

Oil Market Review in Japan No. 19/2021

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Overview

The key WTI (West Texas Intermediate) crude oil futures contract on NYMEX (New York Mercantile Exchange) in the July 29- August 4 week moved within a range of \$68.15 per barrel and \$73.95/bbl.

On August 5, the September contract rebounded for the first time in four trading days due to growing tension in the confrontation between the U.S./UK and Iran caused by an attack on a tanker off the coast of Oman. The September contract closed at \$69.09/bbl up \$0.94/bbl from the previous day.

On August 6, the September contract turned down due to concerns over oil demand in the future in the background of tightening behavioral restrictions in the U.S. and China caused by the new outbreaks of the Covid-19 variants. Baker Hughes reported that the number of operating U.S. oil-drilling rigs increased by two units from a week earlier to 387 units. The September contract closed at \$68.28/bbl down \$0.81/bbl from the previous day.

On August 9, the key contract turned down further due to concerns over the new outbreaks of the coronavirus mainly in China and the announcement of the decrease in China's crude oil import in July 2021. The September contract lost \$1.80/bbl to \$66.48/bbl from the previous day.

On August 10, the key contract rebounded significantly in the background of passing the Infrastructure Investment Bill of about \$1 trillion in the U.S. Senate and an optimistic oil demand outlook by the U.S. EIA (Energy Information Administration). The September contract gained \$1.81/bbl to \$68.29/bbl from the previous day.

On August 11, the key contract rose further. In the morning trading-hours, selling prevailed due to the announcement that the U.S. Biden Administration had requested Member of OPEC (Organization of the Petroleum Exporting Countries) plus to further relax its cooperative crude oil production cut. However, redemption prevailed later by the announcement of the decrease in the U.S. domestic crude oil inventory from the previous week by the U.S. IEA on this day. The September contract gained \$0.96/bbl to \$69.25/bbl from the previous day.

On August 12, the key contract turned down slightly due to a downward revision of the world oil demand in the latter half of 2021 by the IEA (International Energy Agency). The world oil demand decreased in July 2021 due to the new outbreaks of the coronavirus. On the other hand, the oil price level was supported by maintaining the world oil demand outlook in the latter half of 2021 by the OEC Monthly Report. The September contract lost \$0.16/bbl to \$69.09/bbl from the previous day.

On August 13, the key contract turned down further due to the downward revision of the world oil demand in the latter half of 2021 by the IEA on the previous day. Baker Hughes reported that the number of operating U.S. oil-drilling rigs increased by 10 units from a week earlier to 397 units. The September contract lost \$0.65/bbl to \$68.44/bbl from the previous day.

On August 16, the key contract turned down for the third straight trading day due to concerns over China's economic slowdown. The market players saw China's weak economic indicators in the background of the new outbreaks of the Delta variant of the Covid-19. Taliban took control of the Afghanistan's administration and the U.S. military forces withdrew from Afghanistan, which did not have much impact on the oil price development. The September contract lost \$1.15/bbl to \$67.29/bbl from the previous day.

On August 17, the key contract turned down for the fourth straight trading day due to concerns over oil demand in the future in the background of the new outbreaks of the Covid-19 variants and the announcement of weak indicators in the U.S. retail statistics. The September contract lost \$0.70/bbl to \$66.59/bbl from the previous day.

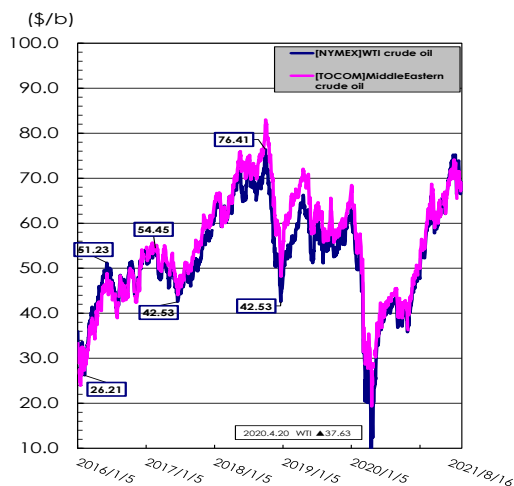
On August 18, the key contract turned down for the fifth straight trading day due to concerns over economic slump by the new outbreaks of the coronavirus and a sense of overvalued crude oil futures price by the depreciation of the Euro and the appreciation of the U.S. dollar. The September contract lost \$1.13/bbl to \$65.46/bbl from the previous day.

The Asian benchmark crude of Dubai for September delivery on the Tokyo market ranged from \$70.90/bbl to \$73.90/bbl in the July 29- August 4. It closed at \$69.00/bbl on August 5, at \$70.30/bbl on August 6, at \$68.50/bbl on August 10, at \$69.60/bbl on August 11, at \$70.10/bbl on August 12, at \$69.80/bbl on August 13, at \$68.70/bbl on August 16, at \$68.70/bbl on August 17, at \$68.70/bbl on August 18.

On the foreign exchange market in the July 29- August 4 week, the dollar moved within a range of 109.07 yen and 109.73 yen. It changed hands at 109.66 yen in late trading on August 5, at 109.89 yen on August 6, at 110.36 yen on August 10, at 110.69 yen on August 11, at 110.37 yen on August 12, at 110.46 yen on August 13, at 109.51 yen on August 16, at 109.23 yen on August 17, at 109.55 yen on August 18.

Japan's average retail price on August 10 gained by 0.3 yen/l from a week earlier for gasoline and gained by 0.2 yen/l for diesel oil and gained by 2.0 yen/l for kerosene on an 18-liter tank basis. The gasoline price increased for the first time in two weeks. Diesel oil price increased for the first time in two weeks. Kerosene price increased for the first time in two weeks. As crude oil cost decreased significantly for the second week of August, Motouri companies decreased their wholesale prices by 2.0 yen/l from a week earlier for gasoline, diesel oil and kerosene for the next week. Japan's average retail price on August 16 gained by 0.1 yen/l from a week earlier for gasoline and gained by 0.1 yen/l for diesel oil and gained by 4.0 for kerosene on an 18-liter tank basis. The gasoline price increased for the second straight week. Diesel oil price increased for the second straight week. Kerosene price increased for the second straight week. As crude oil cost decreased significantly for the third week of August, Motouri companies decreased their wholesale prices by 0.5 yen/l from a week earlier for gasoline, diesel oil and kerosene for the next week.

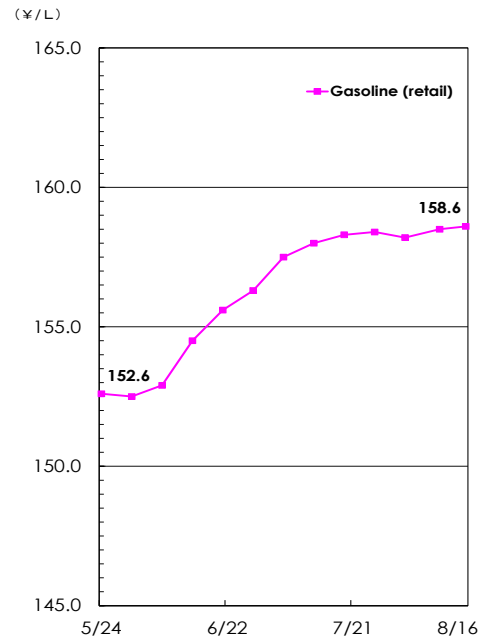
Crude oil			This week	From a week earlier	From a year earlier
Supply/Demand	Crude oil runs (1,000 kl)	8/8 ~ 8/14	2,876	▲ 24	▲ —
	Topper capacity utilization rate (%)	"	74.7	▲ 0.6	▲ —
	Crude oil inventories (1,000 kl)	8/14	9,992	▼ -224	▼ —
Prices	Middle Eastern crude oil (TOCOM) (\$/bbl)	8/16	67.43	▲ 0.33	▲ 23.6
	WTI crude oil (NYMEX) (\$/bbl)	8/16	67.29	▲ 0.81	▲ 24.4
	Crude oil import CIF price (\$/bbl)	Mid Jul	73.18	▲ 5.26	▲ 40.40
	① Crude oil import CIF price (yen/kl)	"	50,998	▲ 3,771	▲ 28,888
	② Yen-dollar exchange rate (yen/dollar)	"	110.79	▼ -0.26	▼ -3.57
	TTS exchange rate (yen/dollar)	8/16	110.51	▲ 0.85	▼ -2.96



(Unit: 1,000 kl, yen/l)

Gasoline		This week		From a week earlier	From a year earlier	
Supply/ Demand	Production	8/8 ~ 8/14	938	▲ 30	▼ —	
	Imports	"	n.a.	n.a.	n.a.	
	Shipments	"	960	▲ 18	▲ —	
	Exports	"	32	▼ -32	▲ —	
	Inventories	8/14	1,878	▼ -54	▲ —	
Prices	Gyoten (spot) [4-district average lorry rack price] (RIM)	8/10 ~ 8/16	66.2	▼ -1.1	▲ 22.4	
	Futures [front-month contract/closing price]	(TOCOM/ Tokyo Bay)	8/10 ~ 8/16	64.9	▼ -1.7	▲ 24.3
		(TOCOM/ Chubu)	8/16	64.0	▼ -1.5	▲ 22.2
	Retail prices [weekly trend] (published by ANRE)	8/16	158.6	▲ 0.1	▲ 23.1	

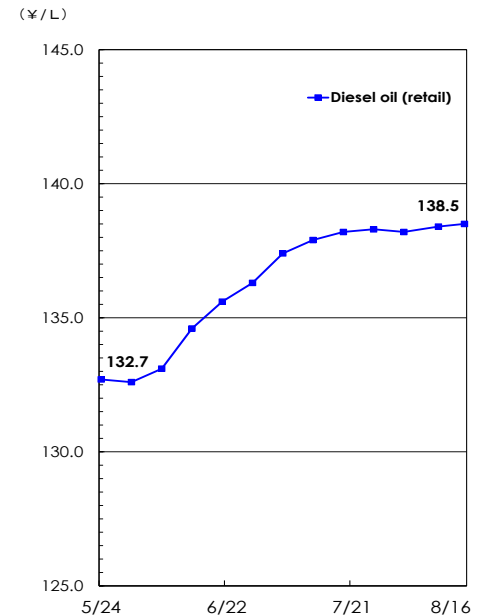
*Gyoten and futures prices are before tax



(Unit: 1,000 kl, yen/l)

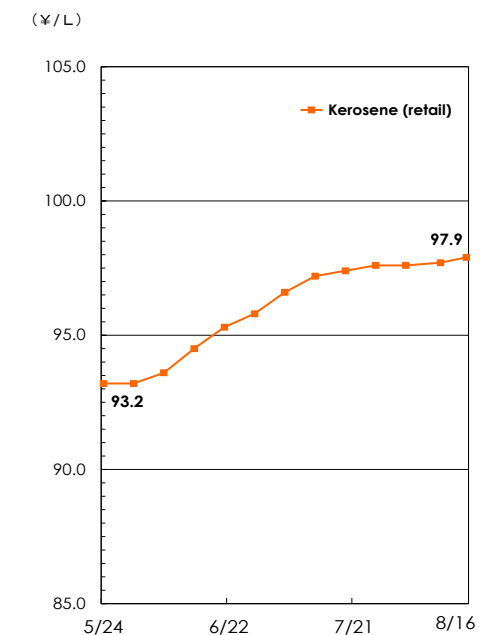
Diesel oil		This week		From a week earlier	From a year earlier	
Supply/ Demand	Production	8/8 ~ 8/14	682	▼ -84	▲ —	
	Imports	"	n.a.	n.a.	n.a.	
	Shipments	"	430	▼ -240	▲ —	
	Exports	"	219	▲ 172	▲ —	
	Inventories	8/14	1,878	▲ 33	▲ —	
Prices	Gyoten (spot) [4-district average lorry rack price] (RIM)	8/10 ~ 8/16	67.5	▼ -1.1	▲ 20.8	
	Futures [front-month contract/closing price]	(TOCOM/ Tokyo Bay)	8/10 ~ 8/16	66.7	▼ -0.6	▲ 18.3
		(TOCOM/ Chubu)	8/16	—	—	—
	Retail prices [weekly trend] (published by ANRE)	8/16	138.5	▲ 0.1	▲ 22.6	

*Gyoten and futures prices are before tax



(Unit: 1,000 kl, yen/l)

Kerosene		This week		From a week earlier	From a year earlier	
Supply/ Demand	Production	8/8 ~ 8/14	107	▲ 8	▼ —	
	Imports	"	n.a.	n.a.	n.a.	
	Shipments	"	72	▼ -29	▲ —	
	Exports	"	22	▲ 22	▲ —	
	Inventories	8/14	2,012	▲ 13	▼ —	
Prices	Gyoten (spot) [4-district average lorry rack price] (RIM)	8/10 ~ 8/16	66.9	▼ -1.0	▲ 20.1	
	Futures [front-month contract/closing price]	(TOCOM/ Tokyo Bay)	8/10 ~ 8/16	61.7	▲ 0.2	▲ 18.2
		(TOCOM/ Chubu)	8/16	64.0	▲ 0.7	▲ 19.1
	Retail prices [weekly trend] (published by ANRE)	8/16	97.9	▲ 0.2	▲ 16.8	



Relevant Information

1 Overseas crude oil prices

On August 11, WTI crude oil futures price on NYMEX rose further by the U.S. robust oil demand. In the morning trading-hours, selling prevailed due to the announcement that the U.S. Biden Administration had requested Member of OPEC plus to further relax its cooperative crude oil production cut. However, redemption prevailed later by the explanation that the request was not an urgent one. According to the announcement by the U.S. IEA on this day, the U.S. domestic crude oil inventory decreased by 0.4 million bbl from the previous week. This amount of the decrease was less than the market expectation, but the market players recognized the robust U.S. oil demand. The September contract gained \$0.96/bbl to \$69.25/bbl from the previous day. The October contract gained \$0.96/bbl to \$69.02/bbl from the previous day.

On August 18, WTI crude oil futures price on NYMEX turned down for the fifth straight trading day, falling to the lowest level for the first time in about three months since May 21, 2021. Factors pushing down the price were concerns over economic slump by the new outbreaks of the coronavirus and a sense of overvalued crude oil futures price by the depreciation of the Euro and the appreciation of the U.S. dollar. The September contract lost \$1.13/bbl to \$65.46/bbl from the previous day. The October contract lost \$1.13/bbl to \$65.21/bbl from the previous day.

According to the EIA, the average U.S. retail price of gasoline as of August 9 increased by 1.3 cents per gallon from a week earlier to \$3.172/gal (92.8 yen/l). The average diesel oil price decreased by 0.3 cents per gallon to \$3.364/gal (98.4 yen/l).

According to the EIA, the average U.S. retail price of gasoline as of August 16 increased by 0.2 cents per gallon from a week earlier to \$3.174/gal (92.5 yen/l). The average diesel oil price decreased by 0.8 cents per gallon to \$3.356/gal (97.9 yen/l). The gasoline price increased for the third straight week. Diesel oil price decreased for the second straight week.

2 Petroleum products supply and demand in Japan (1) Shipments

According to a weekly report by the PAJ (Petroleum Association of Japan), inactive topper capacity in the August 8-August 14 week in 2021 stood at 171,000 barrels per day, decreasing by 49,000 bpd from the previous week (total capacity remained at 3,458,000 bpd).

Crude oil throughput in the week increased by 24,000 kl from the previous week to 2,876,000 kl. From a year earlier, it increased by 62,000 kl. The topper capacity utilization rate stood at 74.7%, up 0.6 points from the previous week and up 2.9 points from a year earlier.

Production increased from the previous week for gasoline, jet fuel, and kerosene and decreased for other petroleum products. Output was up 3.4% for gasoline, up 19.1% for jet fuel, up 7.8% for kerosene, down 11.0% for diesel oil, down 33.1% for Fuel Oil A, and down 16.8% for Fuel Oil C. Fuel Oil C imports in the week totaled 5,000 kl, up 5,000 kl from the previous week. Diesel oil exports aggregated 219,000 kl, up 172,000 kl from the previous week.

Shipments (excluding imports) in the week increased from the previous week for gasoline and decreased for other petroleum products. From a year earlier, shipments expanded for gasoline, kerosene, diesel oil, and Fuel Oil C and declined for other petroleum products. Gasoline shipments increased by 1.9% from the previous week to 960,000 kl, increasing for the second straight week. Shipments totaled 38,000 kl for jet fuel (down 31.8% from

the previous week), 72,000 kl for kerosene (down 28.7% from the previous week), 430,000 kl for diesel oil (down 35.8% from the previous week), 93,000 kl for Fuel Oil A (down 52.4% from the previous week), and 126,000 kl for Fuel Oil C (down 48.3% from the previous week).

	(Unit: 1,000 kl)		
	This week (8/8 ~ 8/14)	Previous week (8/1 ~ 8/7)	From a week earlier
Gasoline	960	942	▲ 18 (2%)
Jet fuel	38	56	▼ -18 (-32%)
Kerosene (heating Oil)	72	101	▼ -29 (-29%)
Diesel oil	430	670	▼ -240 (-36%)
Fuel oil A	93	195	▼ -102 (-52%)
Fuel Oil C	126	244	▼ -118 (-48%)
Total	1,719	2,208	▼ -489 (-22%)

This week's shipments = (Previous weekend inventories + This week's production + This week's imports) - (This week's exports + This weekend inventories)

2 Petroleum products supply and demand in Japan (2) Inventories

Inventories as of August 14 decreased from a week earlier for gasoline and increased for other petroleum products. From a year earlier, inventories declined for kerosene and expanded for other petroleum products.

Gasoline inventories totaled 1,878,000 kl, down 54,000 kl from a week earlier and up 84,000 kl from a year earlier.

Kerosene inventories totaled 2,012,000 kl, up 13,000 kl from a week earlier and down 186,000 kl from a year earlier.

Diesel oil inventories totaled 1,878,000 kl, up 33,000 kl from a week earlier and up 43,000 kl from a year earlier.

Fuel Oil A inventories totaled 746,000 kl, up 35,000 kl from a week earlier and up 18,000 kl from a year earlier.

Fuel Oil C inventories totaled 1,940,000 kl, up 70,000 kl from a week earlier and up 102,000 kl from a year earlier.

	(Unit: 1,000 kl)		
	This week (8/14)	Previous week (8/7)	From a week earlier
Gasoline	1,878	1,932	▼ -54 (-3%)
Jet fuel	802	734	▲ 68 (9%)
Kerosene (heating Oil)	2,012	1,999	▲ 13 (1%)
Diesel oil	1,878	1,845	▲ 33 (2%)
Fuel oil A	746	711	▲ 35 (5%)
Fuel Oil C	1,940	1,870	▲ 70 (4%)
Total	9,256	9,091	▲ 165 (1.8%)

3 Petroleum products wholesale prices in Japan (1) Wholesale price revision trend

During August 3-August 9, crude oil cost in yen decreased significantly from a week earlier with the significant decrease in crude oil price and the slight appreciation of the yen to the US dollar. For the next week of August 12-August 18, Motouri companies decreased their wholesale prices by 2.0 yen/l for gasoline, kerosene, and diesel oil from a week earlier.

During August 10-August 16, crude oil cost in yen decreased from a week earlier with the decrease in crude oil price offset by the slight depreciation of the yen to the US dollar. For the next week of August 19-August 25, Motouri companies decreased their wholesale prices by 0.5 yen/l for gasoline, kerosene, and diesel oil from a week earlier.

3 Petroleum products wholesale prices in Japan (2) Spot (Gyoten) and futures price trend

Spot petroleum products prices in the August 3-August 9 week increased for all oil products in all trading except for the decreased all futures prices and leveled off offshore kerosene prices compared to the period of July 27-August 2. Spot petroleum products prices in the August 10-August 16 week decreased for all oil products in all trading except for the increased futures kerosene price compared to the period of August 3-August 9.

The latest onshore cargo spot price (the average onshore rack price for four districts -- Chiba, Kawasaki, Chukyo, and Hanshin -- for the August 3-August 9 week) increased by 0.2 yen/l from two weeks earlier (July 27-August 2 week) for gasoline, leveled off for kerosene and increased by 0.5 yen/l for diesel oil. The latest onshore cargo spot price (the average onshore rack price for four districts -- Chiba, Kawasaki, Chukyo, and Hanshin -- for the August 10-August 16 week) decreased by 1.1 yen/l from a week earlier (August 3-August 9 week) for gasoline, decreased by 1.0 yen/l for kerosene and decreased by 1.1 yen/l for diesel oil. For the latest period of August 3-August 16, the price decreased in a 119-121 yen/l range for gasoline; and decreased in a 66-68 yen/l range for kerosene; decreased in a 67-68 yen/l range for diesel oil.

The average offshore barge spot price in Tokyo Bay increased by 0.5 yen/l for gasoline, decreased by 0.4 yen/l for kerosene and increased by 0.6 yen/l for diesel oil for the August 3-August 9 week from two weeks earlier. The average offshore barge spot price in Tokyo Bay decreased by 0.5 yen/l for gasoline, decreased by 0.8 yen/l for kerosene and decreased by 0.6 yen/l for diesel oil for the August 10-August 16 week from a week earlier. Offshore cargo spot prices during August 3-August 16 decreased after the increase in a 121-122 yen/l range for gasoline and decreased after the fluctuation in a 63-65 yen/l range for kerosene and decreased significantly after

the increase in a 68-70 yen/l range for diesel oil from a week earlier.

The key average futures price decreased by 2.3 yen/l for gasoline, decreased by 0.5 yen/l for kerosene and decreased by 1.4 yen/l for diesel oil from two weeks earlier. The key average futures price decreased by 1.7 yen/l for gasoline, increased by 0.2 yen/l for kerosene and decreased by 0.6 yen/l for diesel oil from a week earlier. The key futures price during August 3-August 16 decreased significantly in a 117-121 yen/l range for gasoline, increased after the decrease in a 61 yen/l for kerosene and decreased significantly in a 66-68 yen/l range for diesel oil.

(RIM) 4-district average lorry rack price]		(Unit: yen/l)		
		This week (8/10 ~ 8/16)	Previous week (8/3 ~ 8/9)	From a week earlier
Spot Prices	Regular	66.2	67.3	▼ -1.1
	Kerosene	66.9	67.9	▼ -1.0
	Diesel oil	67.5	68.6	▼ -1.1

(TOCOM) [Frontmonth contract-closing price] [Average]		(Unit: yen/l)		
		This week (8/10 ~ 8/16)	Previous week (8/3 ~ 8/9)	From a week earlier
Futures Price	Regular	64.9	66.6	▼ -1.7
	Kerosene	61.7	61.5	▲ 0.2
	Diesel oil	66.7	67.3	▼ -0.6

Above prices are before tax.
Reference (August 10 - August 16 actual data)

Products	Spot	Futures	Average
Gasoline	▼ -1.1	▼ -1.7	▼ -1.4
Kerosene	▼ -1.0	▲ 0.2	▼ -0.4
Diesel oil	▼ -1.1	▼ -0.6	▼ -0.9
Fuel Oil A	▼ -1.0		

(Source) Spot: RIM 4-district average lorry rack price
(Chiba, Kawasaki, Chukyo, Hanshin)
Futures: TOCOM average offshore barge spot price for Keihin District

4 Retail prices of petroleum products in Japan

The average retail service station price as of August 10 increased by 0.3 yen from a week earlier to 158.5 yen/l for gasoline, increased by 0.2 yen to 138.4 yen/l for diesel oil and increased by 2 yen to 1,758 yen for kerosene on an 18-liter tank basis (increased by 0.1 yen to 97.7 yen/l) from a week earlier. The gasoline price increased for the first time in two weeks. Diesel oil price increased for the first time in two weeks. Kerosene price increased for the first time in two weeks.

Gasoline prices increased in 33 prefectures, leveled off in two prefectures and decreased in 12 prefectures. The lowest gasoline price among the prefectures was 153.1 yen/l in Saitama (up 0.2 yen/l from a week earlier). The second lowest was 153.5 yen/l in Tokushima (up 1.1 yen/l) and Miyagi (up 0.1 yen/l).

The highest price was 168.2 yen/l in Nagasaki (down 0.1 yen/l). Toyama logged the largest price gain of 1.8 yen/l to 160.9 yen/l. The price leveled off in Nagano and Kochi. Okinawa logged the largest price fall of 1.1 yen/l to 163.9 yen/l.

Crude oil cost in yen decreased significantly for the period from August 3-August 9 with the significant decrease in crude oil price and the slight appreciation of the yen to the US dollar. Motouri companies decreased their wholesale prices by 2.0 yen/l for gasoline, diesel oil and kerosene for the period from August 12-August 18.

The average retail service station price as of August 16 increased by 0.1 yen from a week earlier to 158.6 yen/l for gasoline, increased by 0.1 yen to 138.5 yen/l for diesel oil and increased by 4 yen to 1,762 yen for kerosene on an 18-liter tank basis (increased by 0.2 yen to 97.9 yen/l) from a week earlier. The gasoline price increased for the second straight week. Diesel oil price increased for the second straight week. Kerosene price increased for the second straight week.

Gasoline prices increased in 23 prefectures, leveled off in four prefectures and decreased in 20 prefectures. The lowest gasoline price among the prefectures was 152.6 yen/l in Saitama (down 0.5 yen/l from a week earlier). The second lowest was 153.4 yen/l in Miyagi (down 0.1 yen/l). The highest price was 168.3 yen/l in Nagasaki (up 0.1 yen/l). Tokyo logged the largest price gain of 0.8 yen/l to 162.3 yen/l. The price leveled off in Fukuoka, Tottori, Mie, and Nagano. Toyama logged the largest price fall of 1.0 yen/l to 159.9 yen/l.

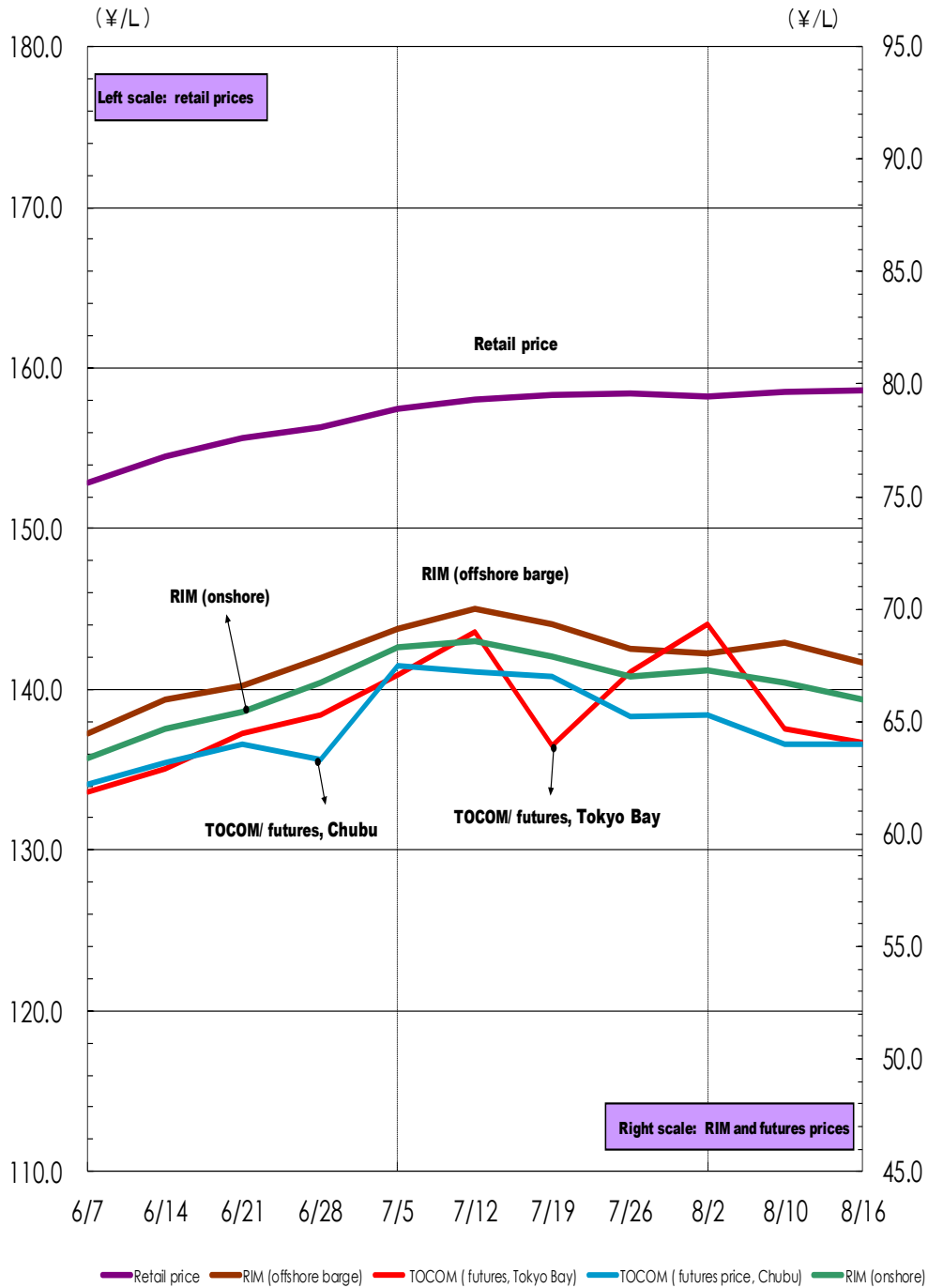
Crude oil cost in yen decreased for the period from August 10-August 16 with the decrease in crude oil price offset by the slight depreciation of the yen to the US dollar. Motouri companies decreased their wholesale prices by 0.5 yen/l for gasoline, diesel oil and kerosene for the period from August 19-August 25. Retail gasoline price on the next price survey day (August 23) is expected to decrease slightly from a week earlier.

(Published by ANRE)[Weekly trend]		(Unit: yen/l)			
		This week (8/16)	Previous week (8/10)	From a week earlier	Latest high
Retail Price	Regular	158.6	158.5	▲ 0.1	08/8/4 185.1
	Kerosene	97.9	97.7	▲ 0.2	08/8/11 132.1
	Diesel oil	138.5	138.4	▲ 0.1	08/8/4 167.4

Nationwide average cash retail price
(including consumption tax)
Since April 2007, 2,000 service stations
have been covered.
Latest highs are highest levels since
October 2003.

Gasoline price trend

(2021/6/7 ~ 2021/8/16)



(Note) ① Retail price includes consumption Tax, RIM, TOCOM prices are before tax.
 ② RIM (onshore) is the average of four district .

Announcement

This report is available at the center's website (<https://eneken.ieej.or.jp/en/>).
The next issue (No. 20 for 2021) will be announced on September 3.

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Weekly Oil Market Review

In an interim report compiled in May 2004 by a petroleum products market trend study panel sponsored by the Petroleum Distribution and Retail Division of the Natural Resources and Fuel Department at the Agency for Natural Resources and Energy, the panel stated, "We hope that the Japanese oil industry will solidify its market and price-finding functions and that the oil industry as a mainstay industry in Japan will further enhance its rationality and vitality over a medium term as industry people deepen their understanding of the need for rational price recognition based on market and price-finding functions to be established in the oil industry and for business decisions based on recognition under the principle of self-responsibility."

In response to the report, this Center has published the Weekly Oil Market Review as a tool for oil-related people, business administrators (particularly service station managers) and ordinary consumers to accurately understand crude oil and petroleum products supply and demand and price trends, in cooperation with relevant organizations such as the Petroleum Association of Japan and the Zensekiren (Japan's Dealers Association) since May 2005.

Sources of data provided in this report

① [Crude oil and petroleum products supply and demand] (weekly PAJ report)

Data in weekly statistics on crude oil and petroleum product supply by the Petroleum Association of Japan are calculated in terms of 1,000 kiloliters. Shipments are estimated by this Center.

② [Crude oil and futures prices] (WTI crude and Middle Eastern crude)

For the WTI crude, the front-month WTI crude futures contract's daily closing price on the New York Mercantile Exchange (NYMEX) is adopted.

For the Middle Eastern crude, the front-month Middle Eastern crude futures contract's closing price on the Tokyo Commodity Exchange (TOCOM) is adopted. * "Second-month (next-month) contract"

Underlying the Middle Eastern crude price is the average price for the Dubai and Oman crude oil. The telegraphic transfer middle rate (TTM) released by the Bank of Tokyo-Mitsubishi UFJ is adopted as the foreign exchange rate.

The crude oil import CIF price is a dollar-denominated reference price estimated by the PAJ based on the average crude oil price (on a 10-day basis) in the Ministry of Finance trade statistics.

③ [Motouri wholesale prices of petroleum products in Japan]

Motouri wholesale prices are prices for transactions between Motouri petroleum products wholesalers (primary wholesalers) and their affiliates (secondary wholesalers).

Motouri companies modified their new pricing system in April 2010 to decide specific policies in comprehensive consideration of crude oil and petroleum products market prices, each other's prices and other data. In June 2014, they modified the system further to give greater priority to crude oil cost.

④ [Gyoten spot prices of petroleum products in Japan] (RIM gyoten)

Onshore cargo spot prices are the average onshore lorry rack prices for the four districts of Tokyo, Kawasaki, Chukyo and Hanshin in the Lorry Rack Report of RIM Intelligence Co.

⑤ [Futures prices of petroleum products in Japan] (TOCOM)

Front-month petroleum products futures contracts' daily closing prices for TOCOM Tokyo Bay and Chubu are adopted.

TOCOM Tokyo Bay prices are the average offshore barge prices for the Keihin district. TOCOM Chubu prices are the average lorry rack prices in the Chubu district.

⑥ [Retail prices of petroleum products in Japan] (Weekly trend survey)

Average cash retail prices at some 2,000 service stations subject to a weekly nationwide survey are adopted (as released by the Agency for Natural Resources and Energy). The survey covers prices on Monday and is released at 14:00 on Wednesday (available on the website of the Agency for Natural Resources and Energy).