



Refined Products S&D Outlook

Sumit Ritolia – Senior Oil Refining Analyst

Esteban Moreno Cots - Senior Demand Analyst



Global commodity supply & demand

Refined product supply and demand data powered by Kpler's market leading trade flow solution

Overview ← Reset all

Supply & Demand – Naphtha | 8 Jan 2025

Overview Metrics Datasets

Products: Naphtha

Locations: Japan, South Korea, Taiwan

Supply & Demand – Naphtha (kbd)

	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025
Supply	1,254	1,280	1,138	1,273	1,176	1,121	1,145	1,169	1,197	1,186	1,133	1,134	1,189	1,207	1,199	1,223	1,187	1,119	1,101	1,147
Demand	2,215	2,246	1,993	2,140	2,064	2,038	1,961	2,083	2,093	2,089	2,181	2,217	2,181	2,184	2,102	2,040	1,973	1,917	2,004	2,049
Net balance	-961	-965	-855	-867	-888	-917	-816	-914	-896	-903	-1,048	-1,083	-991	-978	-903	-817	-786	-798	-903	-902
Net exports	-1,064	-975	-1,089	-1,077	-1,030	-1,035	-1,038	-1,029	-1,042	-982	-1,031	-990	-	-	-	-	-	-	-	-
Other changes	103	9	234	210	142	118	222	116	146	79	-16	-93	-	-	-	-	-	-	-	-

Changes versus previous update

Supply (MtM): +54.8 kbd (+5%)

Demand (MtM): -36.7 kbd (-2%)

Net balance (MtM): +91.5 kbd (+8%)

Japan, South Korea, Taiwan net balance (kbd)

Insight

Research Updates Reports

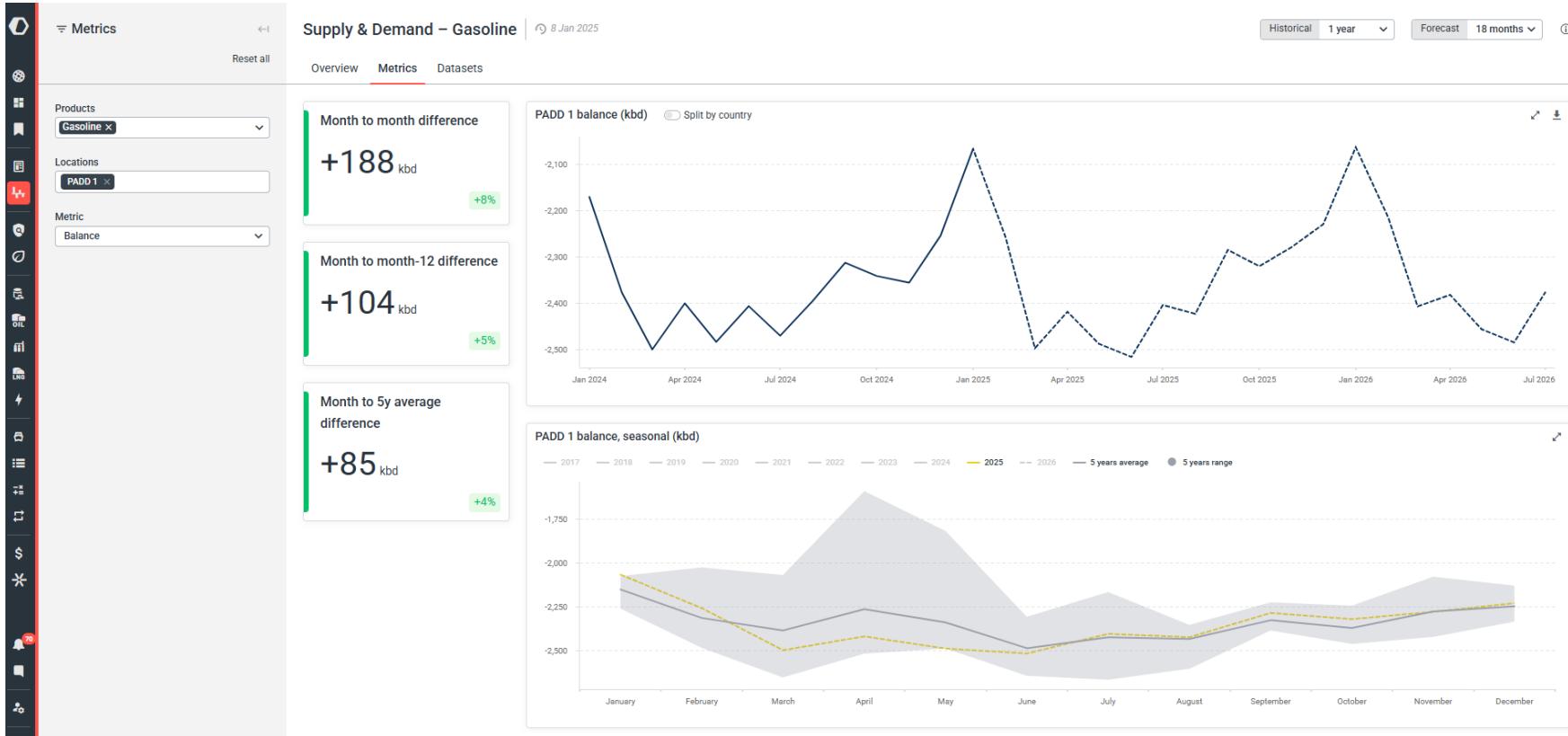
Research update • 16 Jan 02:33 Naphtha cracks will recover over H2 January after bruising start to the year The current weakness in naphtha cracks is overdone and partly linked to the lag between crude and product markets....

Research update • 27 Nov 2024 Asian butadiene prices plummet, weighing on naphtha cracking margins Falling butadiene prices and rising Chinese capacity will help cap Asian naphtha cracking margins, despite...

Research update • 22 Nov 2024 NWE refiners set to increase kerosene yields

Seasonal charts, PADD split available, downloadable dataset and much more...

3

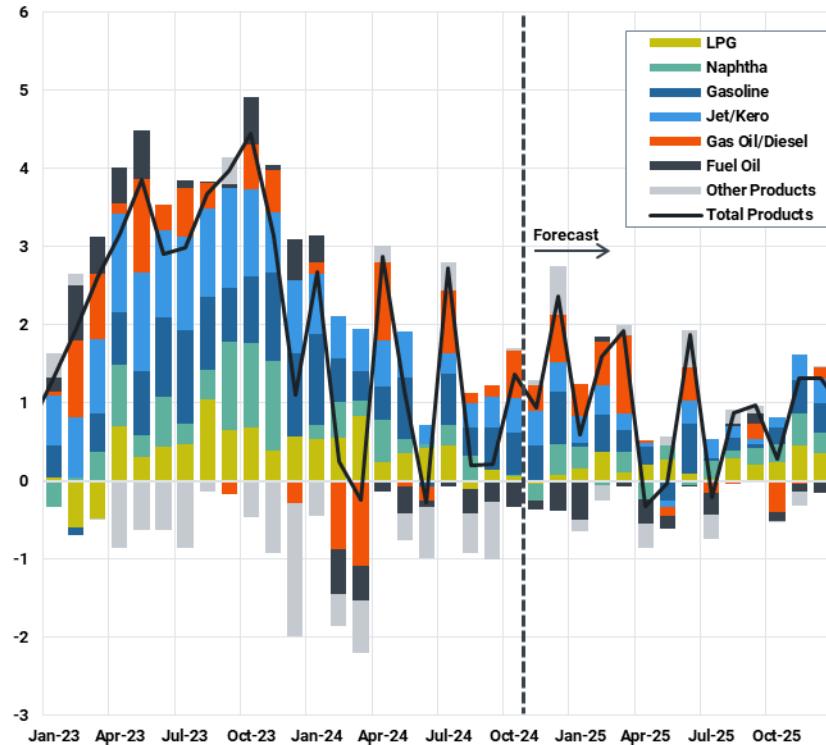


Constructive outlook for refined products in H1-2025 on low supply

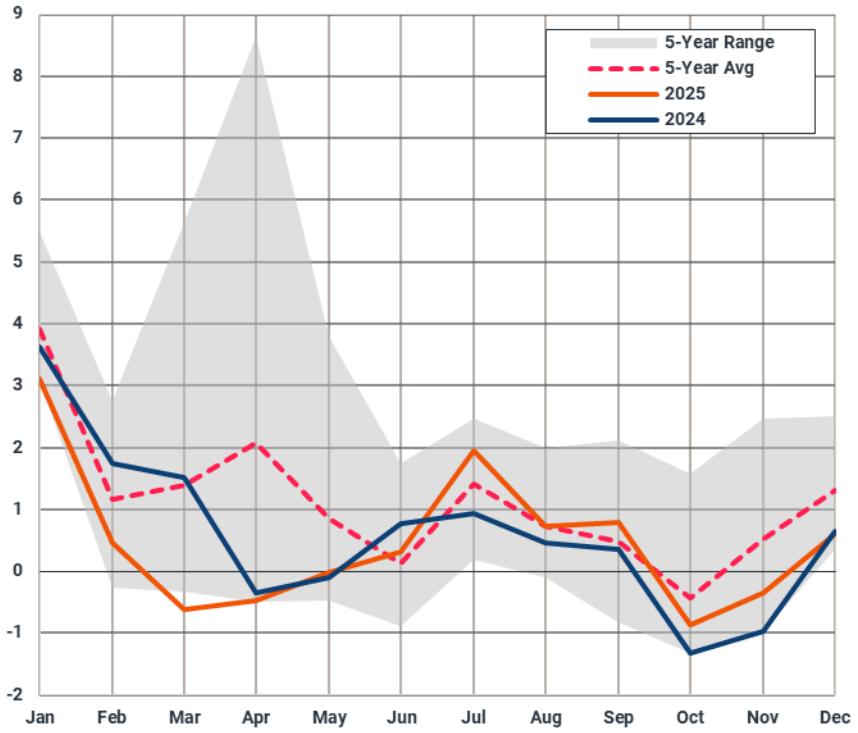
As demand growth slows, the time disconnect between refinery closures and expansions becomes central to our outlook

4

World refined product demand y/y growth (Mbd)



World core refined products balance (Mbd)



Source: Kpler

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.

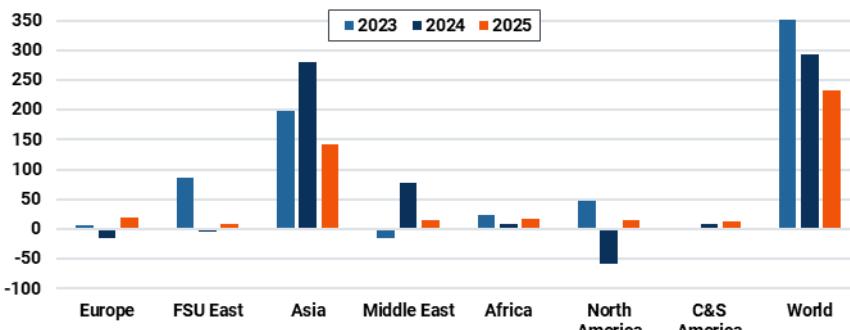
Source: Kpler

Based on observed monthly statistics, as available. All data from November 2024 onwards is Kpler estimates.

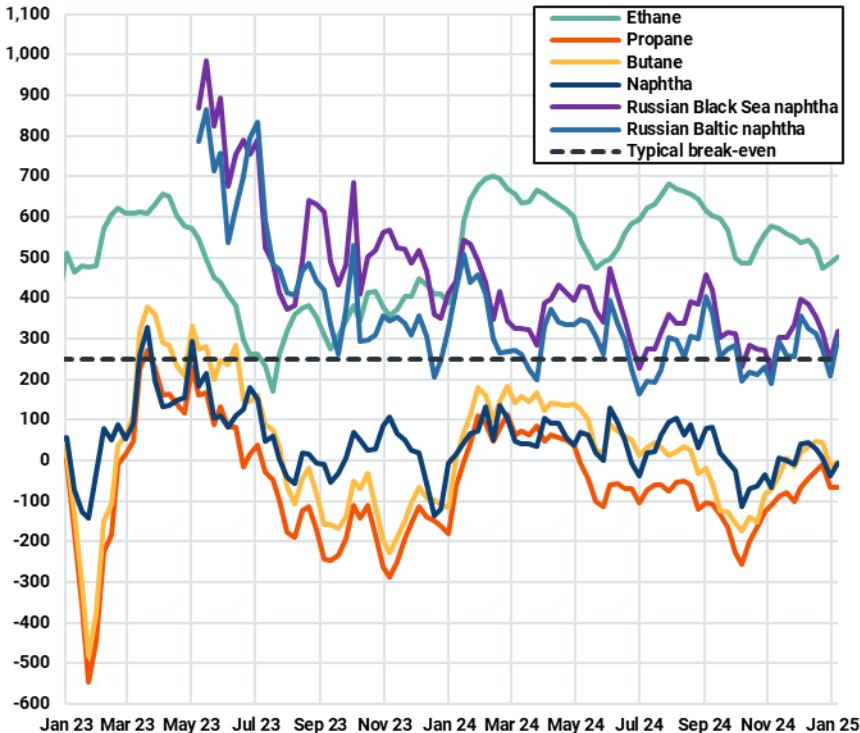
Light ends lead growth, but base chemical supply glut still a concern

China stays committed to expanding its petchem industry, but low margin environment means shutdowns and lower runs

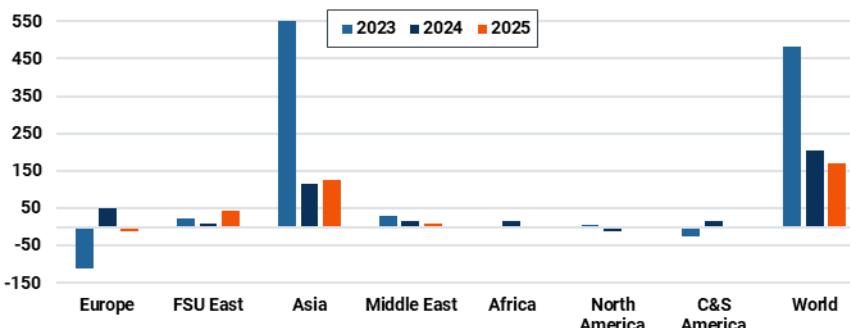
LPG demand y/y growth (kbd)



NEA gross complex steam cracking margins (\$/t ethylene)



Naphtha demand y/y growth (kbd)



Source: Kpler

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.

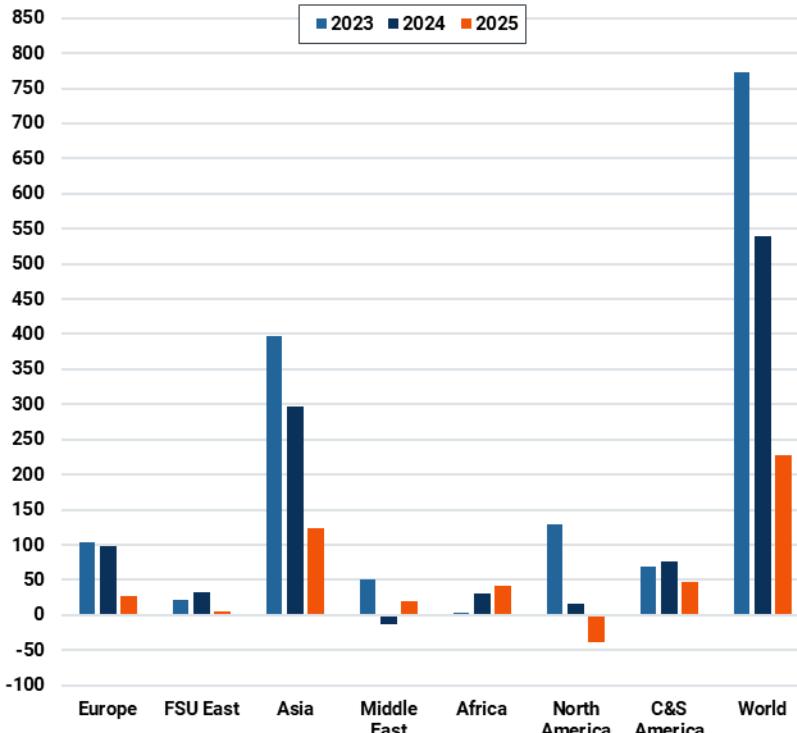
Source: Kpler calculations using Argus Media prices

*Complex steam cracker margins assume the facility includes integrated aromatics and butadiene extraction units

SEA and Europe to become major contributors to 2025 gasoline demand growth

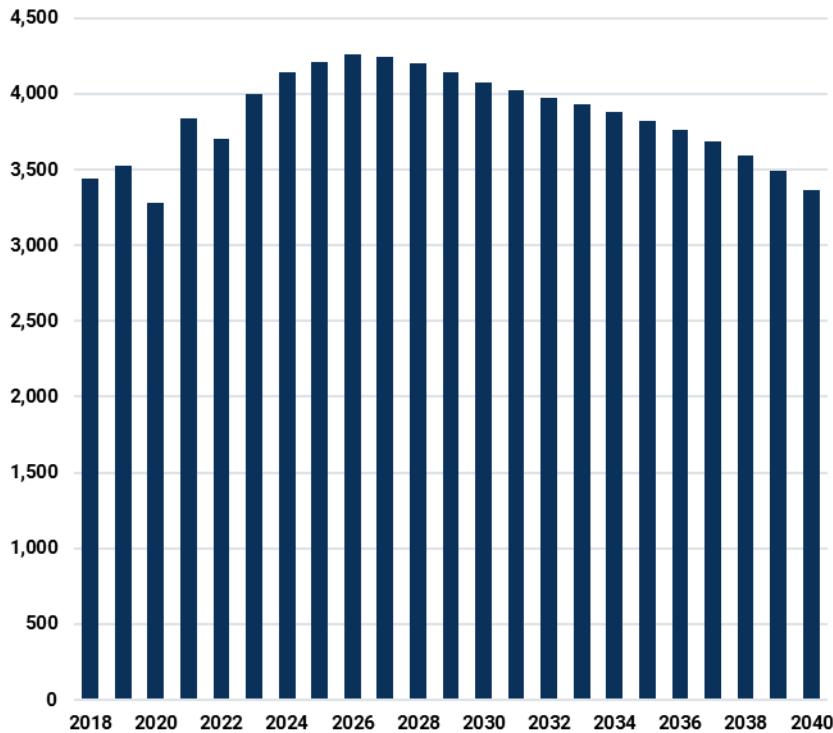
With traffic stagnating in the US, and the growing penetration of EVs in China, both countries now take a back seat

Gasoline demand y/y growth (kbd)



Source: Kpler

Chinese gasoline demand (kbd)



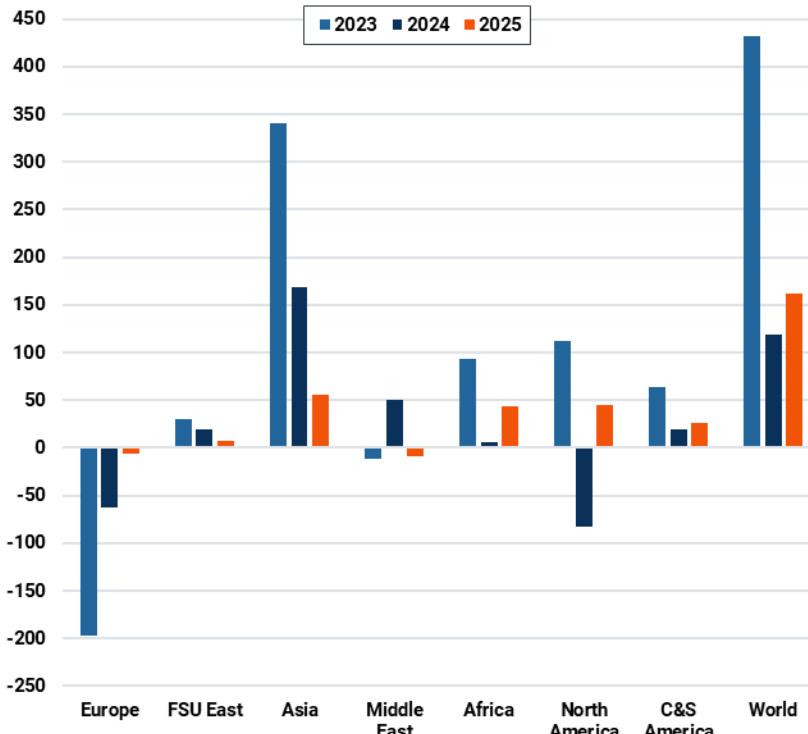
Source: Kpler

Diesel demand to benefit from industrial sector recovery in the US and Europe

Jet fuel demand growth slows on the back of aircraft efficiency gains and near exhaustion of post-COVID traffic recovery

7

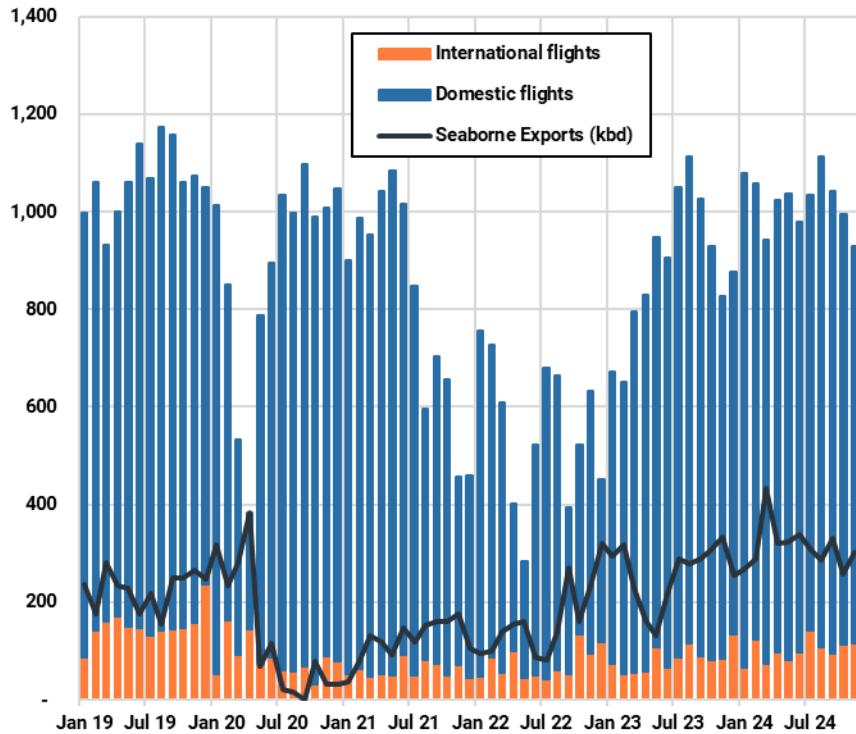
Gasoil/Diesel demand y/y growth (kbd)



Source: Kpler

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.

Chinese jet fuel demand vs. exports (kbd)

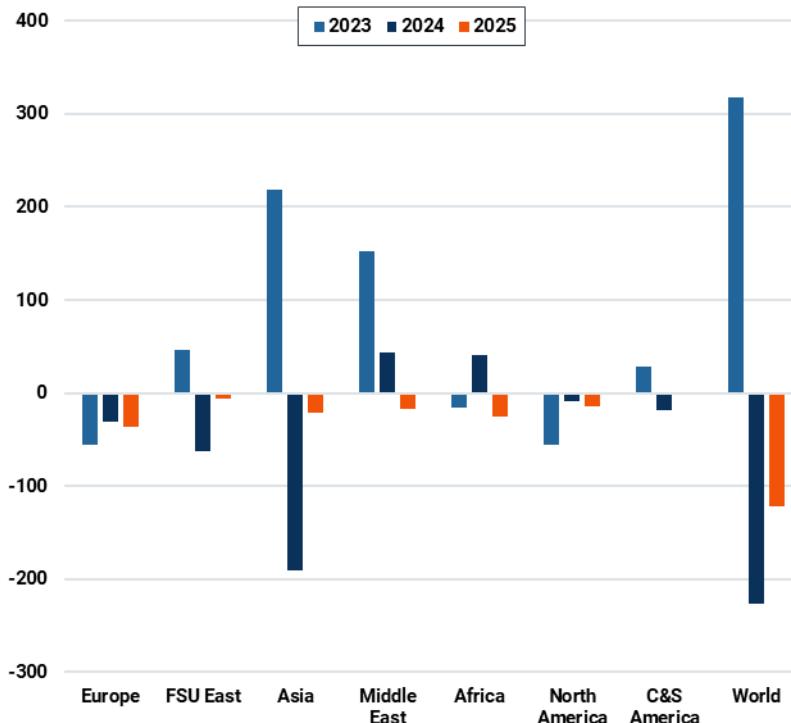


Source: Kpler calculations using PRC General Administration of Customs data, Kpler flows data

FO demand falls as substitution continues in power gen. and industrial sectors

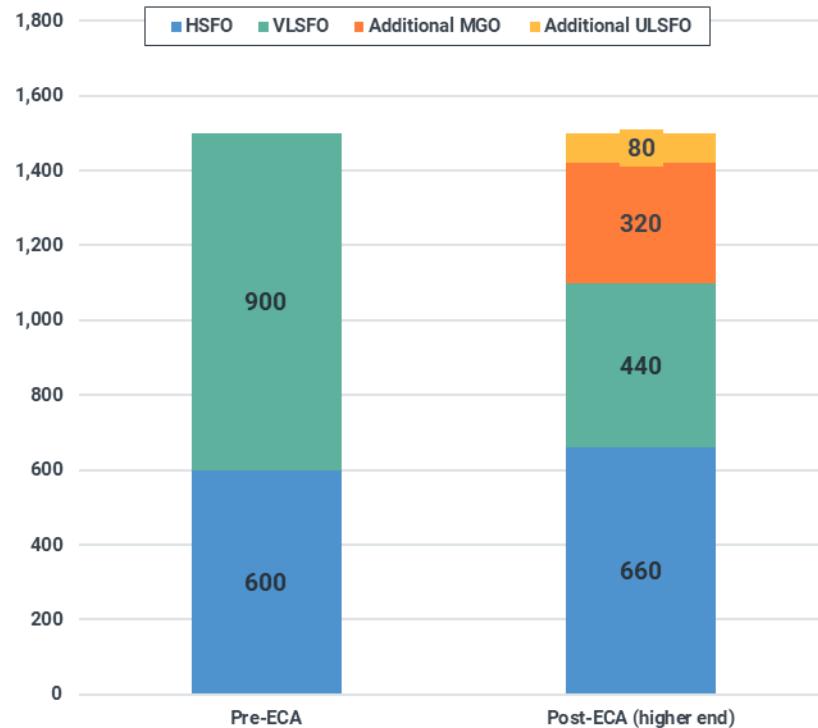
Additionally, Med's new ECA puts 250 kt to 400 kt per month of VLSFO demand at risk of substitution

Fuel oil demand y/y growth (kbd)



Source: Kpler

Impact to FO bunkering demand in the Med from ECA (kt)



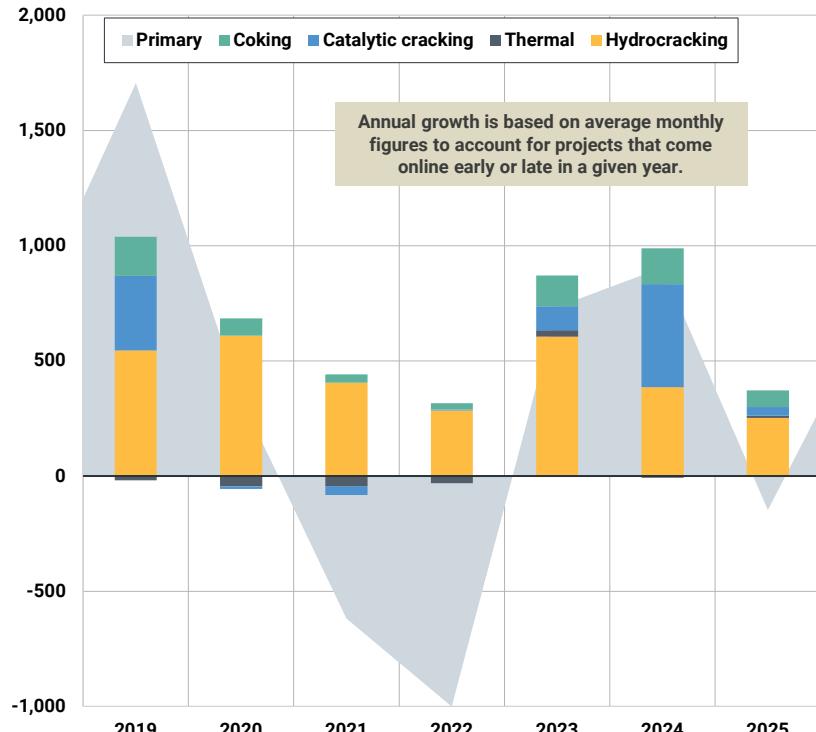
Source: Kpler

Supply: New capacity additions are leaving a strong mark on product markets

New capacity additions and subdued demand growth spell trouble for margins going forward

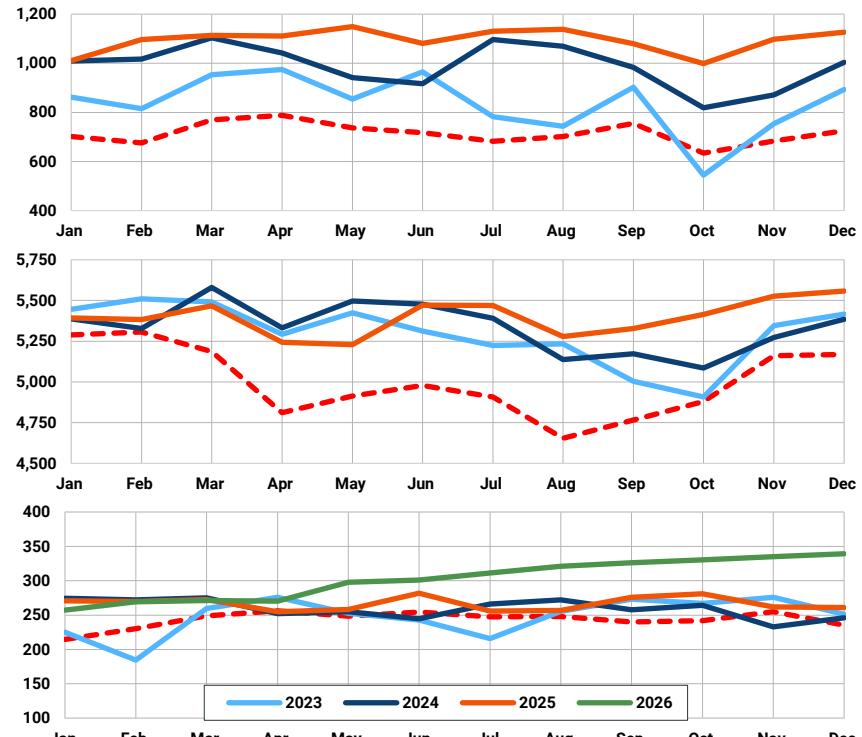
9

Global refinery capacity additions by unit (kbd)



Source: Kpler

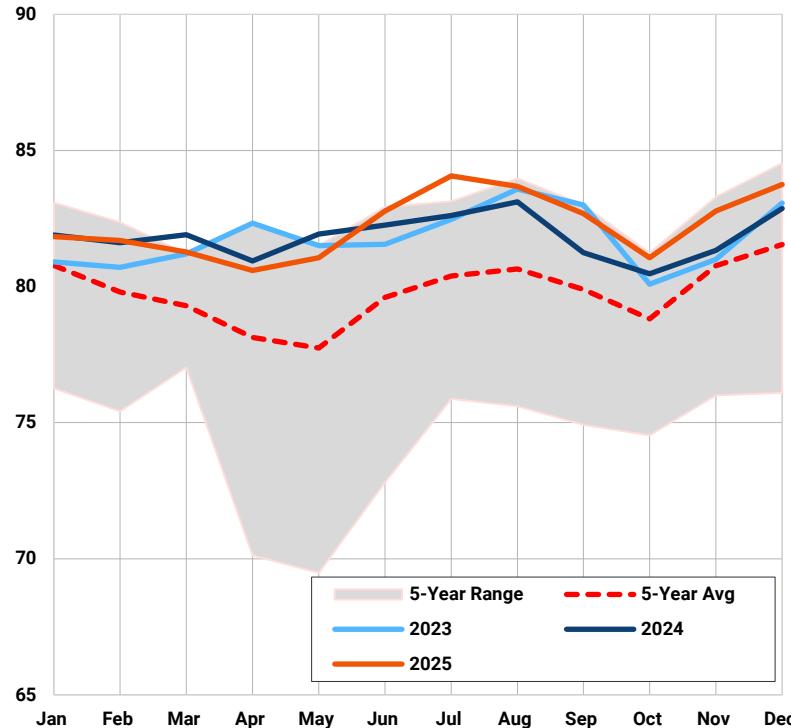
Crude intake: Mexico / India / Bahrain (kbd)



Tepid demand growth and rising refinery supply spell trouble for margins in H2

Ref. capacity additions, sluggish demand, and rising crude supply to put pressure on refining margins and cap flat prices

Global crude intake (Mbd)

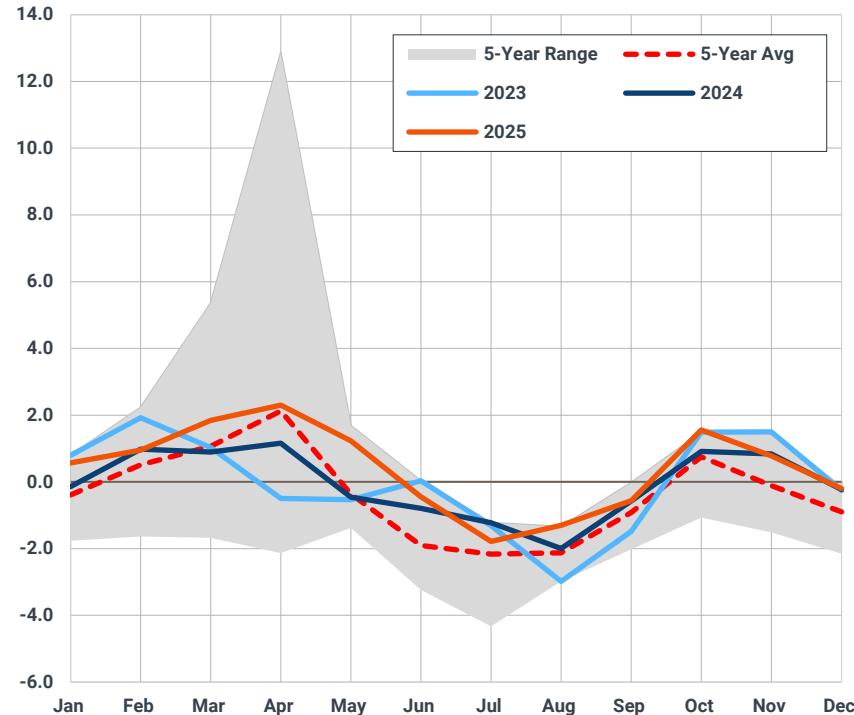


Source: Kpler

Based on observed monthly statistics, as available. All data from November 2024 onwards is Kpler estimates.

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.

Global crude oil balance (Mbd)



Source: Kpler

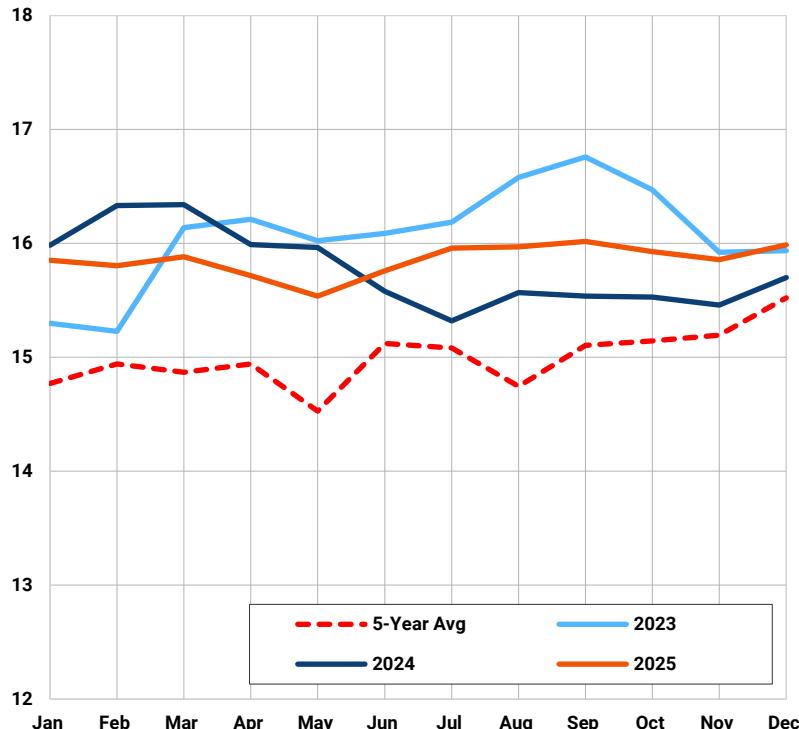
Based on observed monthly statistics, as available. All data from November 2024 onwards is Kpler estimates.

Slowing domestic demand and shrinking margins lower Chinese refinery runs

We are already seeing the first signs of Chinese demand peaking soon

11

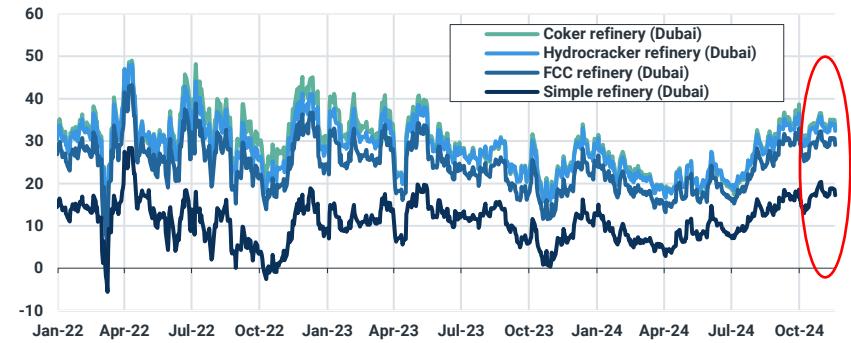
China crude intake (Mbd)



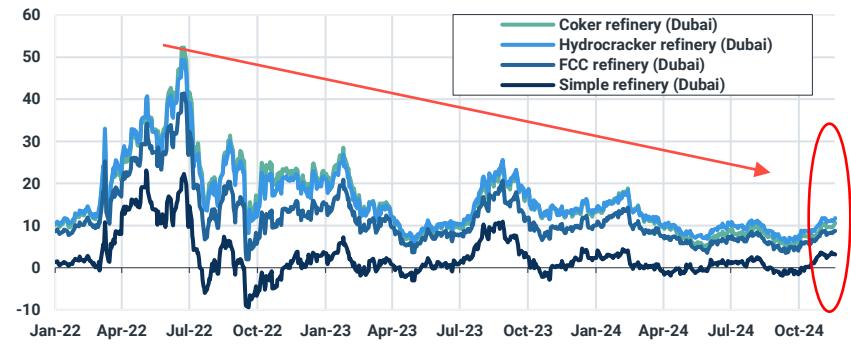
Source: Kpler

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.

China domestic refinery margins (\$/bbl)



China export refinery margins (\$/bbl)



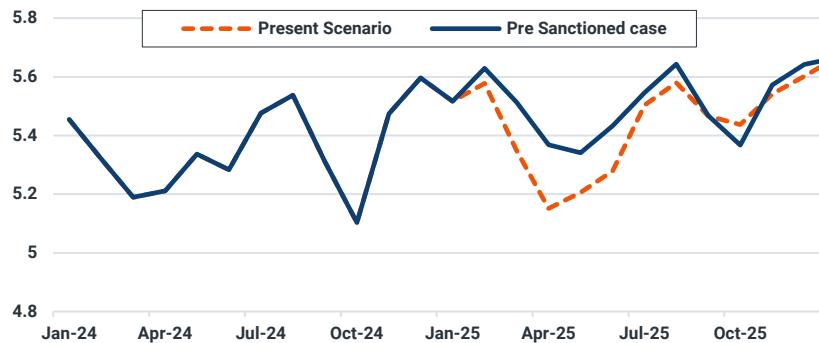
Source: Kpler calculations using Argus Media prices

Minor impact on Russian crude intake expected from vessel shortage

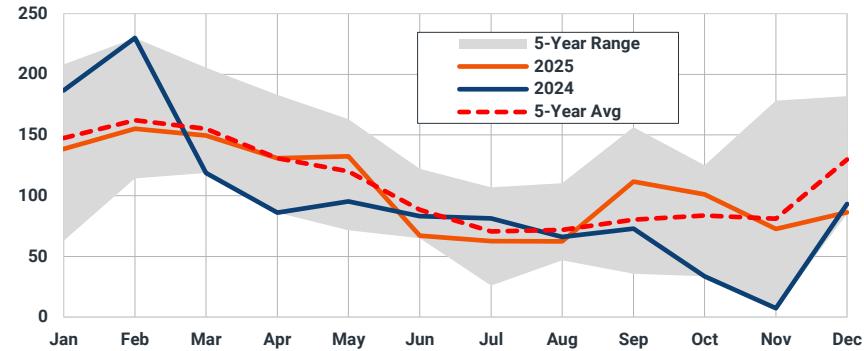
Simple refiners to cut crude runs slightly amid vessel shortage, boosting Atlantic Basin markets.

12

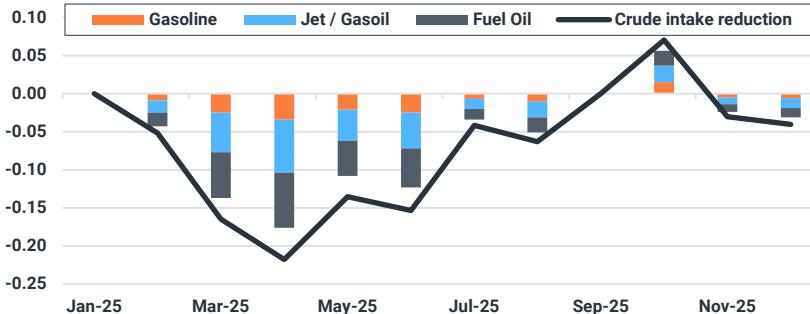
Russian refinery runs (Mbd)



Russian gasoline balance (kbd)

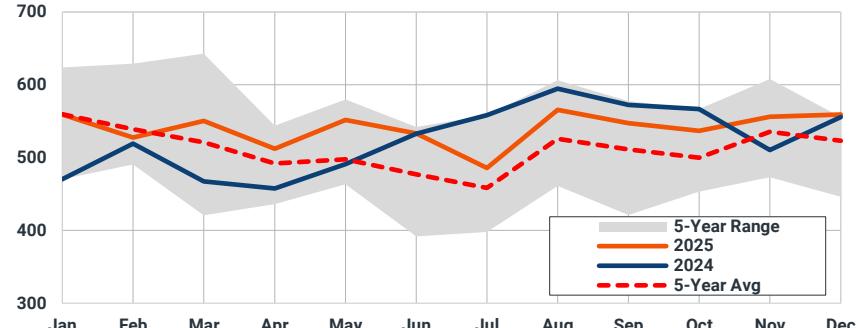


Reduction in Russian refinery supply (Mbd)



Source: Kpler

Russian fuel oil balance (kbd)



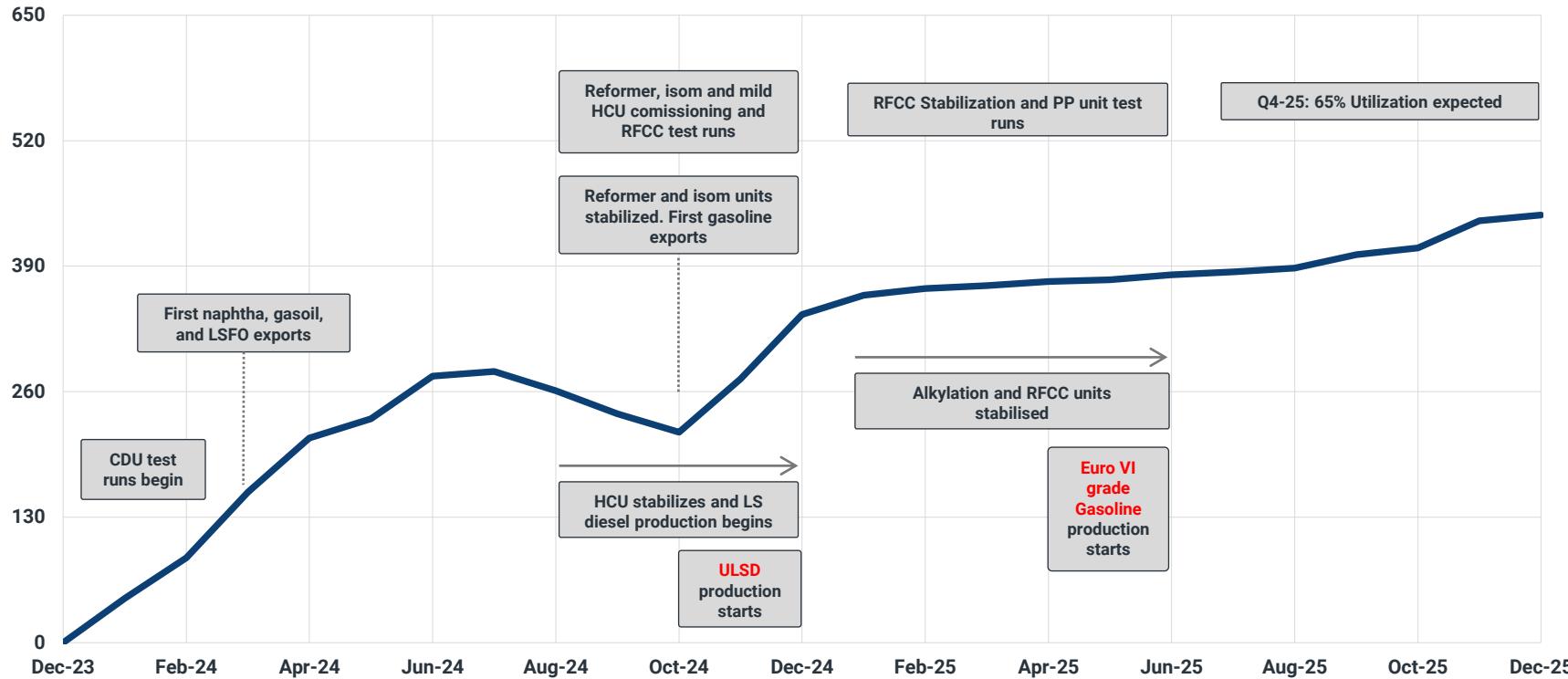
Source: Kpler

Dangote: Ramp-up progressing steadily, contingent on crude availability

Crude imports rose to 450 kbd in December 2024, compared to the 225 kbd average from August to November

13

Dangote crude intake (kbd)



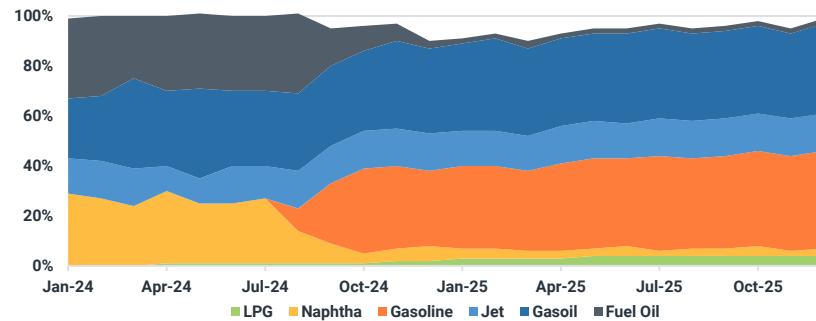
Source: Kpler

Gasoline yield increases as the refinery ramps up and stabilizes its operations

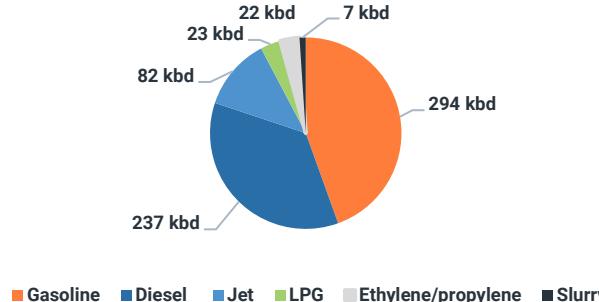
Since commencing gasoline production, Dangote refinery has quickly established itself as a key supplier to Africa

14

Nigeria refined product yield (%)



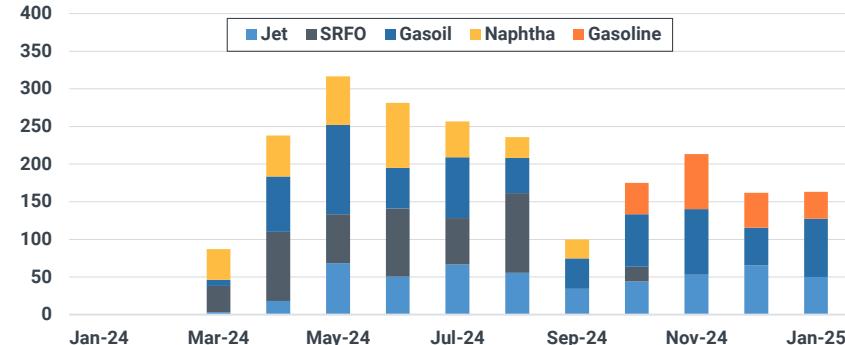
Dangote product yield at full capacity of 650 kbd



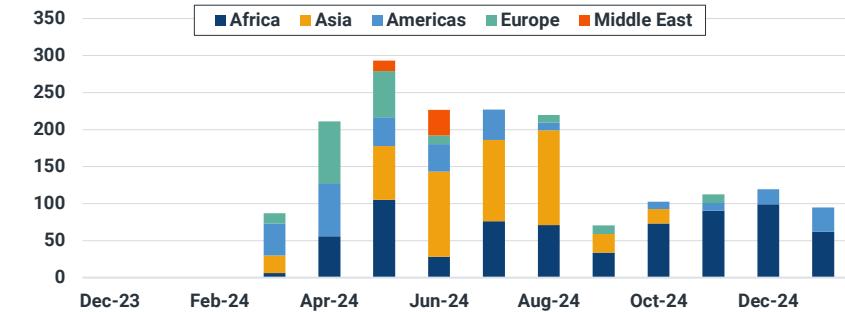
Source: Kpler

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.

Dangote product exports (incl. Nigeria, kbd)



Dangote product exports by destination (excl. Nigeria, kbd)



Source: Kpler

Key takeaways for refinery supply and operations in 2025

15

- Product Balances
- Trade Reshuffle
- China
- Margins
- Nigeria

Product Imbalances Loom in 2025: Closures Tighten H1, Startups and ramp up Shift H2. Impact on crude oil balances

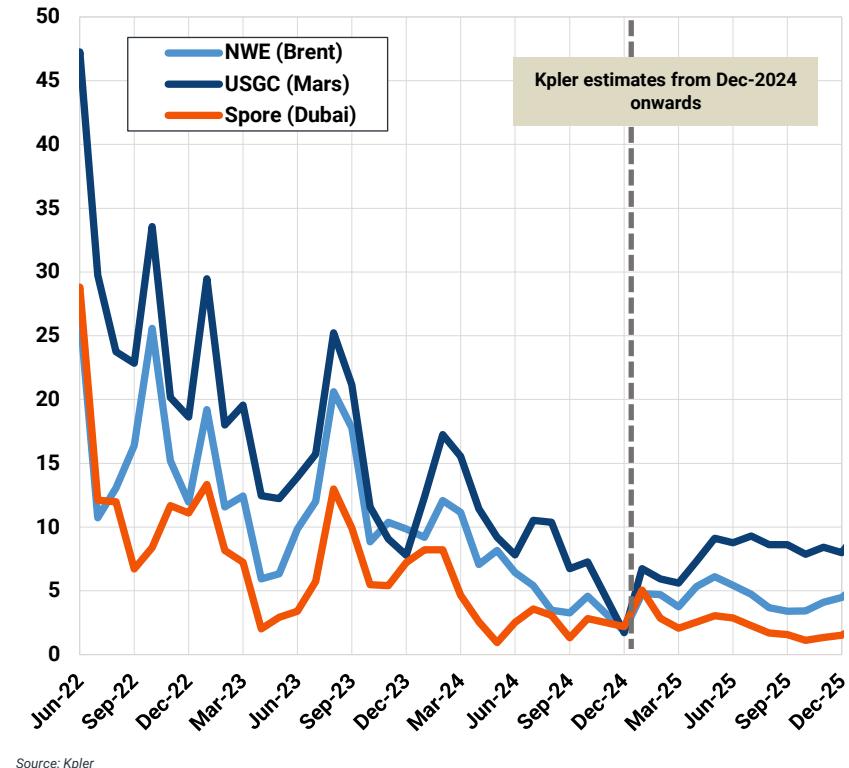
Refinery Expansion Shift Set to Reshape Global Trade Flow

Will China's Refining Runs Rebound from the 2024 Dip or Extend the Downtrend?

2025 faces oversupply as capacity growth outpaces demand

Nigeria Poised to Be the Dark Horse in Refining for 2025 with Refinery Startups (Port Harcourt-II / Warri) and Ramp-Ups (Dangote)

Selected Complex Margins (\$/bbl)



Source: Kpler

Q&A