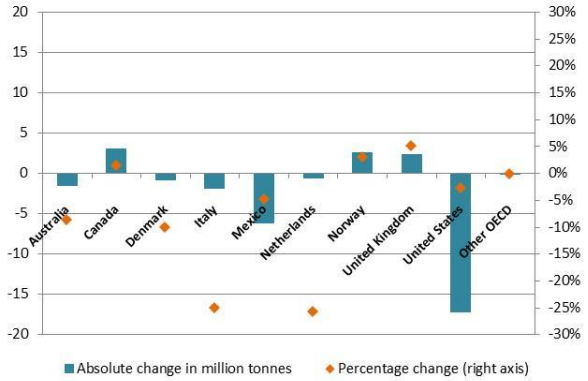
KEY OIL TRENDS 2016– BASED ON MONTHLY DATA[1]

OIL PRODUCTION[2]

In 2016, based on monthly data, Total OECD production of crude oil, NGL and refinery feedstocks declined by 1.7% compared to 2015. The drop was mainly driven by the OECD Americas and specifically lower production in the United States (-2.8%) and Mexico (-4.8%).

Figure 1: Absolute change and percentage change in oil production in OECD between 2015 and 2016



Oil production in the United States experienced a significant decline in the first three quarters of 2016, and despite monthly production growing in the fourth quarter, overall production was about 17 million metric tons lower compared to 2015. Mexican oil production decreased by more than 6 million tons as a result of declining reservoirs and reduced upstream investment due to the drop in oil prices. On the contrary, oil production in Canada increased by 1.4% despite declines in the second quarter of 2016 due to the massive wildfire near the oil sand production facilities close to Fort McMurray, Alberta.

In OECD Europe indigenous production of crude oil, NGL and refinery feedstocks was 1.1% higher in 2016 than the year before. This growth was mainly attributed to higher production levels in Norway (+3.0%) and the UK (+5.1%). Norwegian oil production saw strong growth (+3 million metric tons) as a result of new fields that came online during the year. In the UK oil production rose for a second year supported by new field start-ups. On the other hand, Italian production showed a strong drop (-25.0%) in 2016 compared to 2015, mainly due to the suspension of the oil production in the southern Val d'Agri region for a couple of months within 2016; this was the result of internal issues in the production company.

Indigenous Production of crude oil, NGL and refinery feedstocks in OECD Asia Oceania declined by 8.6% in 2016 compared to 2015, with Australia posting lower outputs of more than 1 million metric tons.

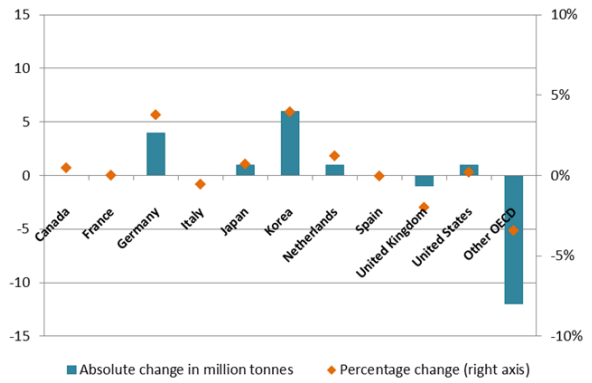
REFINERY GROSS OUTPUT (PRODUCTION)

Refinery gross output of total products for Total OECD remained broadly stable in 2016 compared to 2015 at around 2 billion metric tons. On a regional level, higher output in OECD Asia Oceania (+1.8%) was compensated by lower output in the OECD Americas (-0.4%) and OECD Europe (-0.4%).

Among the main refining countries, the most significant increase was in Korea (+4.0%) due to new refinery units and a strong growth in throughput. The fall in other OECD countries (*Figure 2*) was mainly attributed to declines observed in Mexico (-10.3%), Norway (-20.2%) and the Czech Republic (-26.8%).

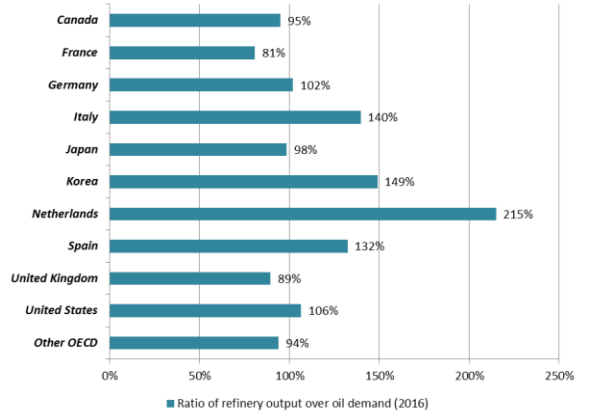
1. All annual comparisons are based on monthly data in 2016 compared to monthly data in 2015.
2. Includes crude oil, NGL, refinery feedstocks, additives and other hydrocarbons and production from other sources.

Figure 2: Absolute changes in refinery gross output in OECD countries between 2015 and 2016



For total OECD, the ratio between refinery output and deliveries remains unchanged in 2016 compared to 2015 at 106% and fairly stable among OECD countries. *Figure 3* shows that in 2016 Canada, Germany, Japan and the United States have a balanced profile while Italy, Netherlands, Korea and Spain produced much more refined products than their domestic demand, with the reverse trend for the UK and France.

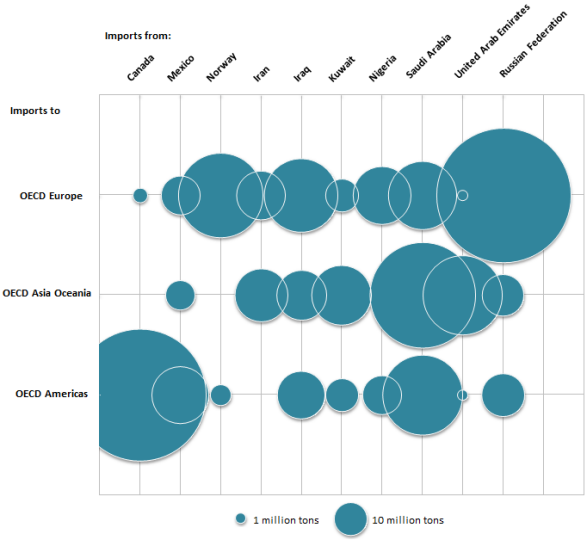
Figure 3: Ratio of refinery gross output over oil deliveries in selected OECD countries in 2016



OIL TRADE[3]

Imports of crude oil, NGL and refinery feedstocks to total individual OECD countries were higher in 2016 compared to 2015. Countries in OECD Americas and in OECD Asia Oceania increased their imports by 7.1% and 1.7% respectively, while OECD Europe showed a decline of 1.9% compared to 2015. Imports of primary oil products from total OPEC increased, due to larger shipments coming from Iran, Iraq, Saudi Arabia and Kuwait. Imports from Iran experienced the largest percentage growth among the four countries (+148.7%). Russia was the highest primary oil products supplier to the OECD, followed by Saudi Arabia and Canada.

Figure 4: Primary products imports from major suppliers to total OECD in 2016

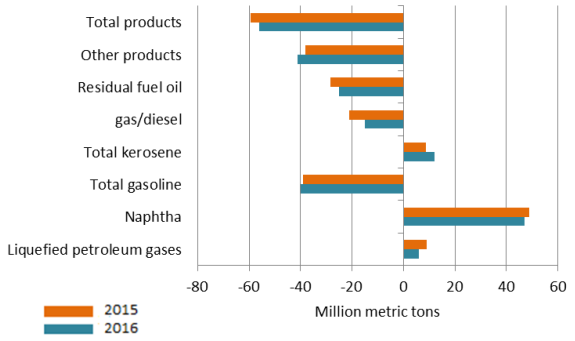


Imports of total products in total OECD increased by 3.6% in 2016 compared to 2015. The overall growth was mainly due to higher quantities imported by OECD Europe (+4.8%) and the OECD Americas (+5.3%). On the other hand, OECD Asia Oceania dropped its imports by 2.2%.

Total OECD imports and exports of total products in 2016 both grew compared to 2015; however net exports declined by 5.1%. The drop in net exports was particularly pronounced for gas/diesel oil from 20.9 million tons in 2015 to 15.1 million tons in 2016. On the contrary, naphtha continued to be the main driver of net imports for total OECD in 2016, although they have reduced by 3.7% compared to 2015.

[3] Trade amounts include intra-regional trade.

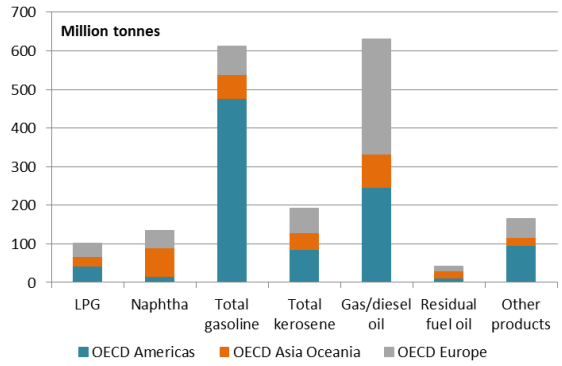
Figure 5: Total OECD net imports of oil products



OIL NET DELIVERIES[4]

Total OECD net deliveries remained broadly unchanged (+0.1%), reflecting increases observed in OECD Europe (+2.2%), and decreases in OECD Asia Oceania (-0.1%) and in the OECD Americas (-1.1%).

Figure 6: Net deliveries of oil products in OECD regions in 2016



The rise in OECD Europe was mainly driven by gas/diesel oil deliveries, which coincided with a particularly cold winter, with the most significant increases seen in Poland (+13.4%), Germany (+2.5%) and Turkey (+8.0%).

The decline in OECD Asia Oceania net deliveries was mainly attributed to a 13.6% drop reported in "other products" corresponding to more than 3 million tons. This drop was balanced by a strong growth in deliveries of middle distillates (+5.1% for total kerosene and +1.6% for gas diesel oil which account for almost 40% of all the deliveries).

The downward trend in the OECD Americas was mostly driven by declines in the United States and in Mexico, -1.4% and -2.0% respectively. Meanwhile, net deliveries in Canada showed a growth due to higher deliveries of total gasoline (+5.2%).

OIL STOCKS

Total OECD stocks on national territory of total oil remained broadly unchanged in 2016 at 555 million metric tons, with stock builds in the OECD Americas (+1.4%) almost balanced by draws in OECD Asia Oceania (-1.5%) and OECD Europe (-0.9%).

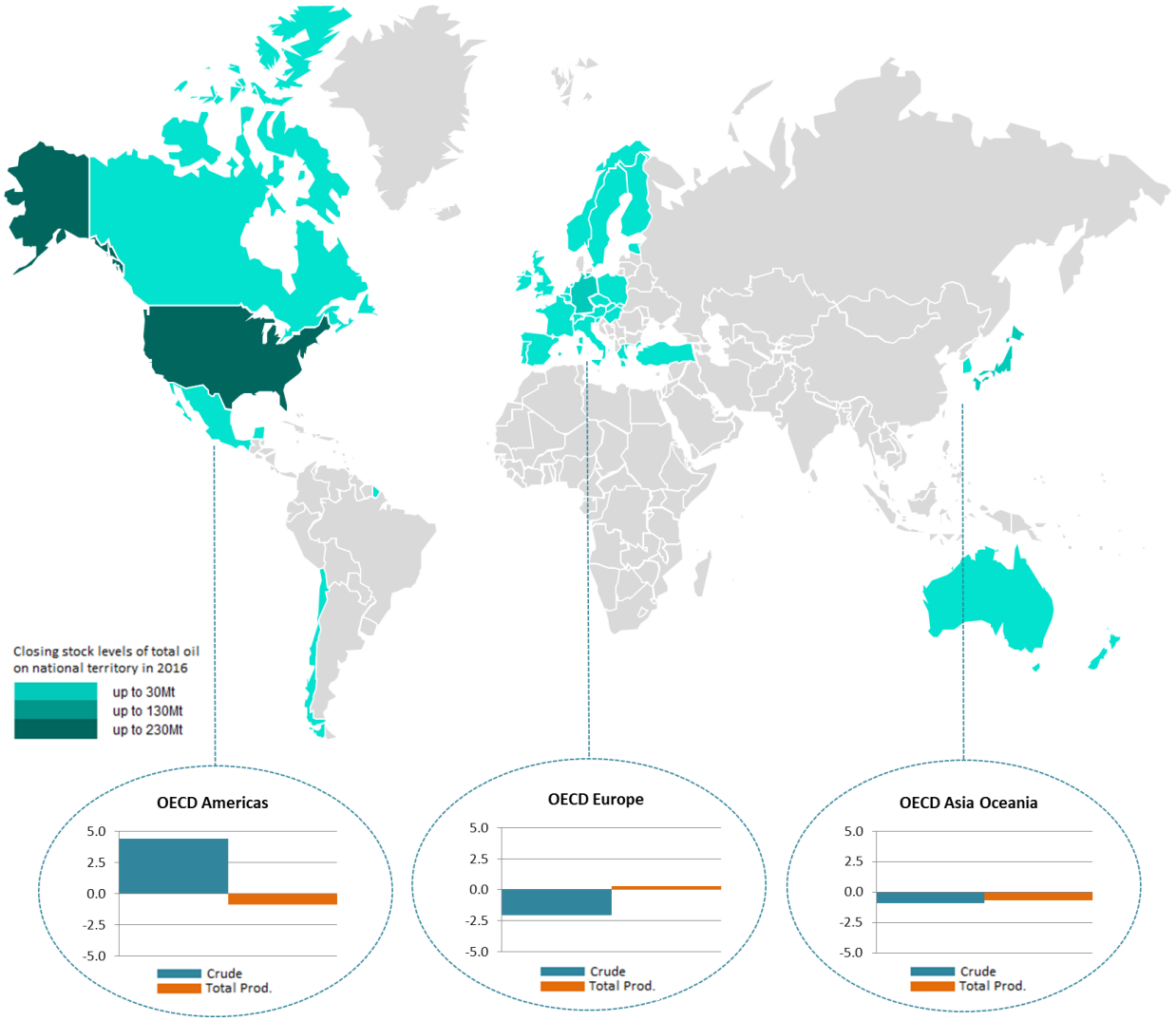
In 2016, OECD Americas national territory stocks were about 3.5 million metric tons higher than in 2015 due to a significant build in primary products.

In OECD Europe stocks on national territory of primary products fell by 2.1 million tons, while refined products stocks witnessed a marginal increase of less than half a million tons.

In OECD Asia Oceania stocks held on national territory of total oil dropped by 1.6 million metric tons mainly driven by declines in refined products observed in Japan.

4. Gross inland deliveries observed minus backflows.

Figure 7: Stock changes on national territory between 2015 and 2016 in million tons in OECD regions



This map is without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of territory, city or area.