

# Third IEA-IEF-Opec Symposium on Energy Outlooks Session II

## The Growing Importance of Inventories Outside OECD Countries and Implications for the Oil Market

January 2013



**Powerful Thinking**  
for the global energy industry

## Discussion Topics

### Some things to consider:

- Will an increase in oil demand in developing countries lead to a stock level comparable to that in OECD countries?
- How is the expansion of the refining sector affecting stock levels?
- What is the current status of strategic petroleum reserves in emerging and other major non-OECD oil consuming countries? What are the expected reserve build levels in emerging countries?
- What more can be done to improve the quality of stocks data in non-OECD countries, and to minimize the gap between reported stocks and the implied inventories derived from the supply/demand table?

### Session Chair: David Knapp, Senior Editor, Energy Intelligence Group

- **Panelists:**
- **Joel Couse**, Vice-President Market Analysis, Trading & Shipping Division, Total
- **Martin Tallet**, President, EnSys Energy
- **Ken Koyama**, Chief Energy Economist, IEEJ
- **Paul Horsnell**, Managing Director, Barclays

## Some observations from the moderator

- The role of OECD stocks and their forward demand cover is no longer an adequate barometer for oil market conditions.
- The absorptive capacity of non-OECD consuming countries, especially in Asia, is now a key to understanding oil balances.
- Oil infrastructure in non-OECD oil systems is far behind OECD infrastructure and sucks up large volumes just to provide pipeline fill and tank bottoms.
- Non-OECD producer and consumer countries have sharply different stockholding patterns.
- Jodi's non-OECD crude and product stock data has a major role to play in resolving inconsistent supply-demand balances.
- But, so far only about a dozen or so countries are of sufficient size, regularity and consistency to be of use, more are needed.
- Non-OECD inventory builds were undoubtedly a -- if not the -- significant factor in resolving 2012 imbalances.

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