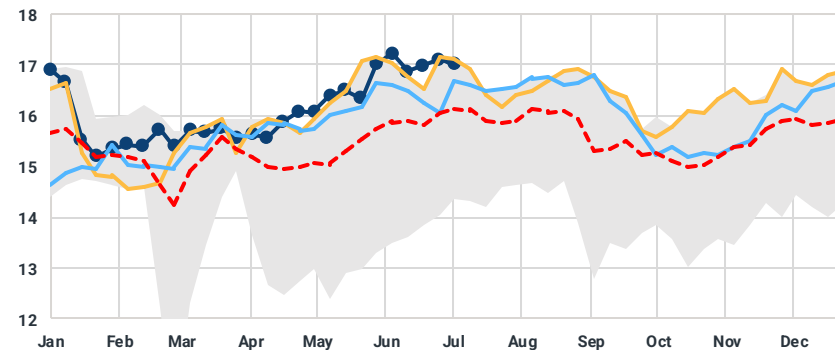


Source: Kpler calculations using Argus Media pricing

US: Weekly diesel inventories (mb)



US: Weekly crude intake (mbd)

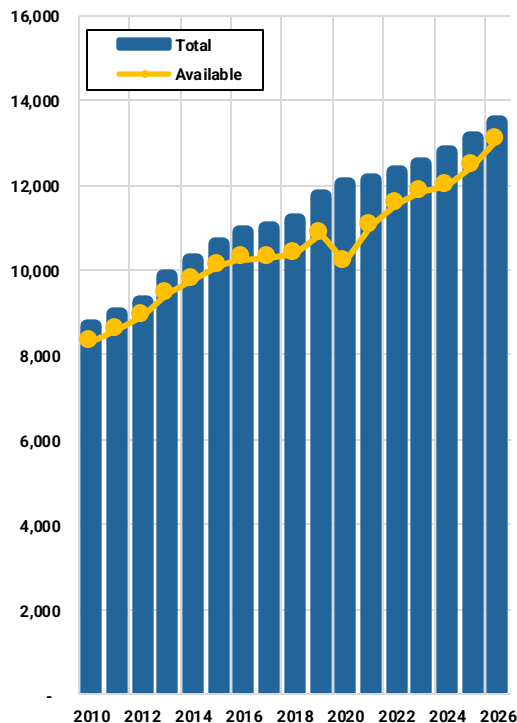


Source: EIA

Jet/Kero: Supply-side pressures limit constructive outlook

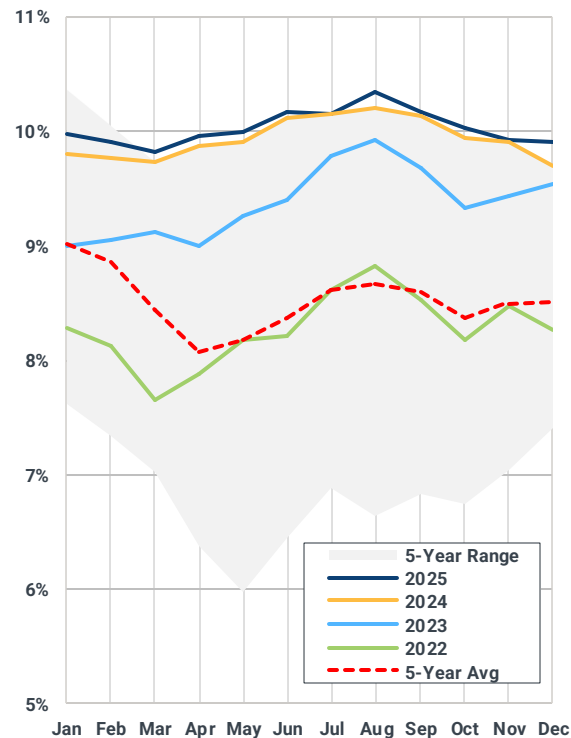
Structural supply growth continues, while tariffs weigh on global economic and demand growth prospects

Hydrocracker capacity (kbd)



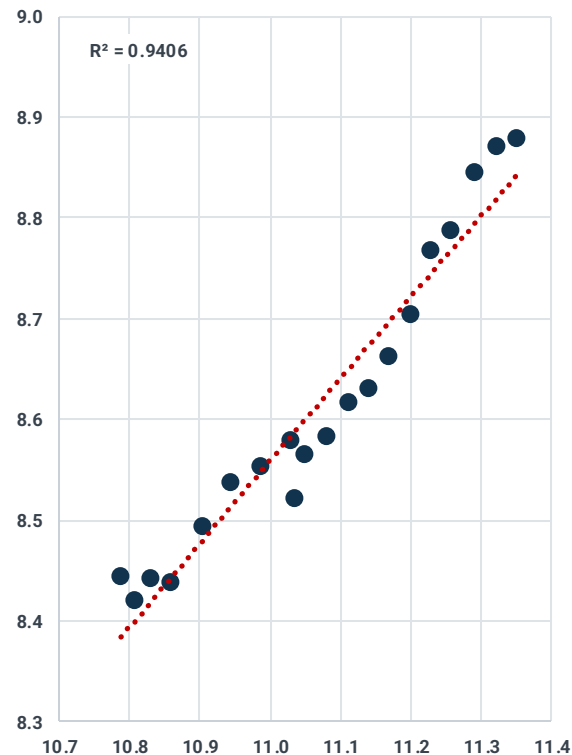
Source: Kpler

Global refinery jet yields (%)



Source: Kpler

Jet demand vs global GDP (2000-2019)

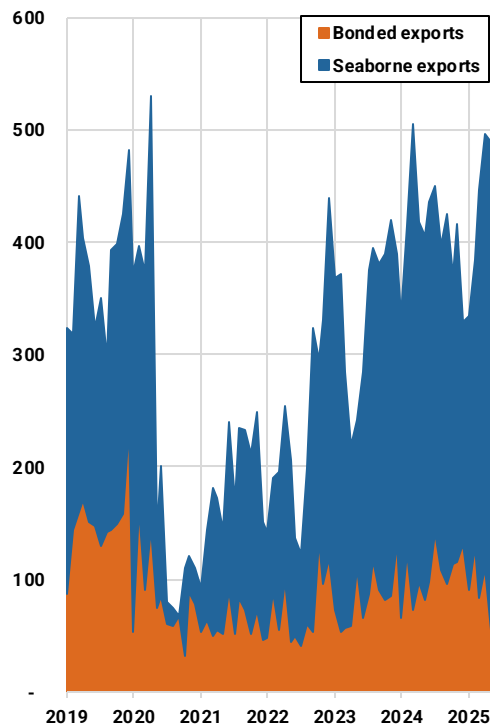


Source: Kpler

Structurally high Chinese jet exports limit upside potential

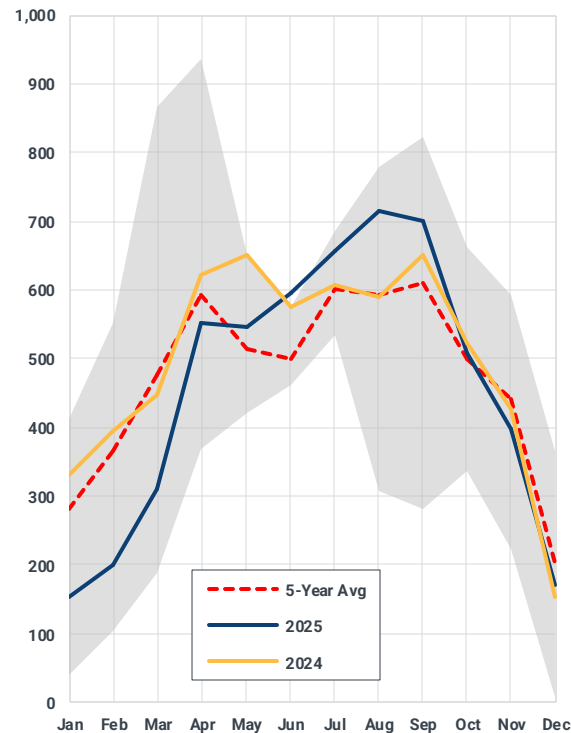
Seasonal tightness in Japan during winter and robust transpacific flows fall short of easing the supply overhang

Chinese jet/kero exports by route (kbd)



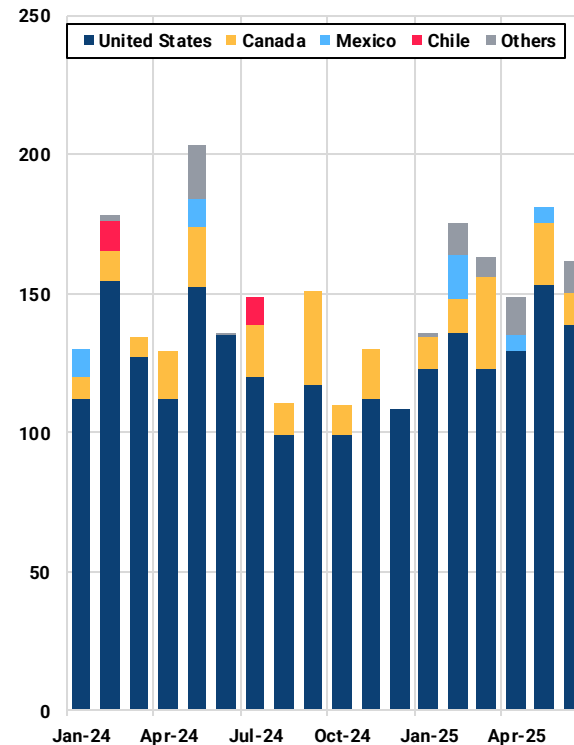
Source: Kpler using PRC General Administration of Customs data, Kpler flows data

Asia: Jet/Kero balance (kbd)



Source: Observed monthly statistics, as available. Data from May-25 onwards is Kpler forecast

APAC Jet/Kero exports to Americas (kbd)

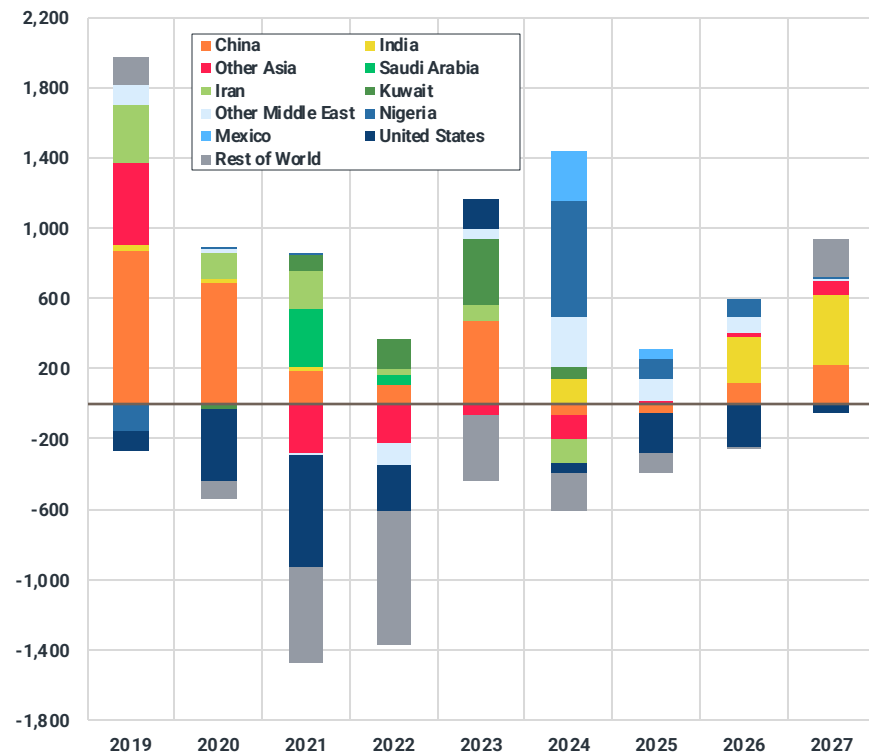


Source: Kpler

Despite soft demand, supply hiccups keep dist. fundamentals constructive

The slow ramp-up of new mega-refineries is struggling to offset the 765 kbd of CDU capacity slated for closure

World: Primary refining capacity additions (kbd)

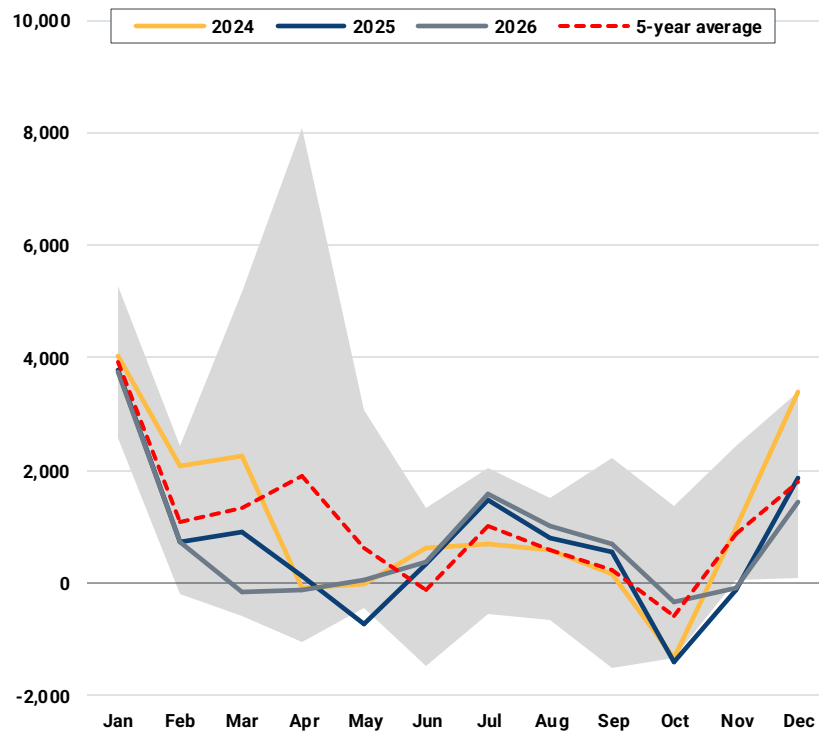


Source: Kpler

Note: Annual growth is based on average monthly figures to account for projects that come online early or late in a given year.

Copyright © 2014 – 2025 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.

World: Core refined products balance (kbd)



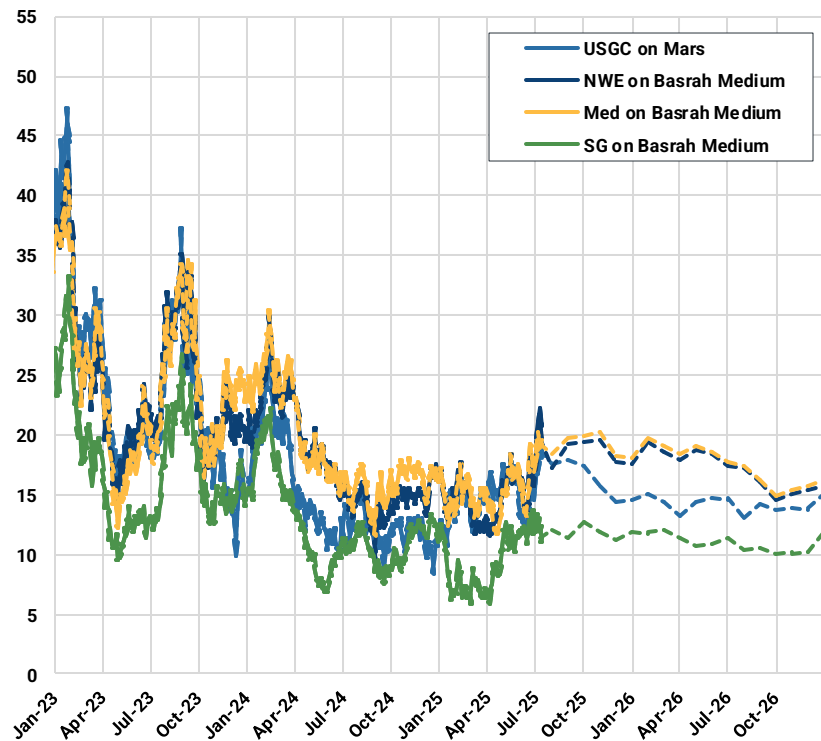
Source: Kpler

Data from May 2025 onwards are Kpler estimates.

Refining margins outlook: Capitalizing on a narrowing window

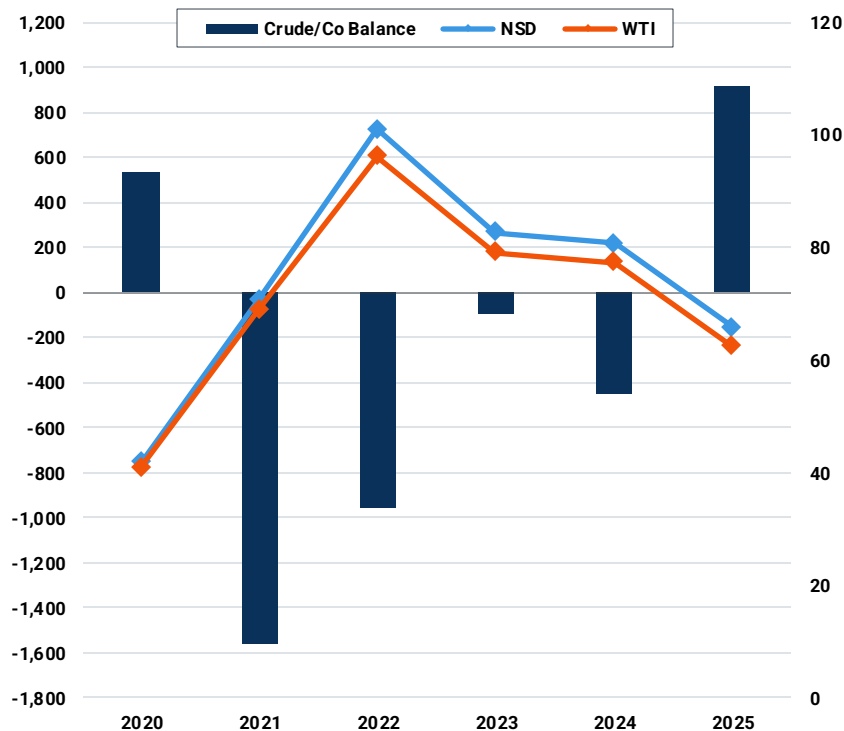
Margins are expected to track or exceed last year's levels, with meaningful pressure likely from late 2026

Full Conversion Coker GRM (\$/bbl)



Source: Kpler, Argus Media

Crude/Co balance (kbd, LHS), oil price benchmarks (\$/bbl)

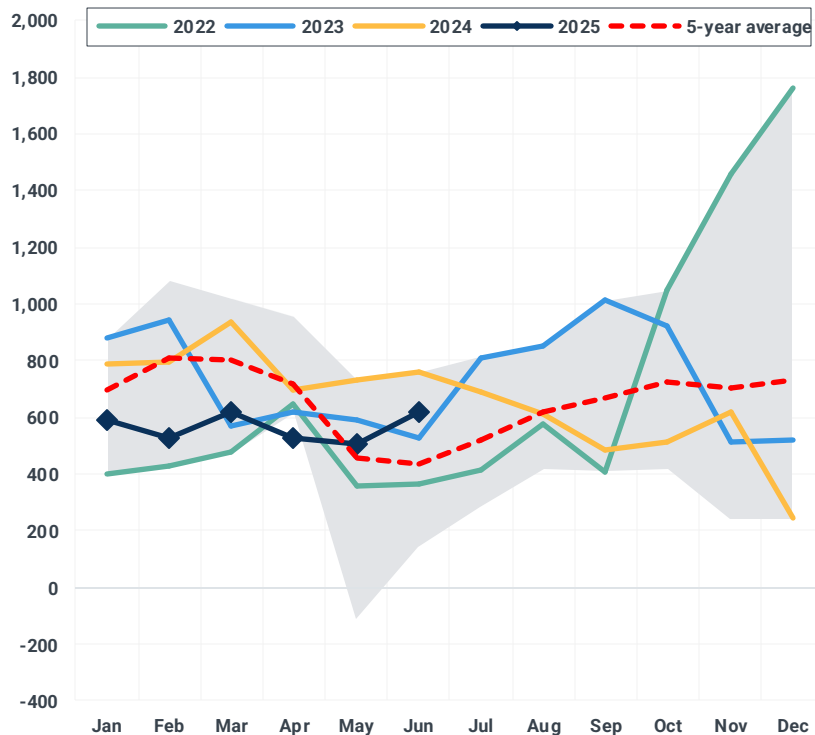


Source: Kpler

Two wildcards could shift the outlook: China and Russia

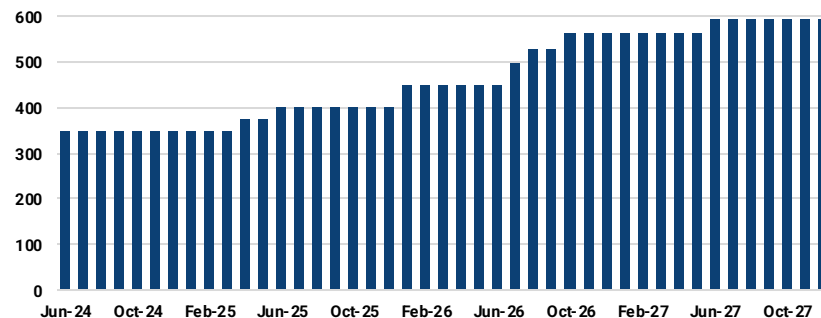
A sharp decline in China's transport fuel demand could prompt a surge in exports, but such a shift remains unlikely

Chinese exports of gasoline, gasoil/diesel, jet/kero (kbd)

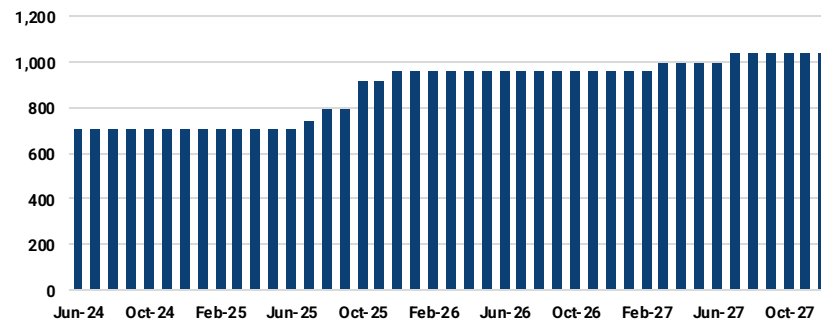


Source: Kpler

Russia total coking capacity (kbd)



Russia total hydrocracking capacity (kbd)



Source: Kpler

Kpler S&Ds products are fueled by proprietary data, includes long term balances and price forecasts



Crude & Condensate

100+

Regions & countries

2017

Historical database begins

18

Month price & balance forecasts

50+

Price forecasts



Refined products

6

Clean & dirty products

2017

Historical database begins

18

Month price and balance forecasts

50+

Price forecasts



LNG

30+

regions & countries

20+

LNG liquefaction plants tracked

18

month price & balance forecasts



Natural gas

20+

U.S. nat gas forecasts

10+

EU-27 Nat gas forecasts

2

Price forecasts

18

Month forecasts



Biofuels

18 month

balance forecasts

FAME

product coverage

HVO

product coverage

SAF

product coverage

ETOH

product coverage



Grains

7

Regions & countries

6

Months forecast

4

Products in scope

kpler

Live Webinar

Q&A



Kpler Pulse

The Americas Series



((▶)) Live Webinars

ENGLISH | ESPAÑOL | PORTUGUÊS

Navigating U.S. trade policy:

**Impacts on
container shipping
and port activity**

On demand

Global market analysis:

**State of play
in CPP**

Date: July 17 + Aug 19

Navigating sanctions compliance:

**The full story on
vessels, cargo, and
future risk predictions**

Dates: July 22 + 23

Weather, risk, regional drivers:

**Asian LNG demand
summer 2025
outlook**

Dates: July 29 + 30