

***Energy Outlook:  
Forecasting Diesel Fuel Prices***

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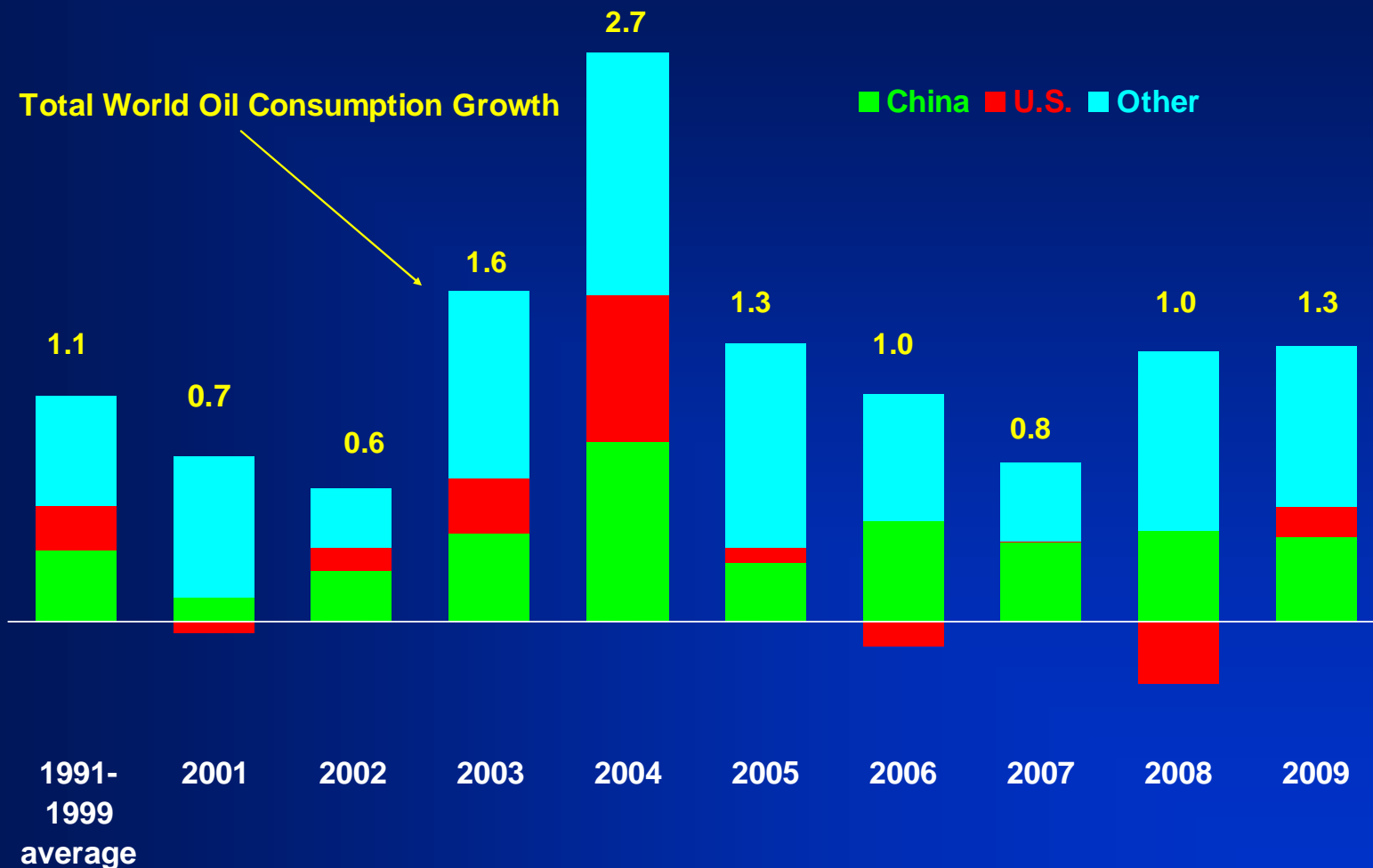
# WTI crude oil prices are expected to remain high

dollars per barrel



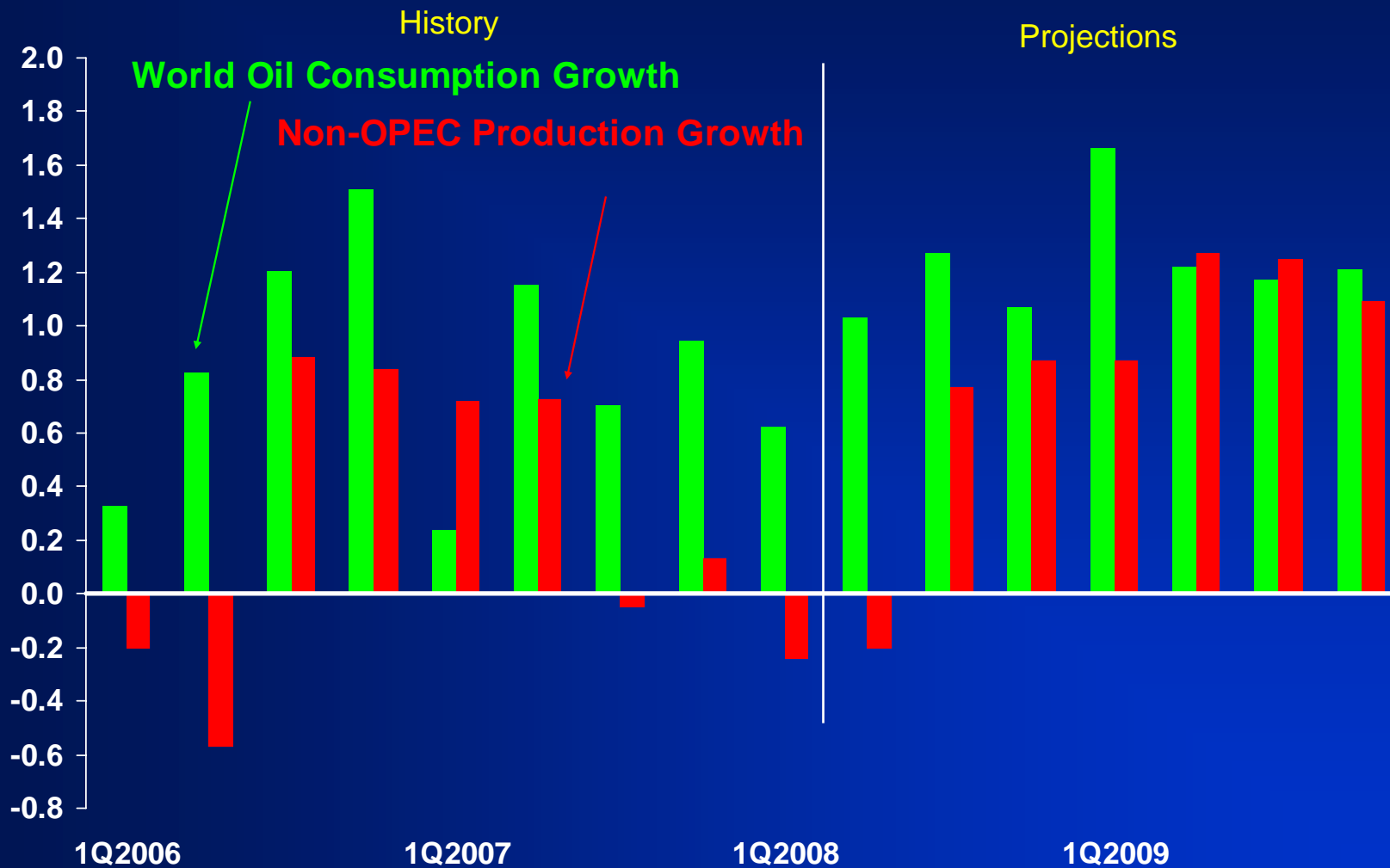
# World oil consumption growth expected to accelerate in 2008 and 2009

annual growth, millions of barrels per day



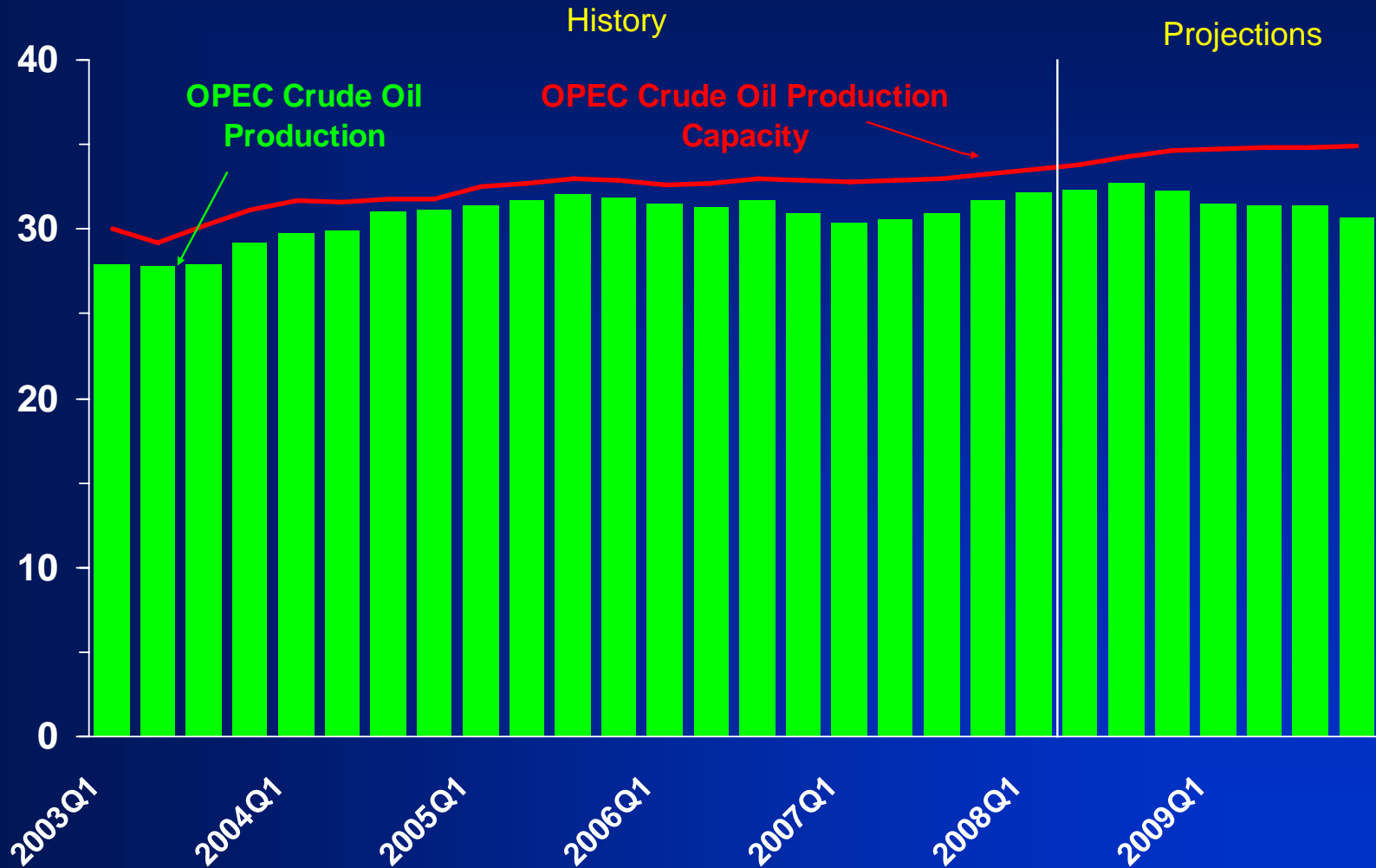
# Global oil market balance is expected to loosen slightly in 2009

annual growth, millions of barrels per day



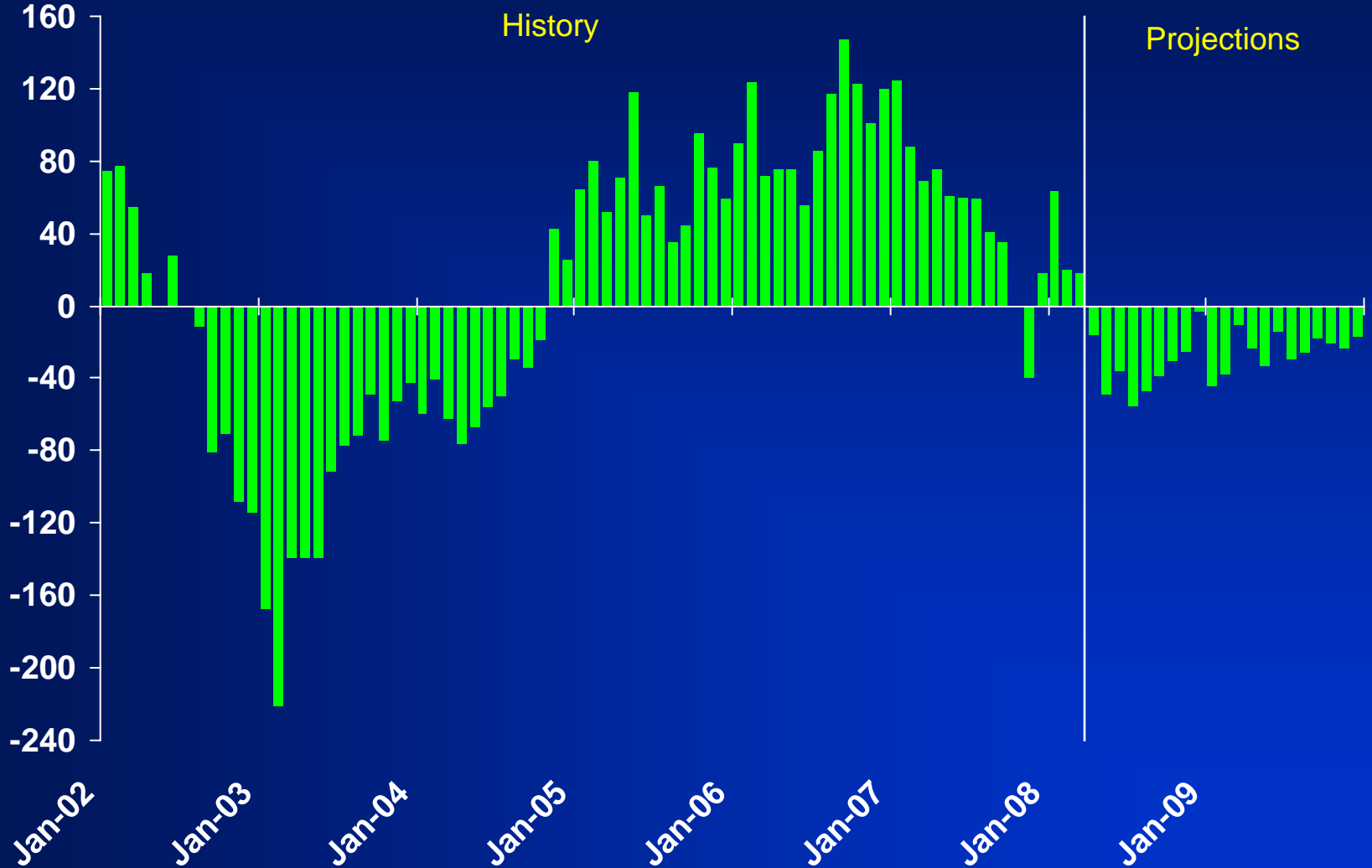
# OPEC spare capacity has remained low, with most OPEC countries producing at capacity

millions of barrels per day



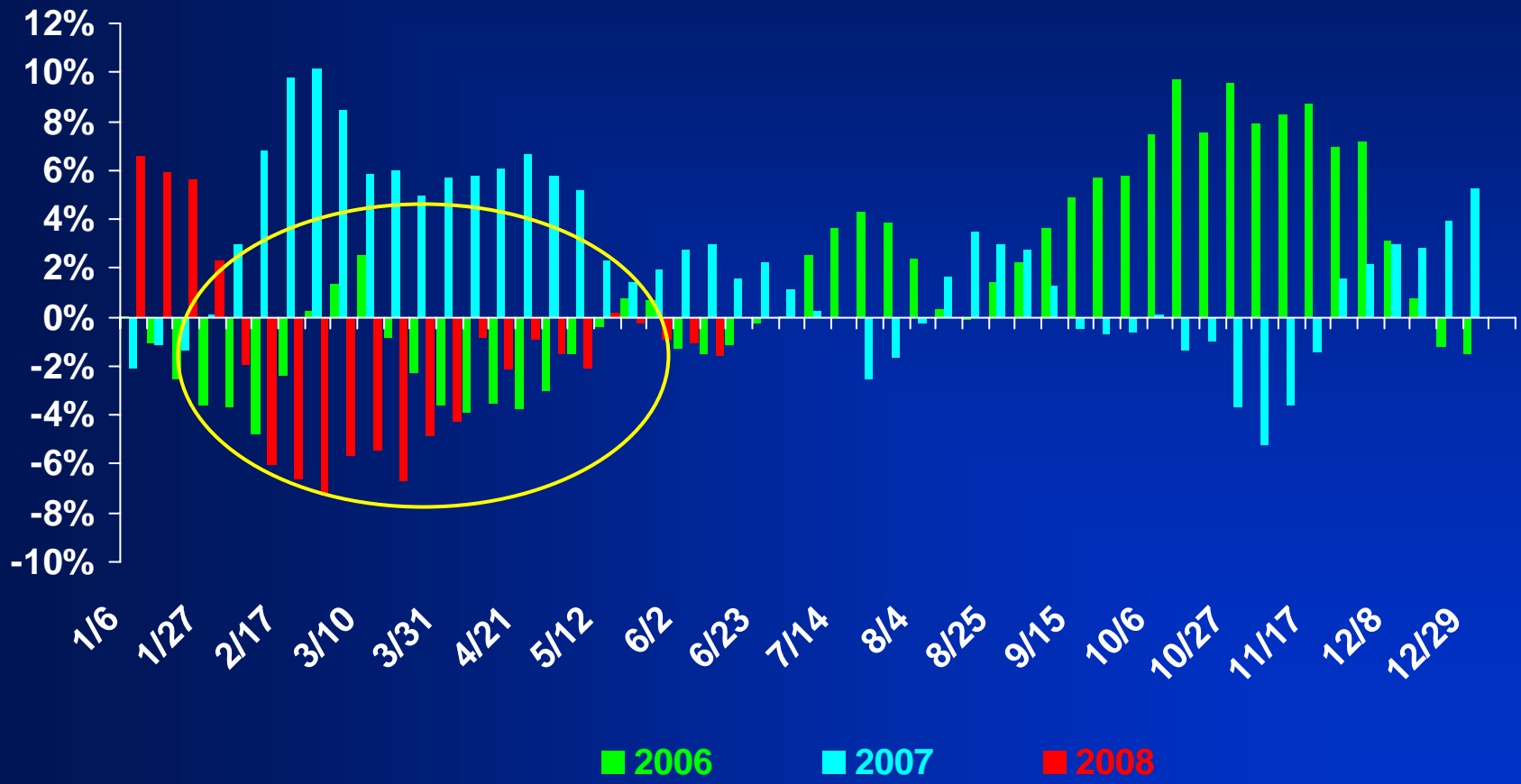
# OECD commercial stocks decline from record highs to near-normal levels

Change from 5-year average, million barrels



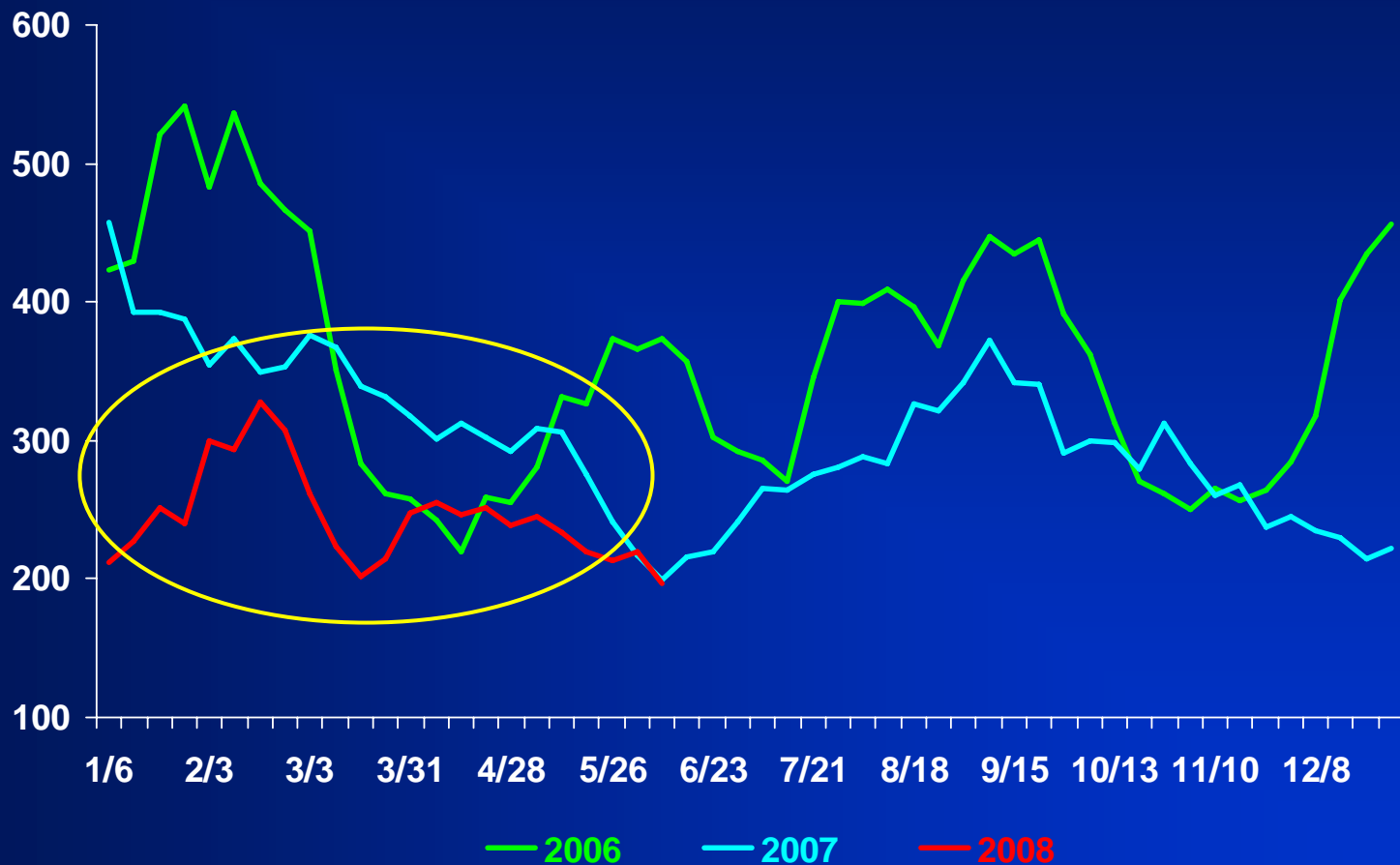
# U.S. 4-week average total distillate demand growth has been negative

Year-to-year 4-week average growth



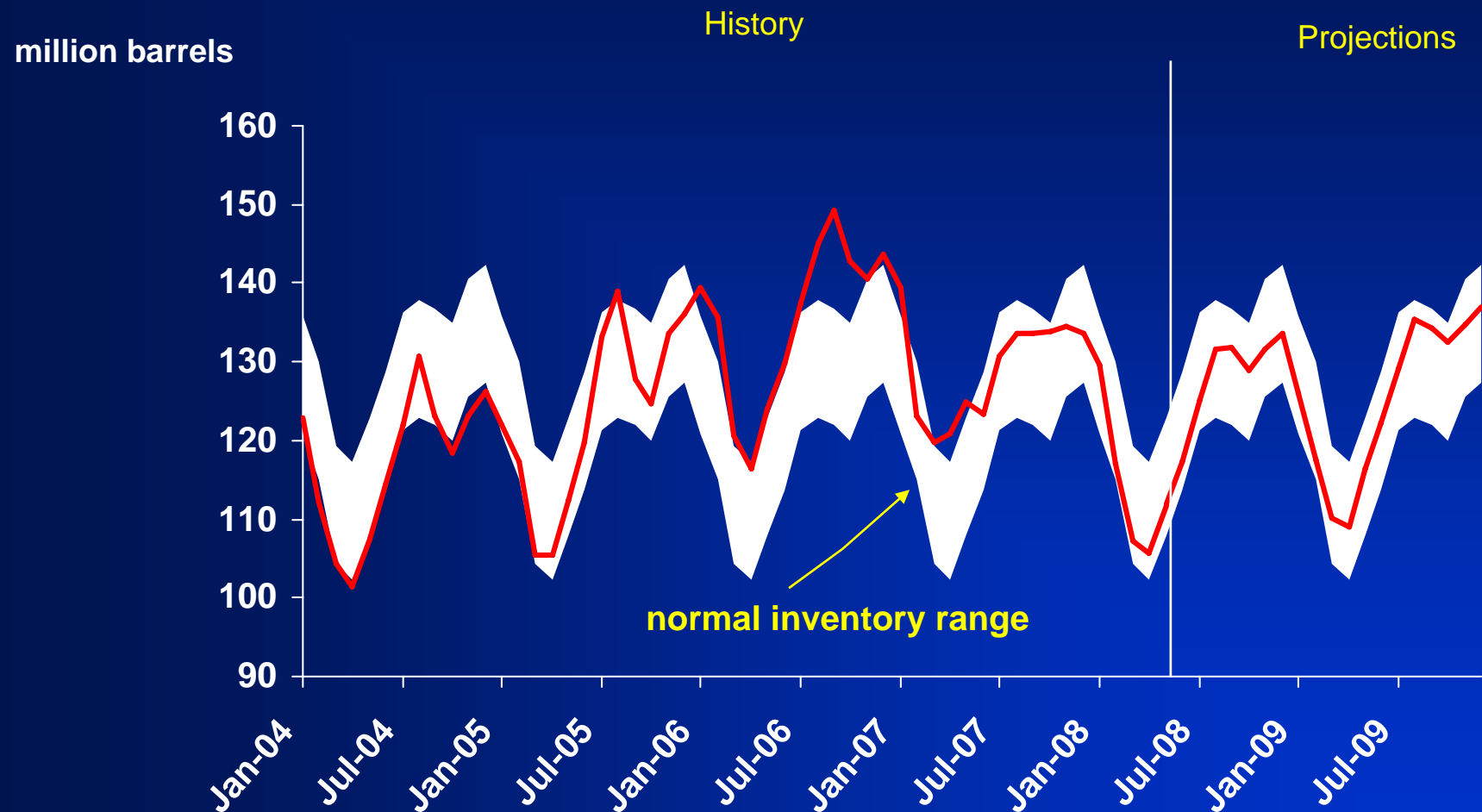
# U.S. 4-week average total distillate imports are lower this year than the past 2 years

thousand barrels per day





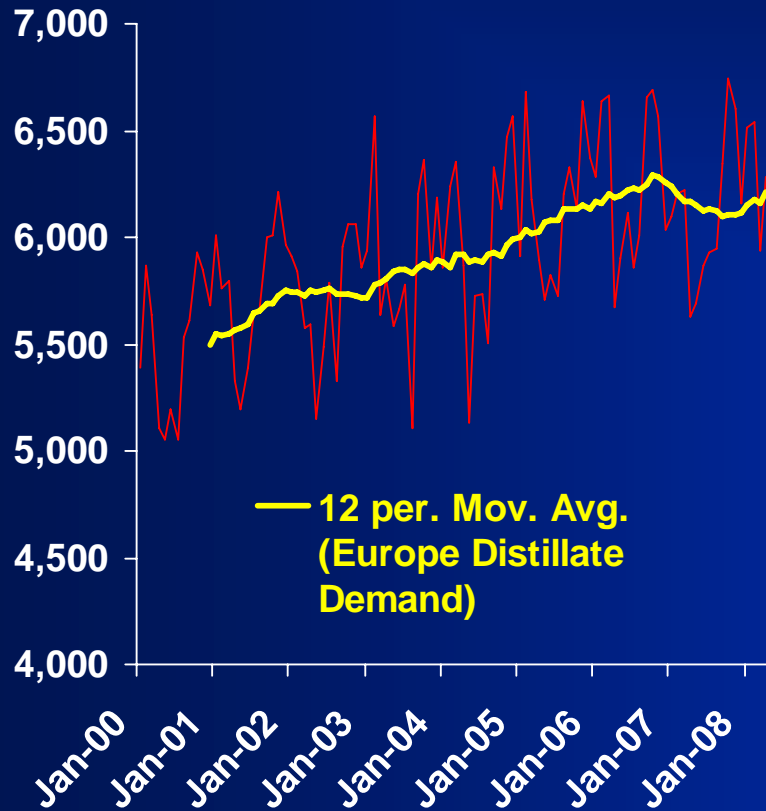
# Distillate stocks are currently at the bottom of the average range



# European distillate demand continues to grow

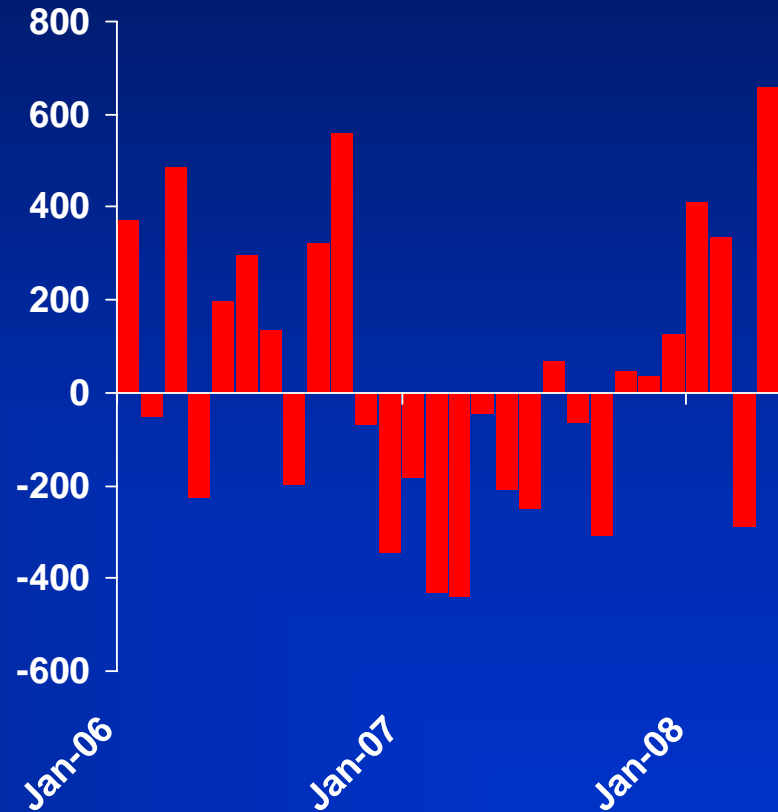
## OECD Europe Demand

thousand barrels per day



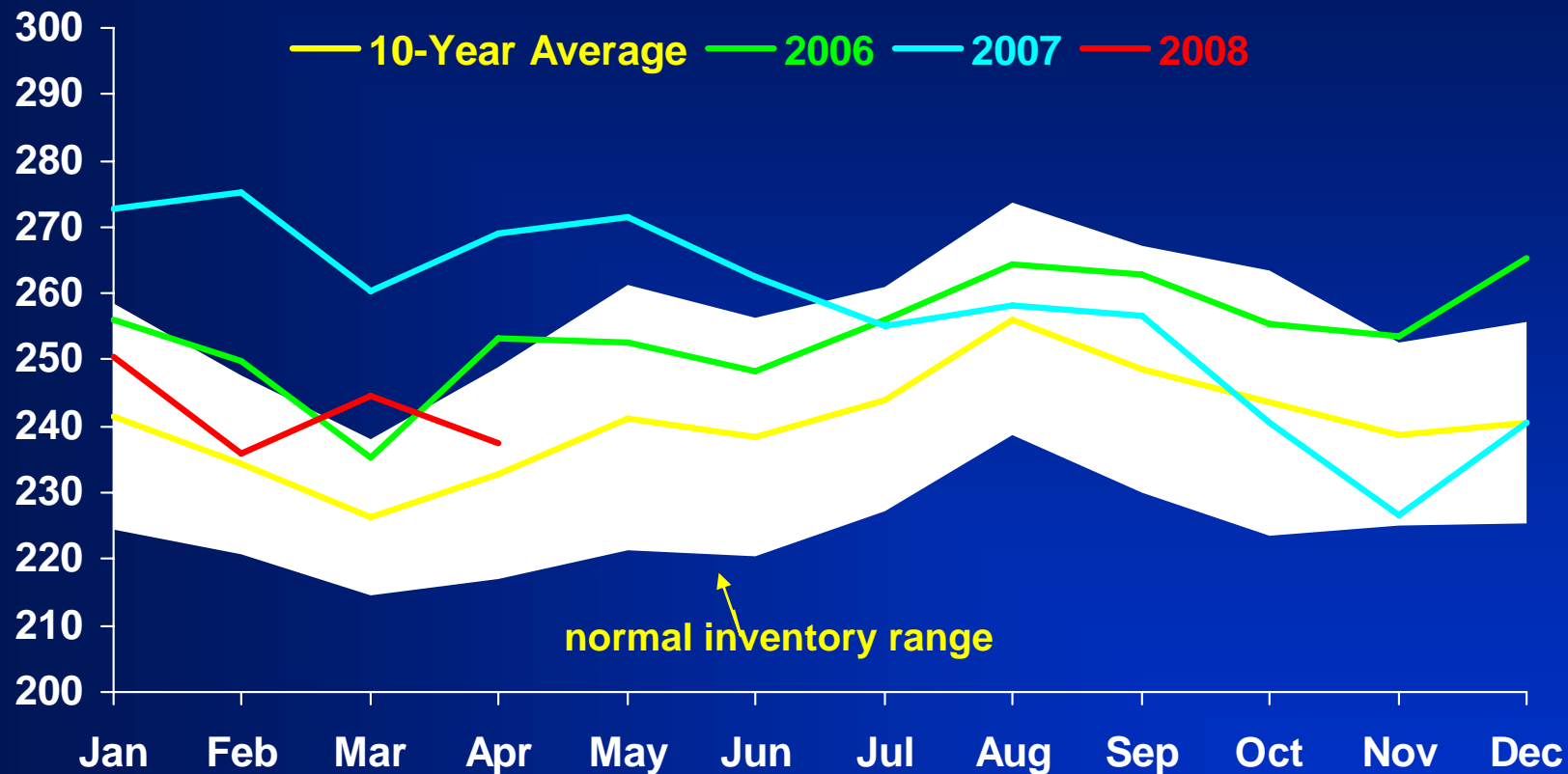
## OECD Europe Demand Year-Over-Year Growth

thousand barrels per day



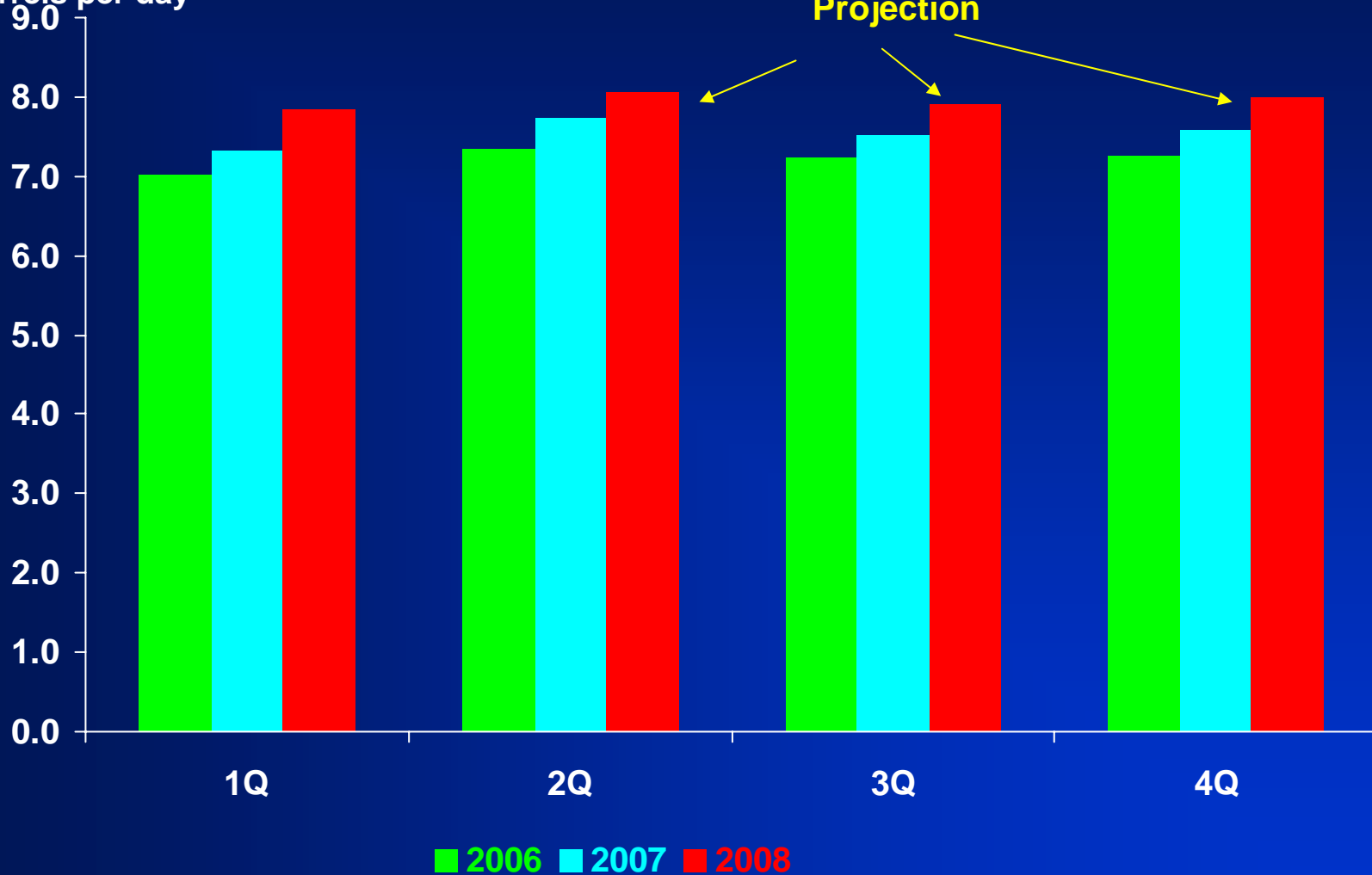
# OECD European commercial distillate stocks are at above-average levels

million barrels



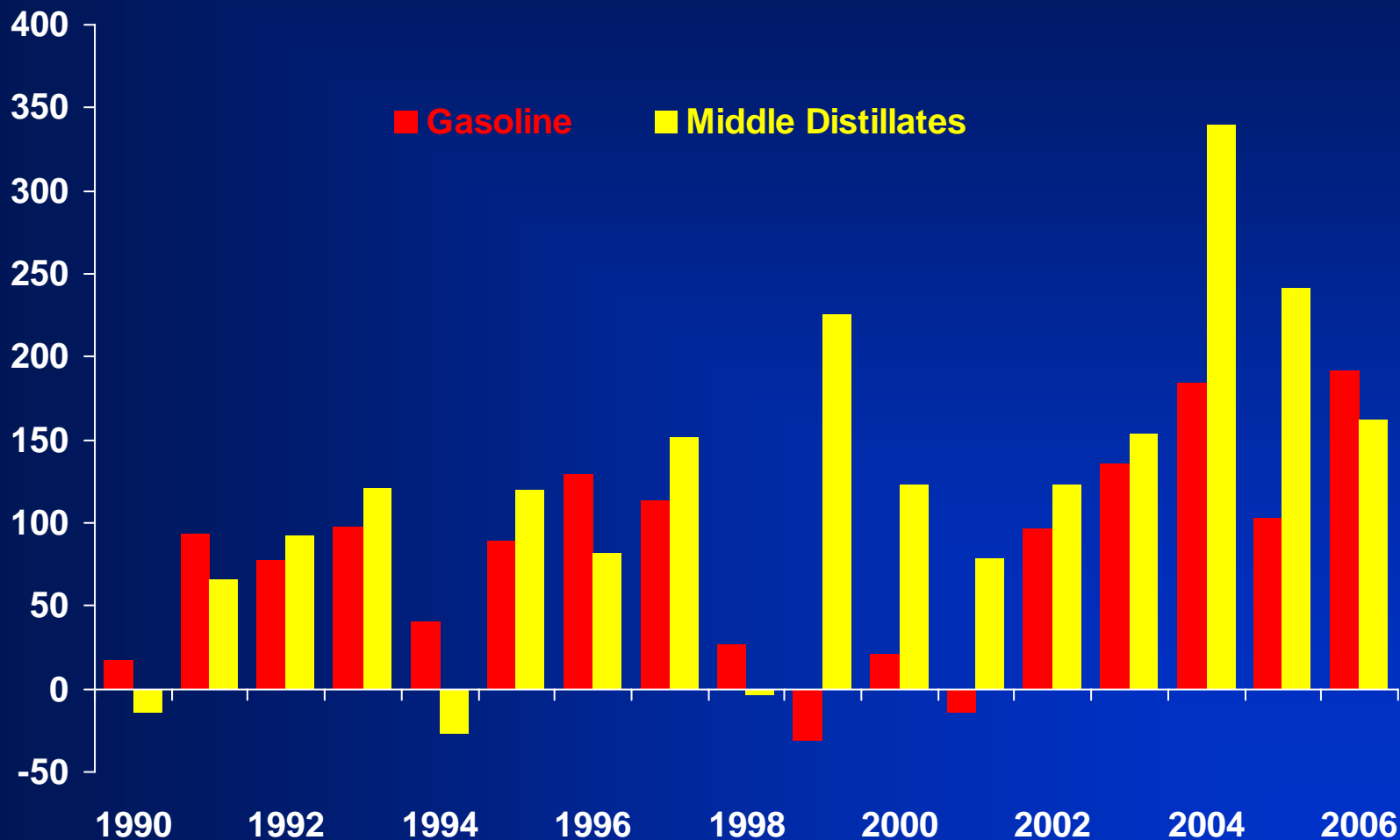
# Chinese oil demand shows strong yearly growth in recent years

million barrels per day



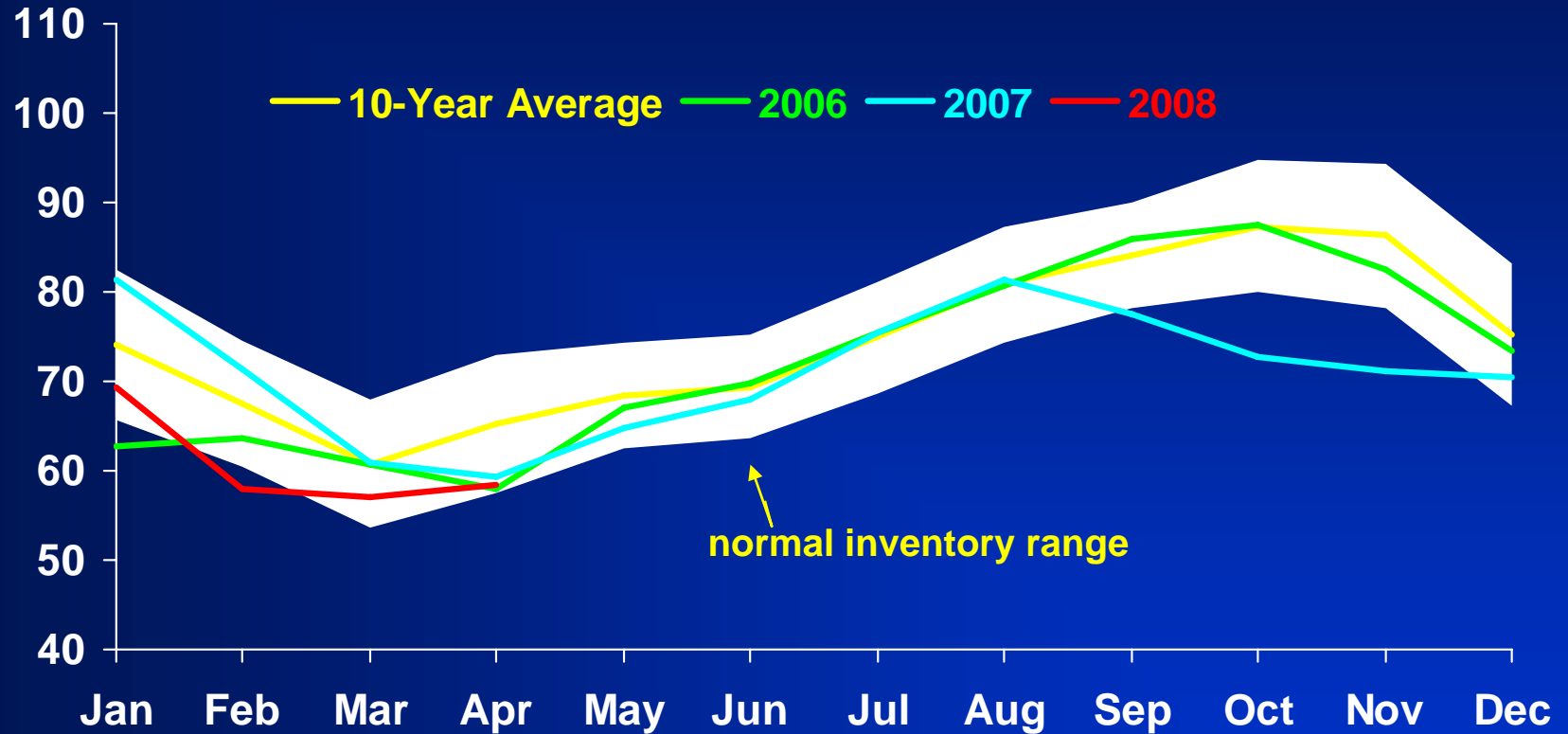
# Much of China's oil demand growth in the last 2 years has come from gasoline and diesel

annual growth, millions of barrels per day



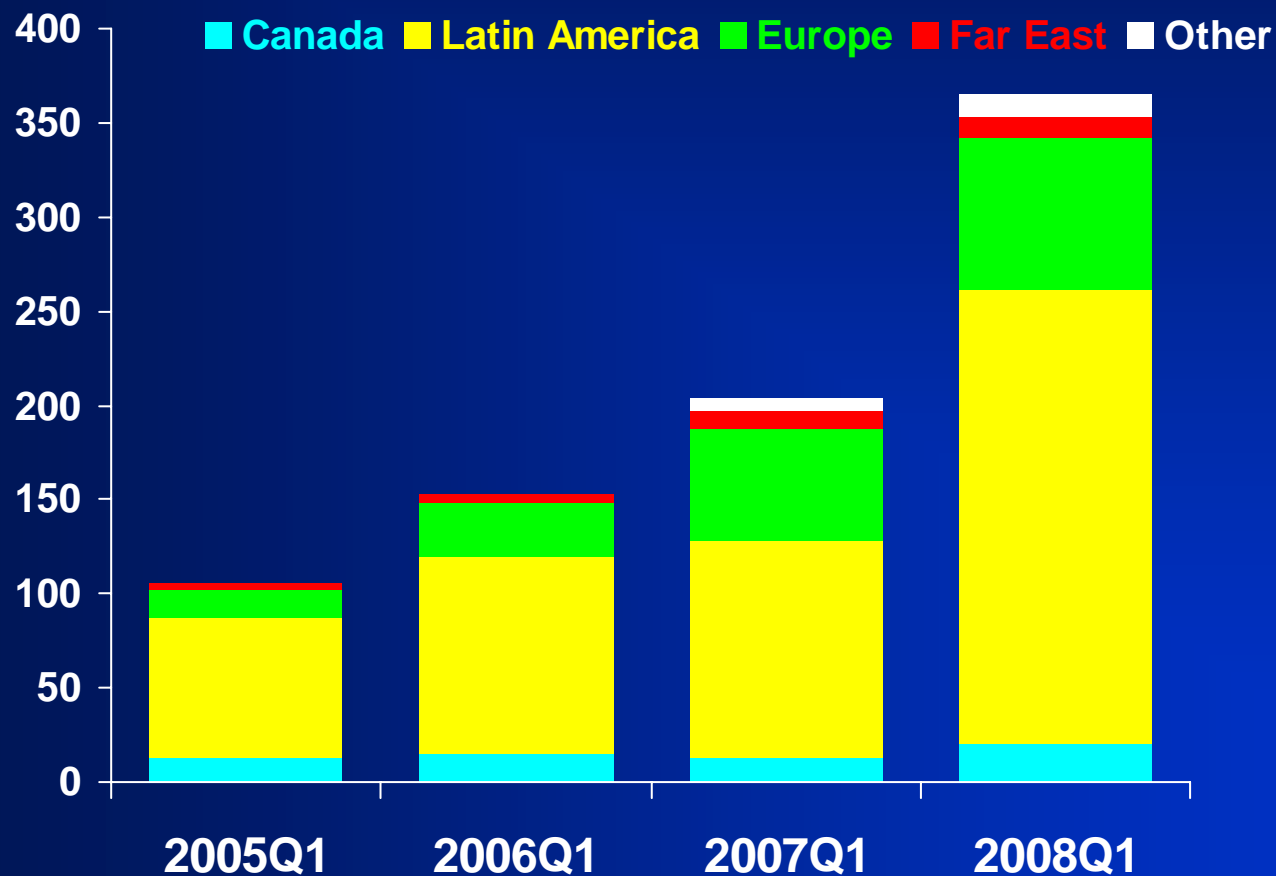
# OECD Pacific commercial distillate stocks are at below-average levels

million barrels

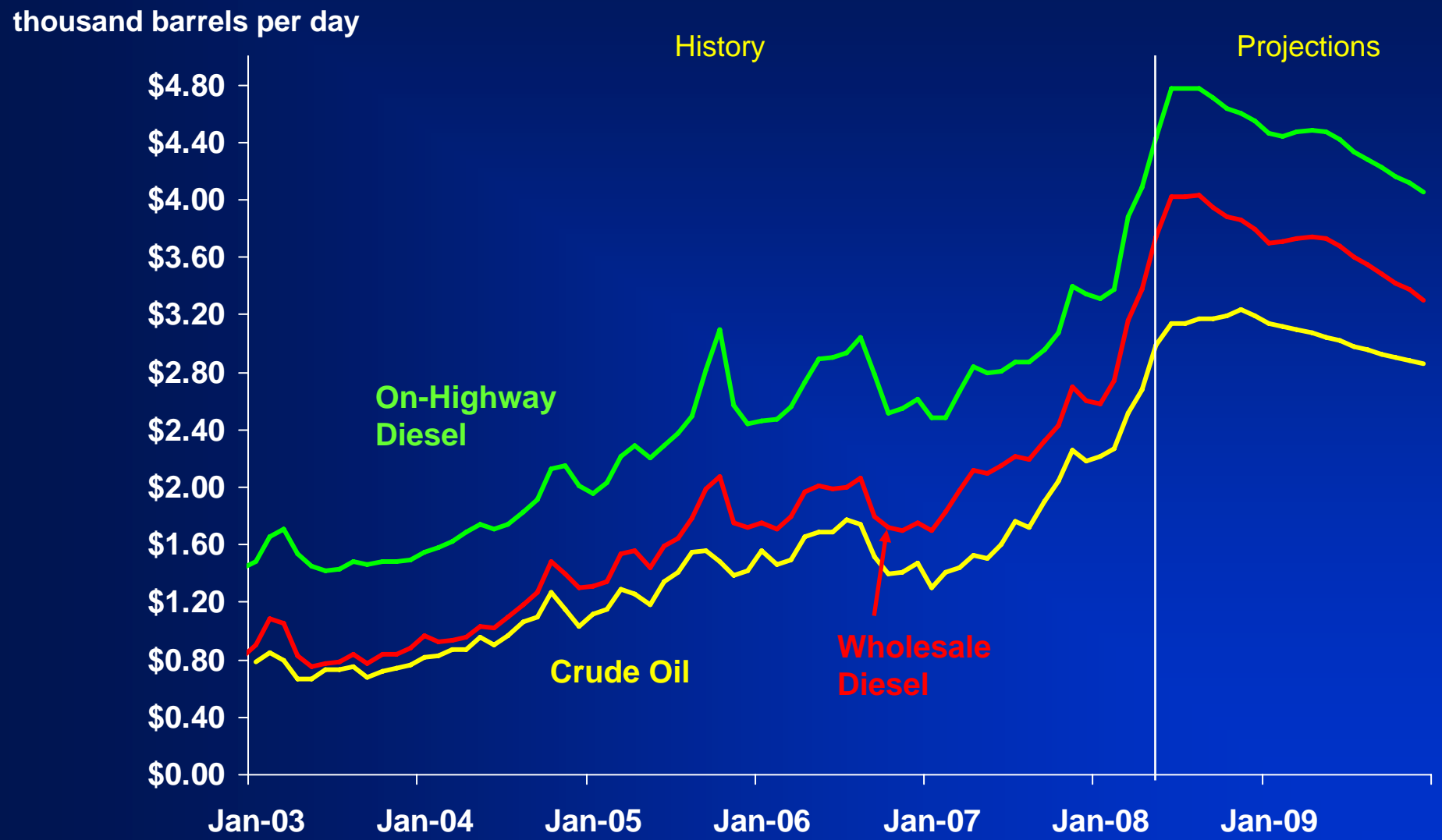


# 2008 first quarter U.S. distillate exports are unusually high

thousand barrels per day



# U.S. diesel prices are expected to decline, but remain high





# Conclusions

- **Crude oil prices are expected to remain very high for the foreseeable future**
- **Strong growth in the global demand for diesel fuel have added to retail diesel price pressures**
- **Retail diesel fuel prices are expected to remain well above \$4 a gallon through at least 2009**

# Periodic Reports

*Petroleum Status and Natural Gas Storage Reports, weekly*

*Short-Term Energy Outlook, monthly*

*Annual Energy Outlook 2008, March 2008, full report, June 2008*

*International Energy Outlook 2007, May 2007, next update June 2008*

## Examples of Special Analyses

*“Economic Effects of High Oil Prices,” Annual Energy Outlook 2006*

*Analysis of Crude Oil Production in the Arctic National Wildlife Refuge,  
May 2008*

*The Global Liquefied Natural Gas Market: Status and Outlook, December 2003*

*“Impacts of Increased Access to Oil and Natural Gas Resources in the Lower 48  
Federal Outer Continental Shelf,” Annual Energy Outlook 2007*

*Energy Market and Economic Impacts of S.2191, the Lieberman-Warner Climate  
Security Act of 2007, April 2008*

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