

What's driving your energy prices?

Bullish Factors

- U.S. crude oil production from the fastest-growing shale oil plays is expected to fall 45,000 barrels to 4.98 million barrels per day next month, marking their first monthly decline in over four years, according to the Energy Information Administration's (EIA) latest Drilling Productivity Report.
- In its latest Monthly Oil Market Report, the Paris based International Energy Agency (IEA) increased its demand growth forecast for this year by 90,000 barrels per day to 93.6 million barrels per day.
- U.S. crude oil inventories rose 1.29 million barrels last week, according to the EIA's weekly inventory report, much smaller than the 3.85 million barrel build the market was anticipating.

Bearish Factors

- Saudi Arabia, the Organization of Petroleum Exporting Countries' (OPEC) biggest member, increased crude oil output to 10.1 million barrels per day in March, marking the highest output level since September 2013, according to the IEA.
- U.S. employers added just 126,000 jobs in March, according to U.S. Labor Department, well below the 245,000 the market was expecting and marking the weakest hiring in 15 months.
- U.S. distillate stocks, which include home heating oil, increased slightly over 2 million barrels last week, according to the EIA, beating expectations for a much smaller 700,000 barrel build.

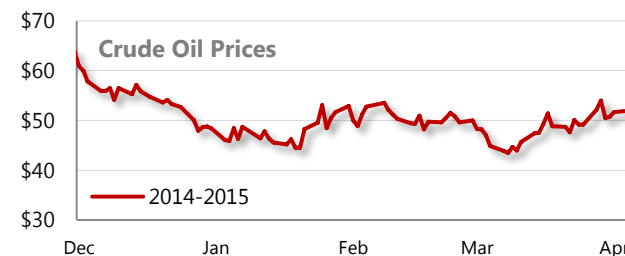
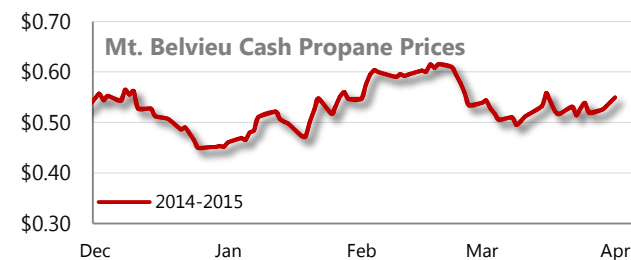
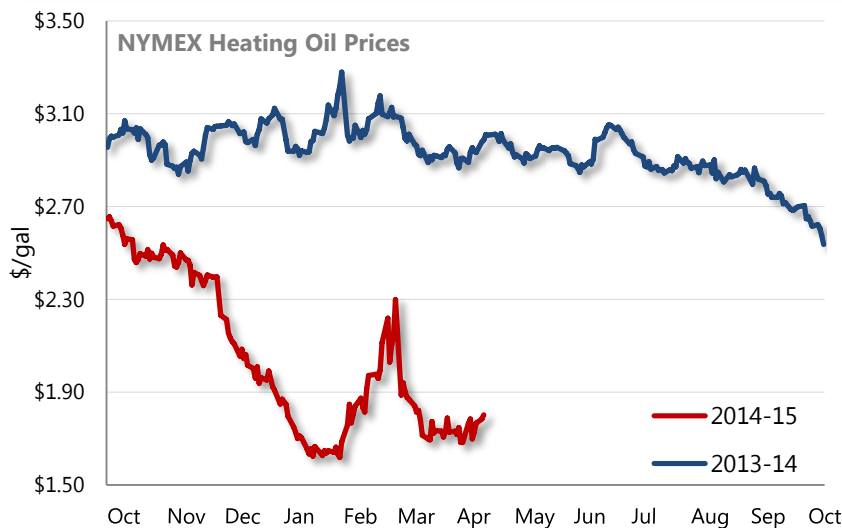
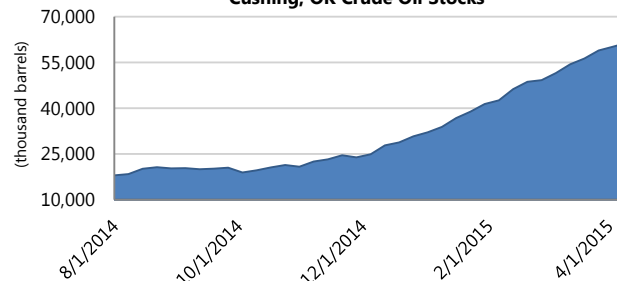
Did you know?

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Cushing Tanks Approaching Capacity

All eyes are on [Cushing, Oklahoma](#) (click for Google map view), the delivery point for the NYMEX WTI U.S. crude oil futures contract, where inventory levels are achieving new record highs on a weekly basis. You'll recall back in Issue XXVIII of the EPR (August 2014), stocks at Cushing were sitting at roughly 18 million barrels, down nearly 60% from their 2014 peak. Since that time, crude oil stocks at the U.S. storage hub have risen a whopping 241% to 60.5 million barrels. With maximum storage capacity estimated to be 70.8 million barrels, Cushing storage tanks are approximately 87% full. Whether or not tank tops will be breached in the next few months will have a significant impact on oil prices going forward, so keep an eye on Cushing!

Cushing, OK Crude Oil Stocks



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