



Since 1916

Oil & Petroleum Update

SEPTEMBER 2023



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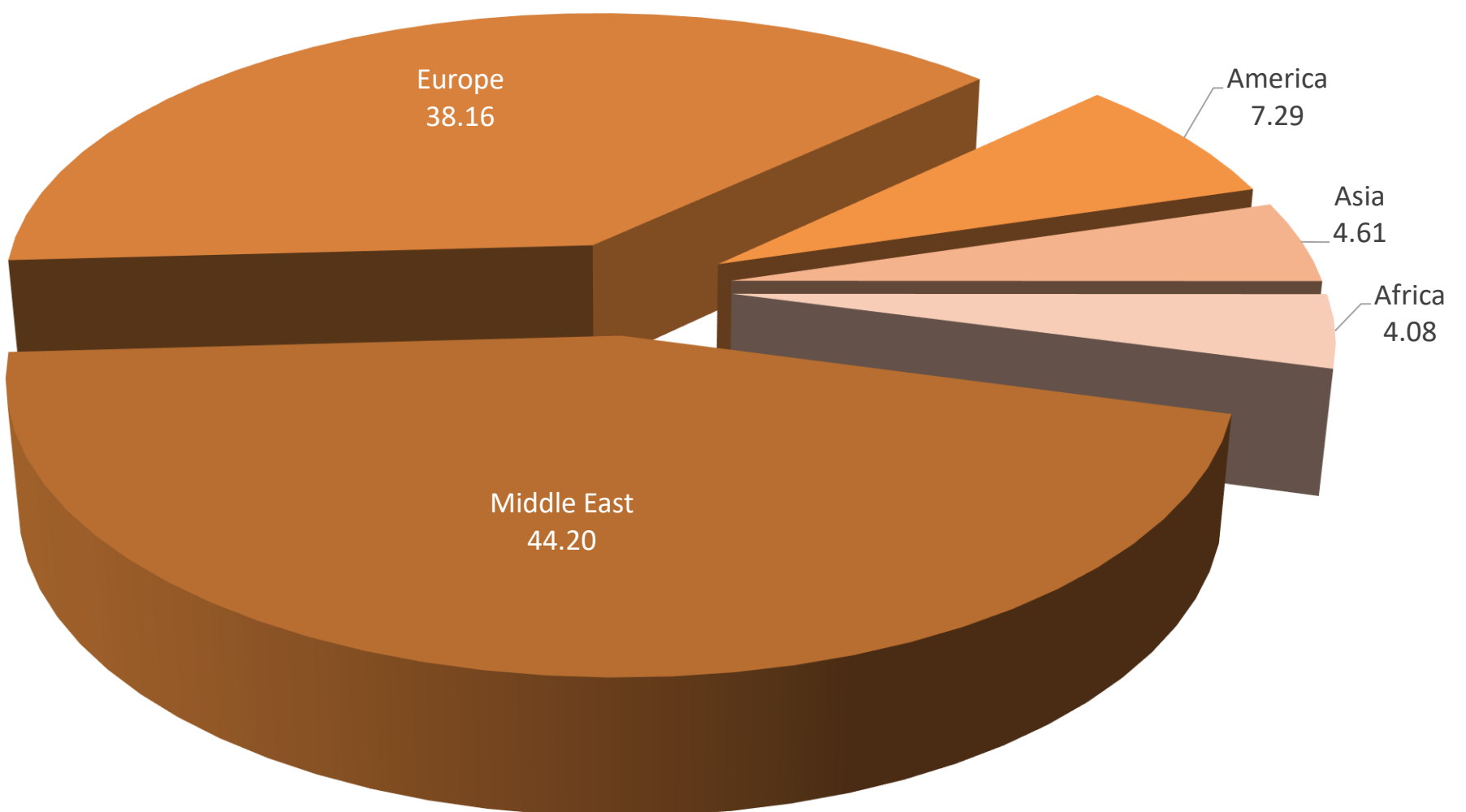
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CRUDE OIL

- Indigenous crude oil and condensate production during August 2023 was 2.49 MMT. OIL registered a production of 0.28 MMT, ONGC registered a production of 1.61 MMT whereas PSC registered production of 0.60 MMT during August 2023. A growth of 2.1% has been achieved in total Crude Oil & Condensate Production in August 2023 as compared to August 2022.
- 'Total Crude oil processed during August 2023 was 21.9 MMT which is 12.2% higher than August 2022, where PSU/JV Refiners processed 14.7 MMT and PVT Refiners Processed 7.2 MMT of Crude Oil.

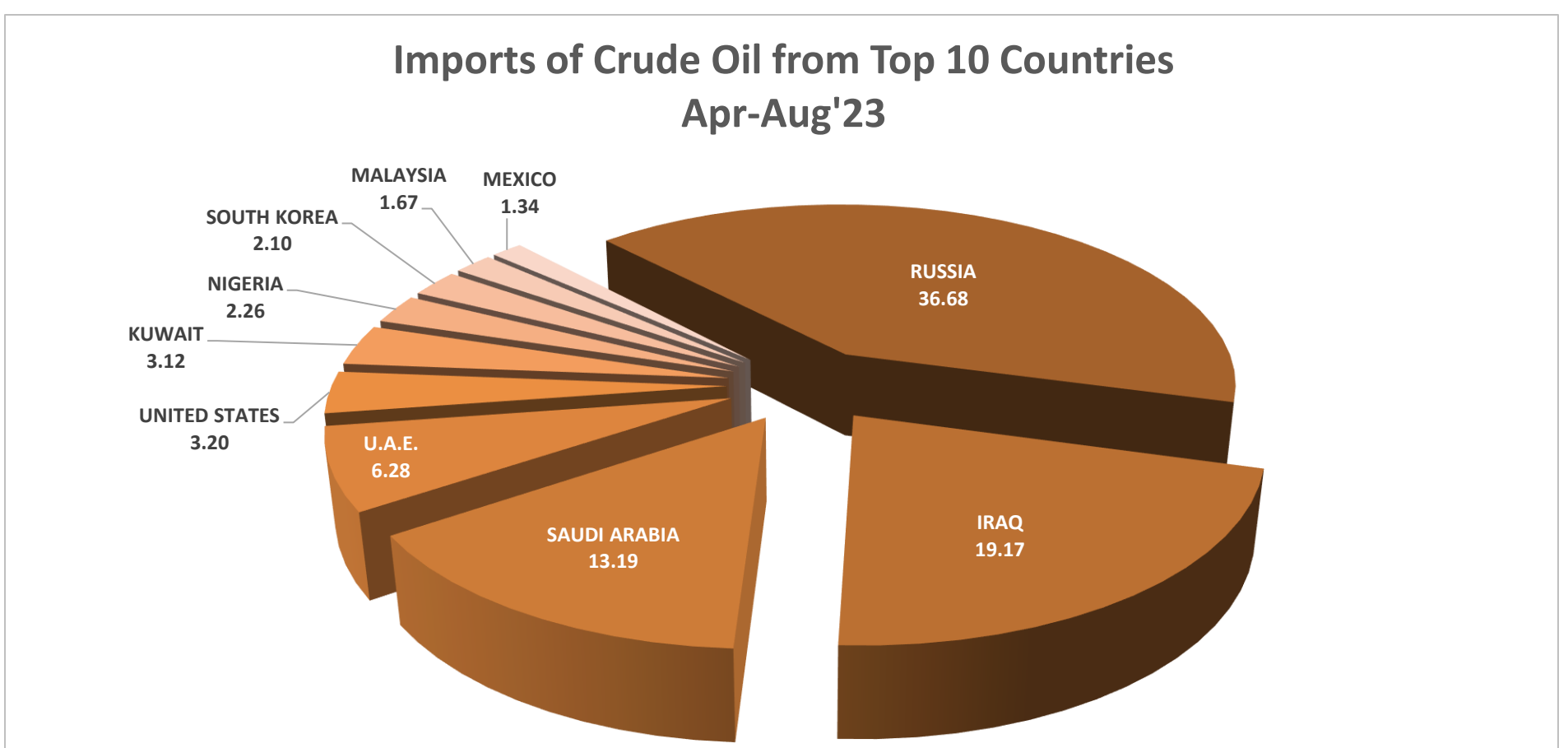
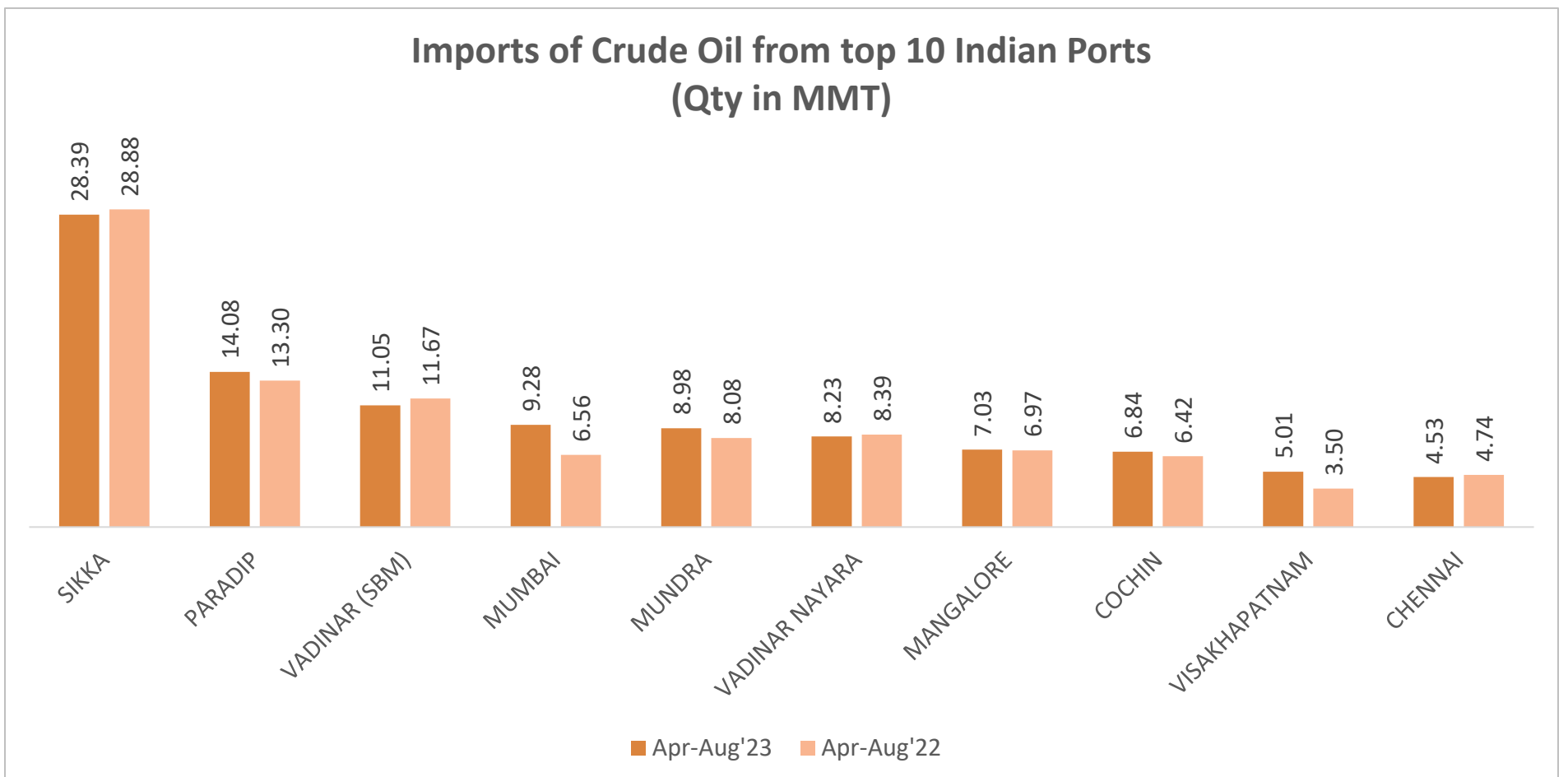
Region-wise Imports of Crude Oil





CRUDE OIL

- Crude oil imports increased by 17.49% and 4.46% during Aug 2023 and April-Aug 2023 respectively as compared to the corresponding period of the previous year.
- Sikka port saw the Highest Traffic of Crude Oil at 28.29 MMT in the period of April-Aug'23.



CRUDE OIL



Top Crude Oil Importers	QTY in MMT
INDIAN OIL CORPN. LTD.	31.91
RELIANCE INDUS. LTD.	25.90
BHARAT PETROLEUM COPRN. LTD.	15.73
NAYARA ENERGY LTD. (ESSAR OIL LTD.)	8.93
HINDUSTAN PETROLEUM CORPN. LTD.	7.74
MANGALORE REFINERY & PETROCHEMICAL LTD.	7.20
HPCL MITTAL ENERGY LTD.	5.18
CHENNAI PERTROLEUM CORPN. LTD	0.19
OIL AND NATURAL GAS CO. LTD	0.12
MRI TRADING LTD.	0.11

Sl. no.	Refinery	Installed capacity	Aug'23	Apr-Aug'23
1	Barauni (1964}	6	0.6	2.8
2	Koyali (1965)	13.7	1.3	6.3
3	Haldia (1975)	8	0.7	3.5
4	Mathura {1982)	8	0.7	3.6
5	Panipat (1998)	15	1.2	6.2
6	Guwahati(1962)	1	0.1	0.5
7	Digboi (1901)	0.65	0.02	0.3
8	Bongaigaon(1979)	2.7	0.3	1.3
9	Paradip (2016)	15	1.4	6.6
	IOCL-TOTAL	70.1	6.3	31
10	Manali (1969)	10.5	1	4.7
11	CBR (1993)	0	0	0
	CPCL-TOTAL	10.5	1	4.7
12	Mumbai (1955)	12	1.4	6.7
13	Kochi (1966)	15.5	1.3	7.1
14	Bina (2011)	7.8	0.5	2.4
	BPCL-TOTAL	35.3	3.2	16.1
15	Numaligarh (1999)	3	0.3	0.6
16	Tatipa ka (2001)	0.066	0.005	0.029
17	MRPL-Mangalore (1996)	15	1	6.8
	ONGC-TOTAL	15.1	1	6.9
18	Mumbai (1954)	9.5	0.8	4.1
19	Visakhapatnam (1957)	11	1.1	5.2
20	HMEL Bathinda (2012)	11.3	1.1	5.4
	HPCL- TOTAL	31.8	3	14.7
21	RIL Jamnagar (OTA) (1999)	33	2.9	14.4
22	RIL Jamnagar (SEZ) (2008)	35.2	2.5	12.6
23	NEL-Vadinar (2006)	20	1.7	8.4
	All India (MMT)	253.9	21.9	109.5
	All India (Million Bbl/Day)	5.02	5.18	5.25

PETRO- PRODUCTS



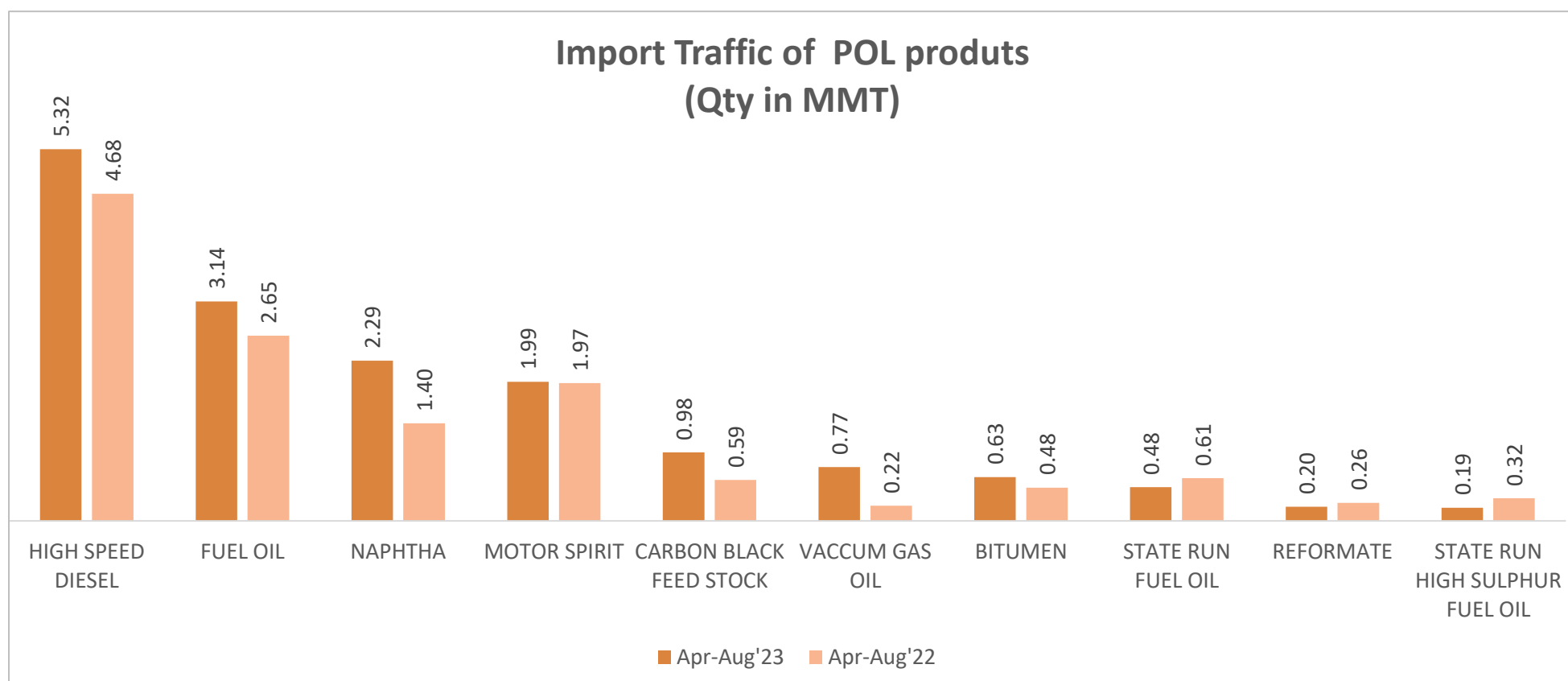
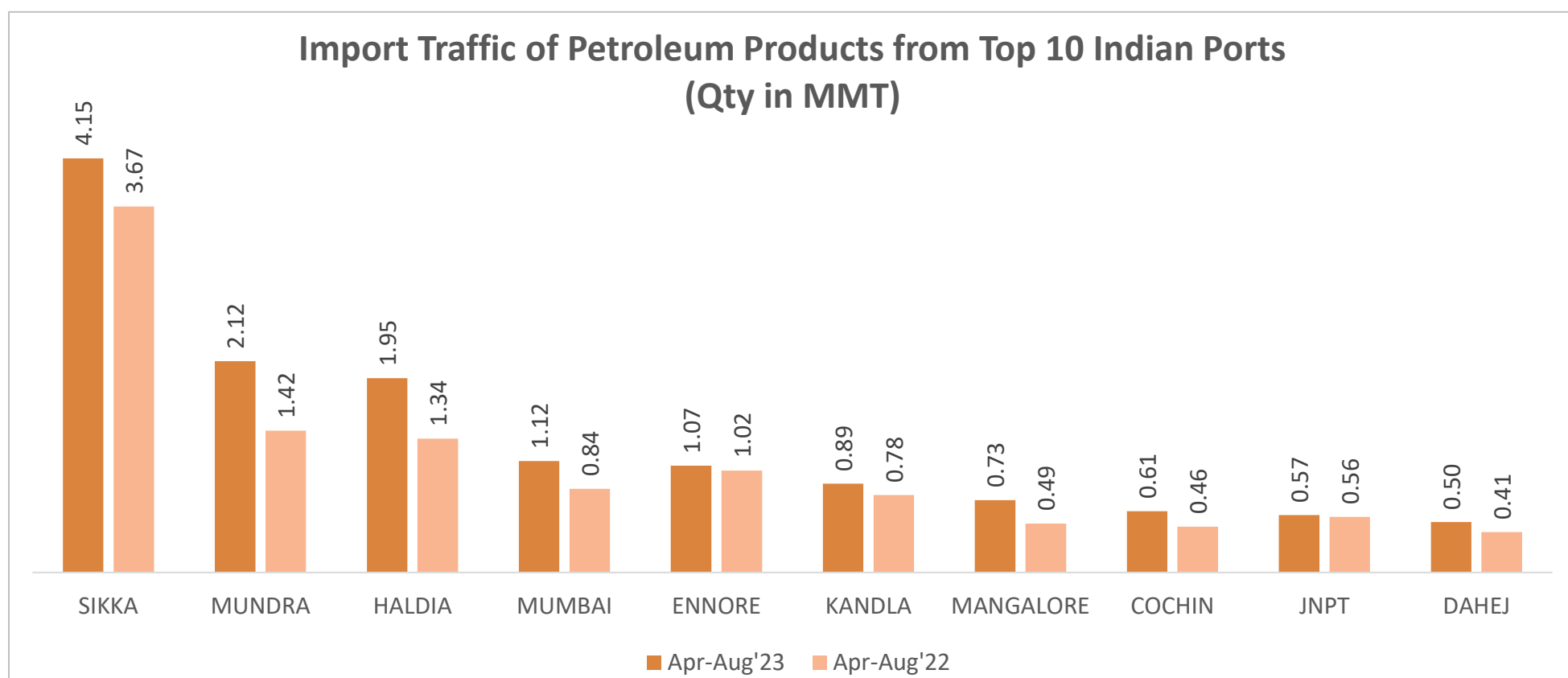
- 'Production of petroleum products was 22.9 MMT during August 2023 which is 9.5% higher than August 2022. Out of 22.9 MMT, 22.6 MMT was from Refinery production & 0.3 MMT was from Fractionators. There was a growth of 3.7 % in Production of petroleum products in April-August FY 2023 – 24 as compared to same period of FY 2022 – 23. Out of total POL production, in August 2023, HSD has 41.3 % share, MS has 16.7 %, Naphtha has 6.8 %, ATF has 6.5 %, Pet Coke has 5.4, % LPG has 4.3%, which are the major products and rest are shared by Bitumen, FO/LSHS, LDO, Lubes & others.

PRODUCTION & CONSUMPTION OF PETROLEUM PRODUCTS		
(QTY in MMT)		
Products	Apr-Aug'23	
	Production	Consumption
LPG	5.4	11.6
MS	18.9	15.5
NAPHTHA	7.5	5.5
ATF	7.1	3.3
SKO	0.4	0.2
HSD	48.3	37.5
LDO	0.3	0.3
Lubes	0.6	1.5
FO/LHS	4.8	2.8
Bitumen	2.1	3.6
Pet-coke	6.4	7.9
Others	13.4	5.8
Total	115.1	95.6

PETRO- PRODUCTS



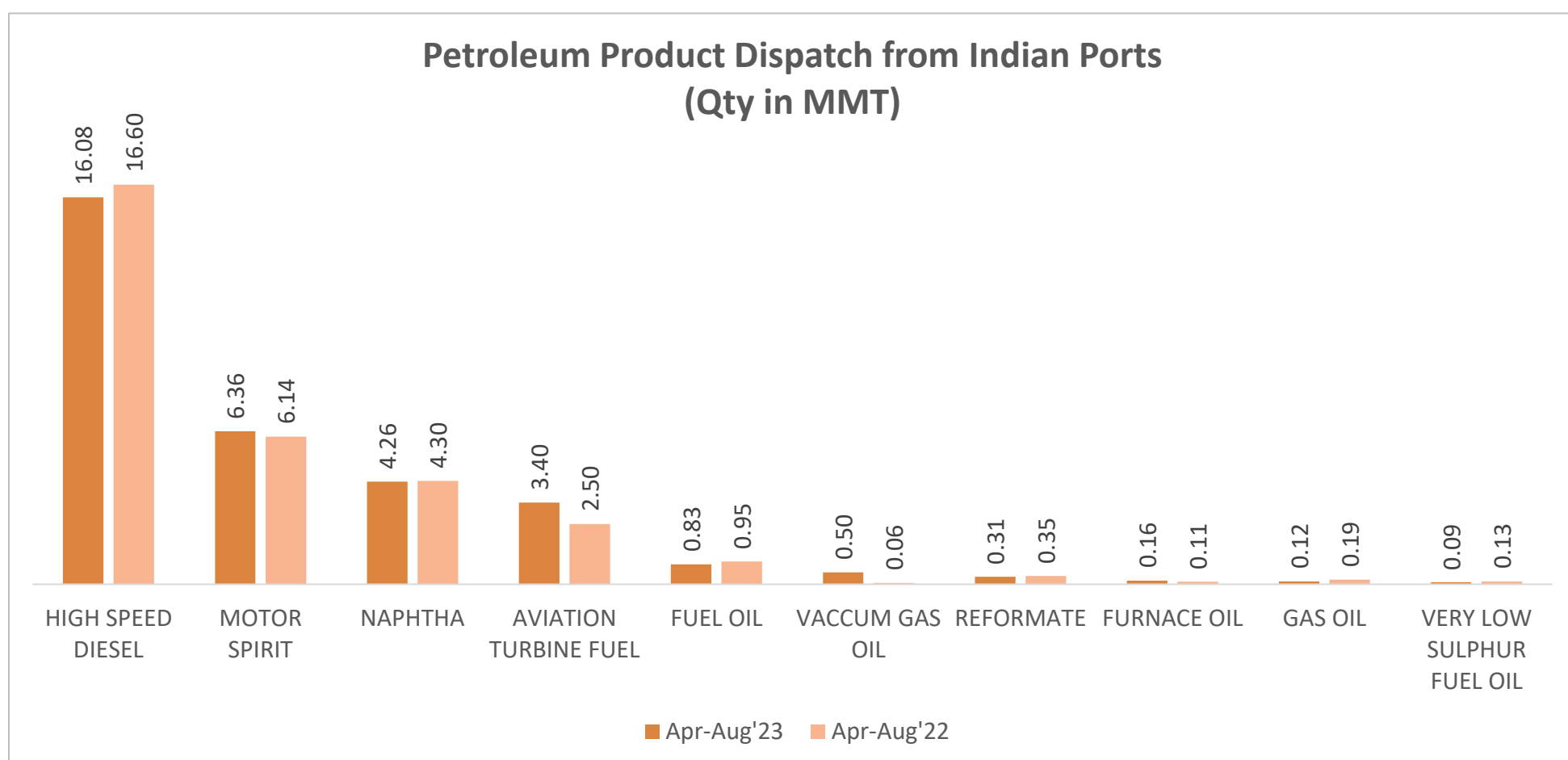
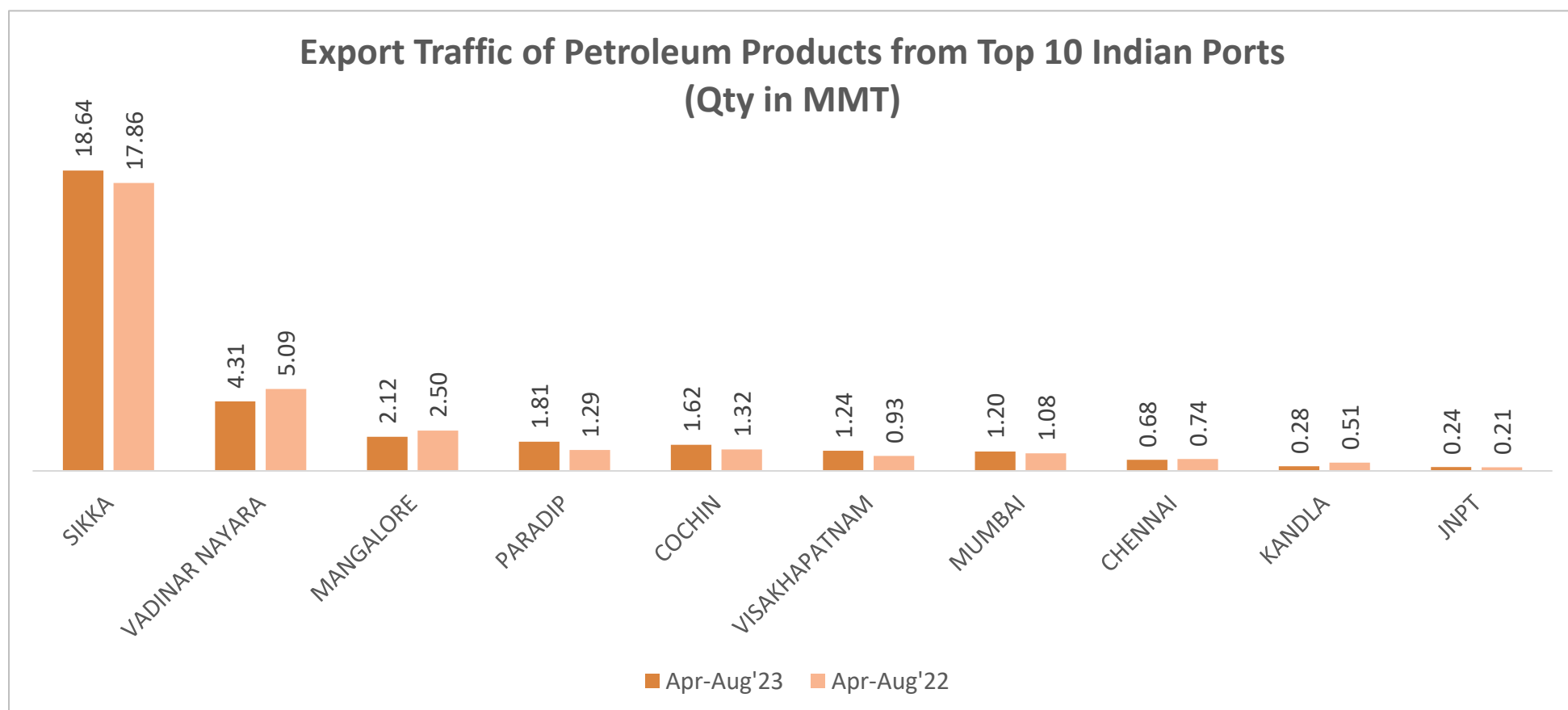
- POL products imports increased by 26.6% and 7.3% during August 2023 and April-August 2023 respectively as compared to the corresponding period of the previous year. Increase in POL products imports during April-August 2023 were mainly due to increase in imports of bitumen, petcoke, naphtha etc.
- The consumption of petroleum products during April-August 2023, with a volume of 95.6 MMT, reported a growth of 5.5% compared to the volume of 90.5 MMT during the same period of the previous year. This growth was led by 5.9% growth in MS, 6.7% in HSD & 13.8% in ATF & 10.8% in Naptha consumption besides LPG, Lubes, Bitumen, Petcoke and LDO during the period. The consumption of petroleum products during August 2023 recorded a growth of 6.5% with a volume of 18.6 MMT compared to the same period of the previous year.



PETRO-PRODUCTS



- Exports of POL products increased by 11.2% and decreased by 2.6% during August 2023 and April-August 2023 respectively as compared to the corresponding period of the previous year. Decrease in POL products exports during April-August 2023 were mainly due to decrease in exports of high-speed diesel (HSD), naphtha etc.



Top Importers & Exporters of PETRO-PRODUCTS



Exporters from India (Apr-Aug'23)	Quantity
RELIANCE INDUS. LTD.	18.81
NAYARA ENERGY LTD. (ESSAR OIL LTD.)	4.29
INDIAN OIL CORPN. LTD.	2.97
BHARAT PETROLEUM COPRN. LTD.	2.48
MANGALORE REFINERY & PETROCHEMICAL LTD.	1.91
HINDUSTAN PETROLEUM CORPN. LTD.	1.05
HALDIA PETROCHEMICALS LTD.	0.38
OIL AND NATURAL GAS CO. LTD	0.14
ADNOC GLOBAL TRADING LTD.	0.09
QATAR CHEMICAL AND PETROCHEMICAL MKTG.	0.03

Importers In India (Apr-Aug'23)	Quantity
RELIANCE INDUS. LTD.	5.13
INDIAN OIL CORPN. LTD.	3.01
BHARAT PETROLEUM COPRN. LTD.	2.41
HINDUSTAN PETROLEUM CORPN. LTD.	2.28
HALDIA PETROCHEMICALS LTD.	0.63
NAYARA ENERGY LTD. (ESSAR OIL LTD.)	0.57
ADITYA BIRLA CHEMICALS PVT. LTD.	0.43
ONGC PETRO ADDITION LTD. (OPAL)	0.33
PHILIPS CARBON BLACK LTD.	0.19
HPCL MITTAL ENERGY LTD.	0.19



HIGHLIGHTS

- **Indian refiners source crude from Africa, UAE and US after Russia, Saudi Arabia production cuts**
- **Demand for diesel drops 2.9%, petrol sales rise 0.4% in August**
- **Diesel, ATF and fuel oil pull up petroleum products exports by 9% m-o-m in August**
- **India's crude imports from Russia, refined items export to EU being noted**

Indian refiners source crude from Africa, UAE and US after Russia, Saudi Arabia production cuts



- Indian refiners have diversified their sources of crude oil imports in July 2023 due to voluntary production cuts by Russia and Saudi Arabia. They sourced more crude oil from Iraq, Africa, the USA, and the UAE as alternative suppliers to make up for reduced exports from Russia and higher prices from Saudi Arabia.
- The decision by Saudi Arabia, the world's largest oil exporter, to raise the official selling prices (OSP) of its crude to Asia and implement additional production cuts has prompted Indian refiners to seek alternative Middle Eastern suppliers and other global sources to meet their crude oil demand.
- Import trends for crude oil in India have shifted, with increased imports from Iraq (up 7.5% month-on-month), Africa (up 32% month-on-month), the USA (up about 6%), and the UAE (surged by 76%). Conversely, imports from Saudi Arabia decreased by 33% on a monthly basis, reflecting the changing dynamics in global oil markets. Additionally, Indian refiners stocked up on Russian Urals crude amid concerns of supply disruptions due to Russia's export limitations.

Source: Chemical Weekly



Demand for diesel drops 2.9%, petrol sales rise 0.4% in August

- Consumption of diesel dropped 2.9% and that of petrol rose 0.4% in August over last year, according to the state oil companies data. The demand for aviation turbine fuel (ATF) rose 9.5% year-on-year in August, while that for LPG rose 4.4%.
- Compared to August 2019, ATF sales are still 3.2% lower, while those of petrol and diesel are up 21.2% and 8.4%, respectively.
- Over the last few months, state oil companies petrol and diesel sales have been under pressure from rising competition from private fuel retailers who had cut their retail sales last year after government-controlled retailers started selling fuel at below-market rates. Private players have again boosted their presence in the market this year to benefit from the extraordinarily high margins that fuel retailing currently offers. Rains, industrial activity and the larger state of the economy also influence the sales of transportation fuels.
- Sales of petrol have risen 3.4% month-on-month in August, while those of diesel have dropped 3.7%. Diesel, which has a wide range of applications from goods transport to mining and farming, accounts for nearly 40% of the country's oil demand.

Source: Chemical Weekly

Diesel, ATF and fuel oil pull up petroleum products exports by 9% m-o-m in August



- In August 2023, India experienced a substantial increase in its exports of refined petroleum products, with outbound shipments growing by nearly 9% compared to the previous month. This surge in exports marked the highest level of petroleum product exports for the fiscal year 2023-24 and the second-highest for the calendar year.
- India's diesel exports saw a notable 4.2% month-on-month increase in August 2023. This growth was influenced by several factors, including higher diesel crack spreads, reduced domestic diesel consumption due to monsoon-related mobility restrictions, rising international gasoil prices due to seasonal factors and refinery outages, as well as the impact of sanctions on Russian refined products to Europe.
- The export of jet fuel (ATF) continued to rise for the fifth consecutive month in August, with a significant 15% month-on-month increase in outbound shipments. This increase was supported by increasing international ATF prices and favorable product crack spreads. Moreover, exports of fuel oil, also known as industrial fuel oil, more than doubled on a monthly basis in August due to lower global fuel oil production, partly resulting from OPEC+ production cuts targeting heavier grades of crude oil.

Source- The Hindu Business Line



India's crude imports from Russia, refined items export to EU being noted

- The European Union (EU), led by European Trade Commissioner Valdis Dombrovskis, is expressing concerns over India's continued crude oil imports from Russia and its subsequent increase in the export of refined oil products to the European market. The EU is assessing whether these actions are defeating the purpose of EU sanctions against Russian oil.
- The EU's sanctions against Russian oil are primarily aimed at reducing Russia's financial ability to wage war, particularly in the context of its conflict with Ukraine. Exporting oil and oil products is a significant revenue source for Russia, and these revenues have been used to finance the conflict in Ukraine.
- The EU has observed emerging trade patterns, with increased imports of refined oil products into the EU from India. These patterns may be circumventing EU sanctions against Russia. The EU's concerns regarding India are based on reports that suggest India, along with other countries like China, Turkey, the UAE, and Singapore, has been buying discounted crude oil from Russia and selling refined products to the EU, thereby avoiding European sanctions.

Source: The Hindu Business Line

Reports for September 2023

J. M. Baxi & Co. Monthly Agri Products Update

J. M. Baxi & Co. Monthly Automotive Logistics Update

J. M. Baxi & Co. Monthly Cement Update

J. M. Baxi & Co. Monthly Chemical Update

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