



Department of Energy

## OIL SUPPLY/DEMAND REPORT YTD JUNE 2022 VS. YTD JUNE 2023

Oil Industry Management Bureau/  
Oil Industry Competition & Monitoring Division

With the enduring risks faced by the downstream oil industry sector, including logistics problems in areas affected by calamities such as typhoon, flood, earthquake, volcanic eruption, etc., the Department of Energy (DOE) continued its close monitoring and maintenance of database and information of the various activities of the sector such as crude and product imports and costs, local production and capabilities, product exports, industry demand, inventory levels, distribution and marketing facilities, and other downstream capability statistics.

To ensure a continuous, adequate and stable supply of oil in the country, the DOE still enforces the Minimum Inventory Requirement (MIR). Moreover, the DOE constantly coordinates with other government agency responders to ensure the sufficient supply of petroleum products in areas affected by calamities.

Current MIR for refiners stands at in-country stocks equivalent to 30 days of crude and finished products, while an equivalent of fifteen (15) days stock of finished products is required for the bulk marketers/importers and seven (7) days for LPG importers.

### **SUPPLY**

#### ▪ ***Inventory***

As of end-June 2023, the reported stock of crude oil was at 429 million liters (ML), while the reported finished petroleum products were at 2,195 ML, excluding biofuels. On a per-product basis, the stocks of petroleum products were as follows:

- (a) gasoline at 562 ML - equivalent to 25 days supply
- (b) diesel oil at 786 ML - equivalent to 25 days supply
- (c) kerosene at 8 ML - equivalent to 45 days supply
- (d) jet A1/avturbo at 188 ML - equivalent to 29 days supply
- (e) fuel oil at 148 ML - equivalent to 45 days supply
- (f) LPG at 188 ML - equivalent to 20 days supply
- (g) other products at 315 ML - equivalent to 136 days supply

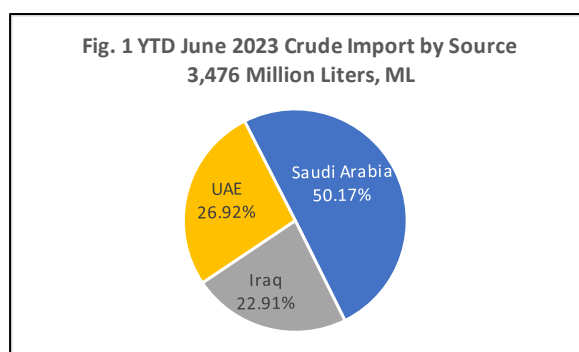
#### ▪ ***Crude Oil Supply***

As of YTD June 2023, the country's imports volume of crude oil totaled to 3,476 ML, equivalent to an increase of 23.7% vis-à-vis YTD June 2022 volume of 2,811 ML (Table 1).

Table 1. Crude Imports in Million Liters, ML

Origin	YTD June 2022		YTD June 2023		% Change
	Volume	% Share	Volume	% Share	
Crude					
Middle East	2,811	100.0%	3,476	100.0%	23.7%
ASEAN/Local Production			-		
<b>Total</b>	<b>2,811</b>	<b>100.0%</b>	<b>3,476</b>	<b>100.0</b>	<b>23.7%</b>
MLCD	15.5		19.2		

All crude oil imported for the 1<sup>st</sup> half of 2023, was sourced from the Middle East, 50.2 percent of it came from Saudi Arabia at 1,744 ML, the country's major supplier of crude oil. While, 26.9 percent equivalent to 936 ML came from UAE and the remaining 22.9 percent, equivalent to 796 ML were imported from Iraq (Fig. 1).

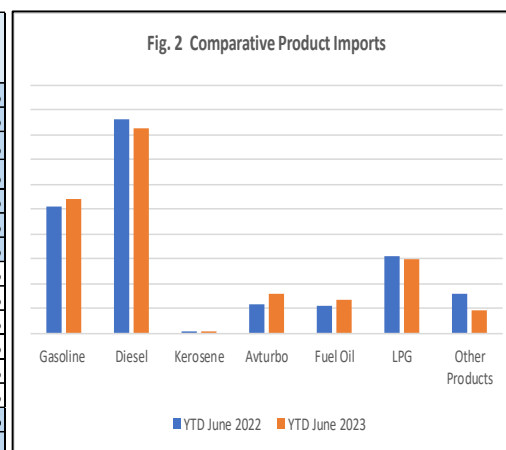


▪ **Petroleum Product Imports**

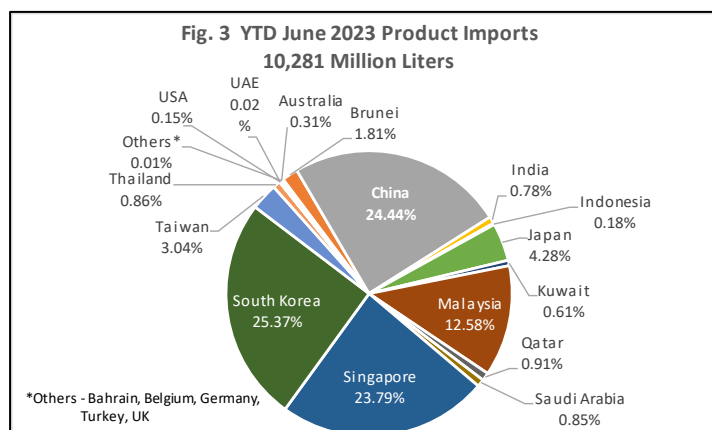
For January to June 2023, petroleum product imports slightly dropped by 0.1 percent to 10,281 ML from 10,291 ML of last year's level. On a per product basis, importation of avturbo significantly increased by 42.6 percent, which can be attributed to lifting of travel restrictions nationwide. The same with importation of fuel oil and gasoline products, it grew by 27.5 percent and 6.3 percent, respectively. The increase in importation of petroleum products may be attributed to normality in the economic activities and lifting of the state of public health emergency throughout the country due to COVID-19. In contrast, diesel and LPG declined by 4.1 and 3.5 percent, respectively (Table 2).

Table 2. Product Imports in Million Liters, ML

Product	VOLUME		PERCENT MIX (%)		PERCENT CHANGE
	YTD June 2022	YTD June 2023	YTD June 2022	YTD June 2023	
Gasoline	2,552	2,712	24.8%	26.4%	6.3%
Diesel	4,297	4,120	41.8%	40.1%	-4.1%
Kerosene	18	13	0.2%	0.1%	-26.1%
Avturbo	563	803	5.5%	7.8%	42.6%
Fuel Oil	537	684	5.2%	6.7%	27.5%
LPG	1,543	1,490	15.0%	14.5%	-3.5%
Other Products	780	458	7.6%	4.5%	-41.3%
Naphtha	446	194	4.3%	1.9%	-56.5%
Avgas	2.1	4	0.0%	0.04%	97.5%
Asphalts	73	56	0.7%	0.5%	-22.2%
Condensate	228	197	2.2%	1.9%	-13.6%
Solvents	13	7	0.1%	0.1%	-48.1%
Propylene	18	-	0.2%	100.0%	0.0%
<b>Total</b>	<b>10,291</b>	<b>10,281</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.1%</b>
<b>in MLCD</b>	<b>56.9</b>	<b>56.8</b>			



Majority of imported finished petroleum products in the country was sourced from South Korea with an import share of 25.37 percent, followed by China with a 24.44 percent share. Next was Singapore with import share of 23.79 percent, followed by Malaysia with a 12.58 percent share. Ranked fifth was Japan with an import share of 4.28 percent (Fig. 3).



The country also imported its finished petroleum products from the following countries: Taiwan (3.04%); Brunei (1.81%); Qatar (0.91%); Thailand (0.86%); Saudi Arabia (0.85%); India (0.78%); Kuwait (0.61%); Australia (0.31%); Indonesia (0.18%); USA (0.15%); UAE (0.02%) and other countries (0.01%) (Fig. 3).

Product import mix comprised mostly of diesel oil at 40.1 percent, gasoline at 26.4 percent, LPG at 14.5 percent, avturbo at 7.8 percent, fuel oil at 6.7 percent, kerosene at 0.1 percent, and other products at 4.5 percent share. (Table 2).

Total gasoline import met 75.2 percent of the total country’s gasoline demand while diesel oil import was 73.8 percent of the total diesel demand. On the other hand, LPG import, supplied 93.1 percent of the total LPG demand. Of the total country’s product demand, 76.16 percent was sourced from importation of finished petroleum products and the remaining 21.84 percent of demand were augmented through local refinery production.

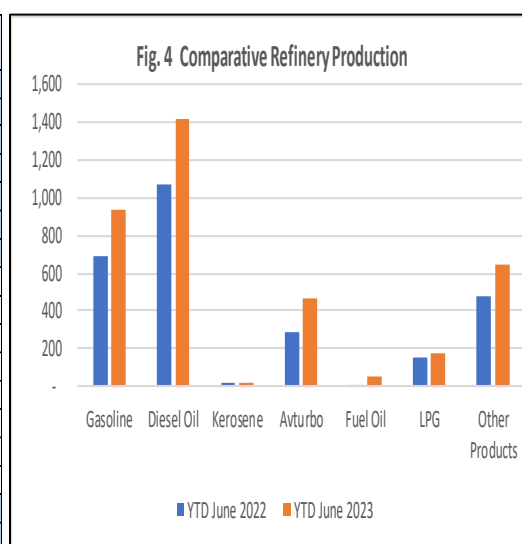
Ethanol imports increased by 27.9 percent equivalent to 156 ML in the first half of 2023 as compared to 122 ML of the same period in 2022. Republic Act No. 9367 of 2006 mandated that all gasoline to be sold in the country should be E-10 (gasoline with 10% bioethanol content).

- **Refinery Production**

The country’s refinery production output for the first half of 2023 posted an increase of 37.7 percent with a total volume of 3,967 ML from 2,686 ML volume of same period in previous year. The average refining output for the period was at 20.4 ML per day (Table 3).

Table 3. Refinery Production in Million Liters, ML

Product	VOLUME		PERCENT MIX (%)		PERCENT CHANGE
	YTD June 2022	YTD June 2023	YTD June 2022	YTD June 2023	
Gasoline	685	931	25.5%	25.2%	35.9%
Diesel Oil	1,065	1,423	39.7%	38.5%	33.6%
Kerosene	16	13.61	0.6%	0.4%	-16.3%
Avturbo	291	461.56	10.8%	12.5%	58.5%
Fuel Oil	3	48	0.1%	1.3%	1331.6%
LPG	152	180	5.7%	4.9%	18.1%
Other Products	472	640	17.6%	17.3%	35.6%
Asphalts	-	-	0.0%	0.0%	0.0%
Naphtha	28	116	1.1%	3.1%	100.0%
Mixed Xylene	43	66	1.6%	1.8%	54.3%
Propylene	155	119	5.8%	3.2%	-23.0%
Benzene	7	12	0.3%	0.3%	68.2%
Toluene	28	46	1.0%	1.2%	100.0%
Petroleum Coke	191	254	7.1%	6.9%	100.0%
Sulfur	20	27	0.7%	0.7%	100.0%
<b>Total</b>	<b>2,686</b>	<b>3,697</b>	<b>100.0</b>	<b>100.0</b>	<b>37.7%</b>
in MLCD	14.8	20.4			



On a per product basis, refinery production output rose by 35.9 percent for gasoline, 33.6 percent for diesel, 18.1 percent for LPG and 58.5 percent for avturbo, respectively. Meanwhile, other products produced from the refinery during the first half of 2023 grew by 35.6 percent such as naphtha, toluene, benzene, propylene and petroleum coke. On the other hand, kerosene production output declined by 16.1 percent (Table 3/ Fig. 4).

The refinery’s diesel oil production continued to dominate the production mix with a share of 38.5 percent, followed by gasoline and avturbo with 25.5 and 12.5 percent share, respectively. Meanwhile, LPG, fuel oil and kerosene had 4.9, 1.3 and 0.40 percent share, respectively. The remaining 17.3 percent is the share of other products (naphtha, mixed xylene, propylene, benzene, toluene, petroleum coke and sulfur) in the production mix.

## **DEMAND**

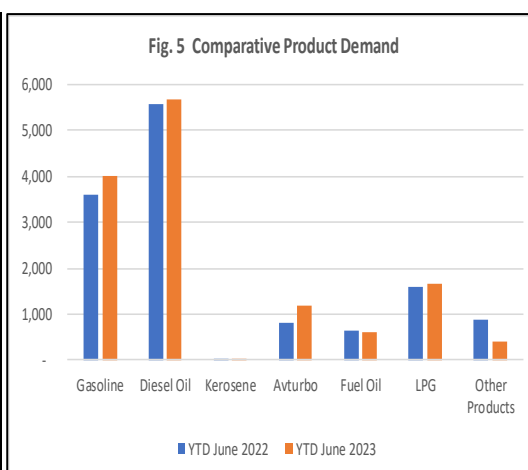
- **Petroleum Product Demand**

Year-to-date June 2023 total demand of petroleum products was 13,595 ML, an increase of 3.4 percent vis-à-vis last year’s level of 13,154 ML. This can be translated to an average daily requirement of 75.1 ML versus last year’s 72.7 ML. The normality of the daily economic activities and lifting of state of public health emergency throughout the country due to COVID-19 contributed to the growth in the demand of petroleum products.

Compared with YTD June 2022 figures, gasoline oil demand increased by 10.9 percent for the current period. Likewise, the lifting of travel restrictions contributed to the increase of avturbo's demand by 45.4 percent. LPG demand also grew by 4.9 percent. However, demand of kerosene and fuel oil declined by 19.6 and 5.1 percent, respectively (Table 4).

Table 4. Product Demand in Million Liters, ML

Product	VOLUME		PERCENT MIX (%)		PERCENT CHANGE
	YTD June 2022	YTD June 2023	YTD June 2022	YTD June 2023	
Gasoline	3,608	4,002	27.4%	29.4%	10.9%
Diesel Oil	5,581	5,672	42.4%	41.7%	1.6%
Kerosene	39	31	0.3%	0.2%	-19.6%
Avturbo	823	1,196	6.3%	8.8%	45.4%
Fuel Oil	628	596	4.8%	4.4%	-5.1%
LPG	1,601	1,679	12.2%	12.4%	4.9%
Other Products	874	418	6.6%	3.1%	-52.1%
Asphalts	81	63	0.61%	0.46%	-22.3%
Avgas	3	3	0.02%	0.02%	0.3%
Condensate	220	111	1.67%	0.81%	-49.6%
Solvents	40	44	0.31%	0.32%	8.8%
Naphtha/Reformate	519	180	3.94%	1.33%	-65.2%
Petcoke	12	18	0.09%	0.13%	100.0%
Mixed Xylene	0.0200	0.030	0.02%	0.00%	50.0%
<b>Grand Total</b>	<b>13,154</b>	<b>13,595</b>	<b>100.00</b>	<b>100.00</b>	<b>3.4</b>
in MLCD	72.7	75.1			



Product demand mix still dominated by diesel oil at 41.7 percent followed by gasoline at 29.4 percent, LPG at 12.4 percent, avturbo at 8.8 percent, fuel oil at 4.4 percent, kerosene at 0.2 percent and other products (asphalts, avgas, condensate, solvents, naphtha, petroleum coke, and mixed xylene) at 3.1 percent share in the total product demand mix.

On a per region basis, the National Capital Region (NCR) had the highest share in the demand of petroleum products at 30.35 percent of the total market, while North Luzon and South Luzon got 20.66 and 19.59 percent shares, respectively. Mindanao region, on the other hand, captured 15.31 percent of the market, while the remaining 14.09 percent was in Visayas region (Fig. 6).

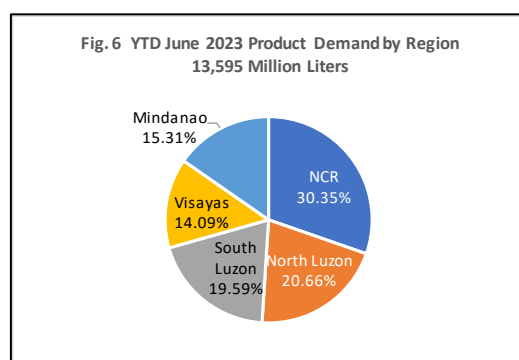


Table 5. Product Demand by Trade Classification, In ML

TRADE	YTD June 2023	
	Volume	% Share
Reseller	4,578	33.67%
Industrial/Commercial	7,323	53.87%
Independent Refiller	613	4.51%
Philippine Government	58	0.43%
Foreign Embassies	0.06	0.0004%
International Sales	1,023	7.52%
<b>Grand Total</b>	<b>13,595</b>	<b>100.00%</b>

In terms of demand of petroleum products by Trade Classification, 33.67 percent of the total trade were distributed to Reseller Trade (volume sold to retail outlets for transport) and 53.87 percent were sold to Industrial/Commercial Trade (volume sold directly to commercial, industrial, transport, power generation and agriculture sectors). The remaining volumes were distributed to International Trades, Independent Refillers, Philippine Government and Foreign Embassies at 7.52 percent, 4.51 percent, 0.43 and 0.0004 percent, respectively.

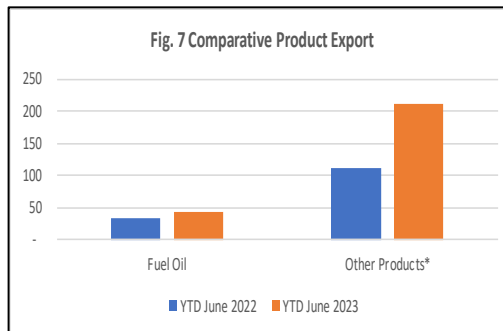
#### ▪ **Petroleum Product Exports**

The total country's petroleum product export as of YTD June 2023 significantly increase by 75.6 percent from 145 ML of YTD June 2022 to 255 ML. On a per product basis, product export mix (excluding condensate) comprised of 17.1 percent fuel oil, 35.0 percent naphtha, 19.4 percent mixed xylene, 11.3 percent toluene, 4.2 percent benzene, 3.0 percent propylene and 10.0 percent molten sulfur, respectively (Table 6).

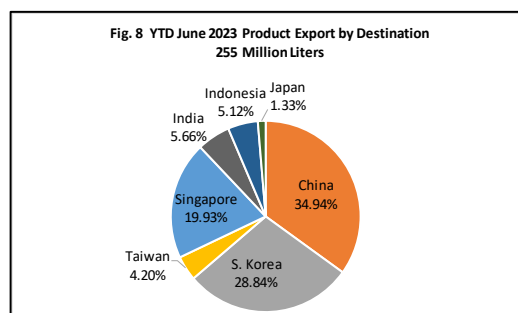
**Table 6. Product Exports in Million Liters, ML**

Product	VOLUME		PERCENT MIX (%)		PERCENT CHANGE
	YTD June 2022	YTD June 2023	YTD June 2022	YTD June 2023	
Fuel Oil	33	44	22.8%	17.1%	100.0%
Other Products*	112	212	77.2%	82.9%	88.7%
Naphtha		89	0.0%	35.0%	100.0%
Mixed Xylene	30	49	20.5%	19.4%	65.8%
Propylene	38	8	26.0%	3.0%	-79.5%
Benzene	7	11	4.7%	4.2%	55.7%
Toluene	19	29	13.4%	11.3%	48.3%
Molten Sulfur	18	26	12.5%	10.0%	40.4%
<b>Total</b>	<b>145</b>	<b>255</b>	<b>100.0</b>	<b>100.0</b>	<b>75.6</b>
<b>in MLCD</b>	<b>0.8</b>	<b>1.4</b>			

\* excluding condensate



Majority of the country’s product exports went to China with an export share of 34.94 percent, followed by South Korea with an export share of 28.84 percent. Next were Singapore, India, Indonesia and Taiwan with 19.93, 5.66, 5.12 and 4.2 percent export share, respectively. The remaining 1.33 percent was exported to Japan (Fig. 8).



- **Crude Oil Exports**

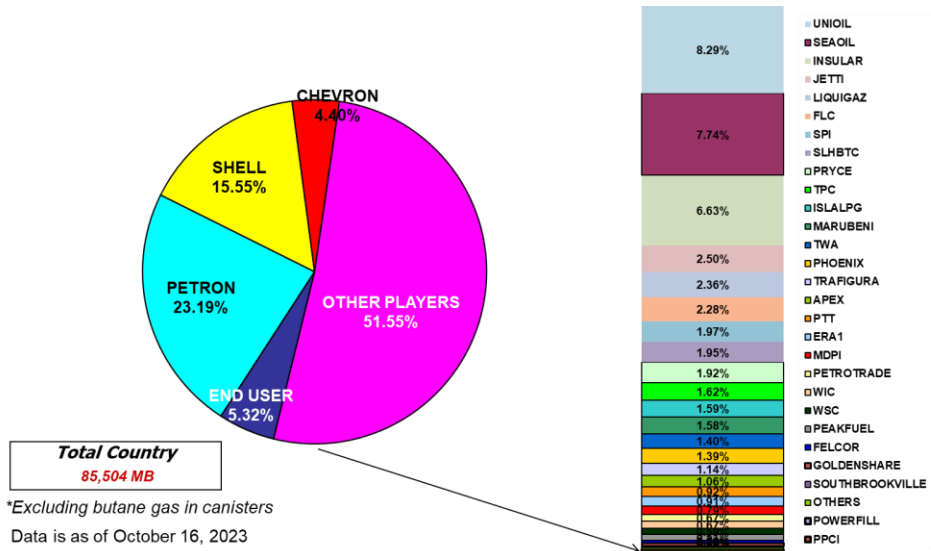
Total crude oil exported for the period was up by 3.5 percent to 47.9 ML from 46.3 ML of YTD June 2022. The exported crude destination was Thailand.

## **MARKET SHARE**

- **Total Petroleum Products**

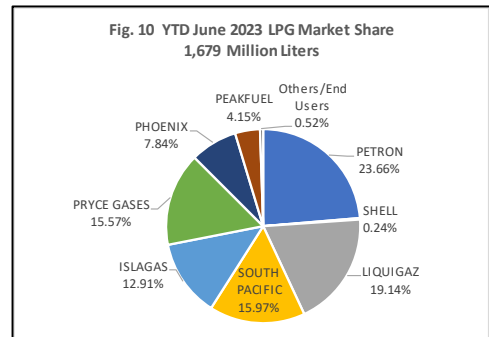
Major oil companies (Petron Corp., Chevron and Pilipinas Shell Petroleum Corp.) got the 43.13 percent market share of the total demand while other oil industry players including Seoil, Insular, Unioil, Phoenix, Liquigaz, SL Harbor, South Pacific, Jetti, Pryce Gas, FLC, TPC, Isla LPG, TWA, PTT, Trafigura, Marubeni, Apex, Goldenshare, Peak Fuel, Petrotrade, Era1, Warbucks Industries, Micro Dragon, Warbucks Southern Corp., Power Fill, Lubwell, Eastern, and others, as well as the end-users who imported directly for own requirement, captured 56.87 percent of the market.

Fig. 9 YTD June 2023 TOTAL PETROLEUM PRODUCTS MARKET  
13,595.20 Million Liters



▪ **LPG**

For LPG, 76.09 percent was the total market share of other industry players including end-users in the total LPG demand, while the remaining 23.91 percent was credited to Petron and Pilipinas Shell, with Petron’s share at 23.66 percent of the total LPG demand. Among the other LPG industry players, Liquigaz got the biggest market share with 19.14 percent share followed by South Pacific, Inc. (SPI) with a share of 15.97 percent. Next were Pryce Gases and Isla Gas with shares of 15.57 percent and 12.91 percent, respectively. Phoenix LPG on the other hand, got 7.84 percent share while Peak Fuel got 4.15 percent share. The remaining 0.52 percent was attributed to others/end users.

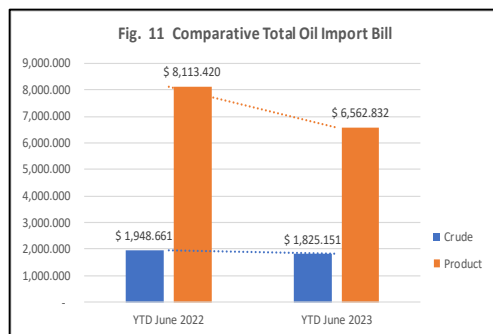


**OIL IMPORT BILL**

YTD June 2023 total oil import bill amounting to \$ 8,387.98 million was down by 16.6 percent from YTD June 2022’s \$10,062.08 million. This was attributed to low import cost of crude and finished petroleum products in the first half of 2023 vis-à-vis first half of 2022 (Table 6/Fig. 11). Total oil import cost was made up of 78.2 percent finished petroleum products and 21.8 percent crude oil.

**Table 6. Import Bill, In Million US\$**

Details	Volume in Million Liters, ML		Total Cost In Million US\$		Percent Change in Cost
	Ytd June 2022	Ytd June 2023	Ytd June 2022	Ytd June 2023	
Total Imports Vol. and Bill	13,102	13,756	10,062.08	8,387.98	-16.6%
i. Crudes	2,811	3,476	1,949	1,825	-6.3%
ii. Products	10,291	10,281	8,113	6,563	-19.1%
Total Pet. Export Earnings	192	303	226.57	223.16	-1.5%
i. Crudes	46	48	20	25	27.2%
ii. Products	145	255	207	198	-4.2%
<b>Net Oil Import Volume and Bill</b>	<b>12,910</b>	<b>13,453</b>	<b>9,835.51</b>	<b>8,164.82</b>	<b>-17.0%</b>



Total import cost of crude oil amounted to \$1,825.15 million at an average CIF cost of \$525.087/kl. This was 6.3 percent lower vis-à-vis last year's level of \$1,948.66 million at an average CIF cost of \$693.308/kl.

For product import cost, it registered a decrease of 19.1 percent from 8,113.42 million at an average CIF cost of \$788.384/kl to \$6,562.83 million at an average CIF cost of \$ 638.373/kl. The drop was due to lower import costs of finished products in 2023.

Meanwhile, total export earnings for the first half of 2023 (including condensate) decreased by 1.5 percent from \$226.57 million of last year's level to \$223.16 million.

Overall, the country's net oil import bill amounting to \$8,164.82 million declined by 17.0 percent from last year's \$ 9,835.51 million.

End of Report