

Platts Survey: OPEC Pumps 30.01 Million Barrels of Crude Oil Per Day in November

Down 290,000 Barrels Per Day from October, Hurt in Part by Shut-In of Libyan Oil Field

PR Newswire
LONDON

LONDON, Dec. 9, 2014 /PRNewswire/ -- [Platts](#) - Oil production from the Organization of the Petroleum Exporting Countries (OPEC) totaled 30.01 million barrels per day (b/d) in November, down 290,000 b/d from October, and down for a second consecutive month as Libyan production went into reverse after several months of steady gains, according to the latest Platts survey of OPEC and oil industry officials and analysts.

The November level compared to October output of 30.3 million barrels per day and is within a few hundred thousand barrels of the 30-million-b/d ceiling that OPEC, at its recent end-November meeting, decided to maintain despite multiple projections that such production could create a significant supply overhang in the market.

Libyan production had climbed to an average 860,000 b/d in October, almost double the July level. But a new security-related shut-in at the Sharara field in early November resulted in a month-on-month drop of 210,000 b/d.

"This is the great irony of the OPEC decision to leave its production ceiling unchanged," said John Kingston, Platts global director of news. "The status of Libya remains uncertain, with enormous swings of output that are measured in the hundreds of thousands of barrels per day. So an OPEC decision to stand pat could actually play out with unintended cuts - or production increases - from a still unstable Libyan situation."

Other smaller decreases totaling 170,000 b/d came from Algeria, Angola, Kuwait and Saudi Arabia. These were partly offset by 90,000 b/d in increased output from Ecuador, Iraq and Nigeria.

Output from OPEC kingpin Saudi Arabia, which the survey estimated at 9.6 million b/d in November, has fallen by some 300,000 b/d since July as direct use of crude in power generation has fallen back from the summer peak.

Despite a heavily bearish outlook for the call on OPEC crude in the first half of next year and a drop of nearly \$40 per barrel (/b) in oil prices since mid-June, Saudi Arabia drove the group's November 27 decision not to cut production but to maintain the ceiling that has been in place since the beginning of 2012. Several member countries, led by Venezuela, had wanted a collective cut.

Despite oil minister Ali Naimi's insistence that Riyadh has not embarked on a price war, analysts believe that Saudi Arabia is determined to defend its market share against rising non-OPEC supply, in particular from the United States whose production is set to surpass 9 million b/d in December. Shale oil development, accelerated by \$100/b-plus prices, has pushed U.S. production up from an average 5 million b/d in 2008 to an

expected average of 8.57 million b/d this year. In 2015, total U.S. production is expected to average 9.42 million b/d.

On Monday, North Sea benchmark Intercontinental Exchange (ICE) Brent, which traded at \$115/b in mid-June, fell below \$66/b to new five-year lows.

For output numbers by country, click [here](#). You may be prompted for a cost-free, one-time-only log-in registration. For the latest OPEC news features, visit this [OPEC Features link](#) and for an OPEC guide, access this link: <http://www.platts.com/news-feature/2014/oil/opec-guide/index>.

Additional information on [oil](#), energy and related information may be found on the Platts website at www.platts.com.

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