

Weekly Energy Monitor



DIVIDEND ASSETS CAPITAL, LLC

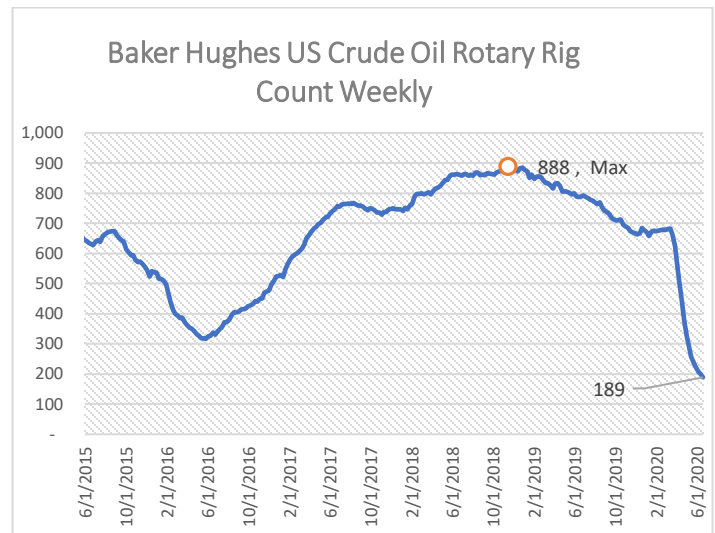
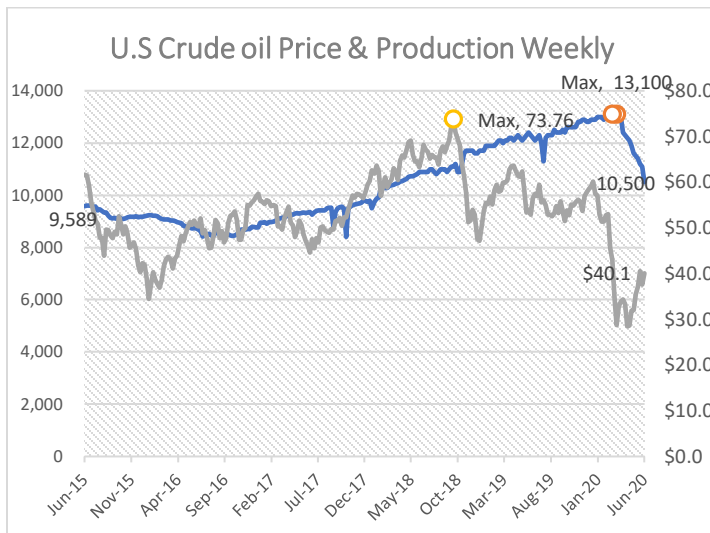
INVESTMENT ADVISORS

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DAC Energy Investor Weekly Recap (Data for Week Ended: June 12, 2020)

U.S. Total Crude Oil Production and U.S. Crude Rotary Rig Count (weekly update)

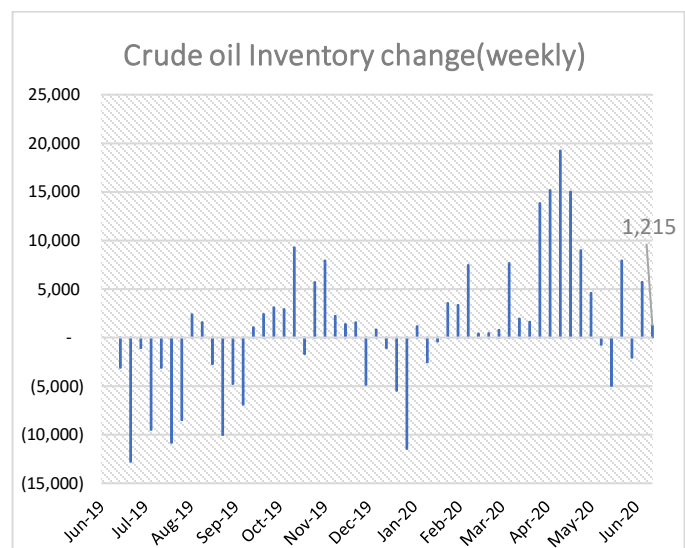
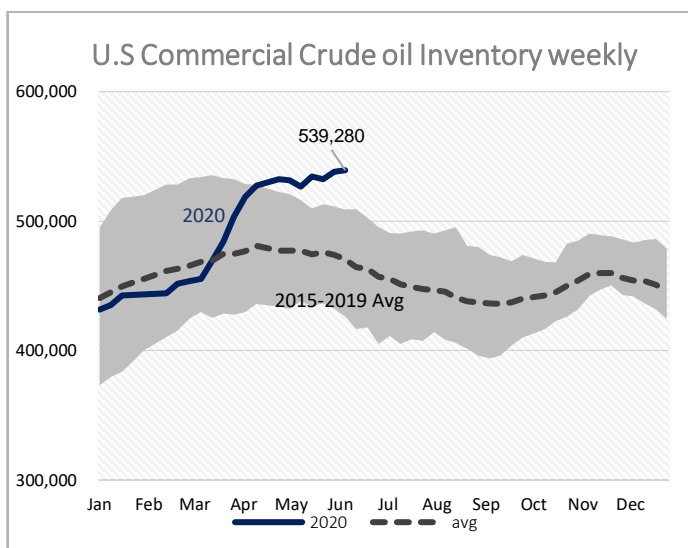
1. West Texas Intermediate (WTI) oil price end the week 6/19/2020 at \$40.09 per barrel, 6.6% higher than previous week at \$37.62 per barrel.
2. Crude oil production as week ending 06/12/2020 at 10.5 million barrels per day; 600 thousand Barrels per day less than previous week; 1.7 million less compare to the same week ending a year ago.
3. U.S crude rig count dropped to 189 as week ending 06/12/2020; the 14th weekly decline; less than one fourth of average 774 rigs in 2019. The historical low is 179 back 06/05/2009.



Source: DAC, EIA, Bloomberg

U.S. Commercial Crude Oil Inventories (excluding those in the Strategic Petroleum Reserve) and Inventory Changes (weekly update)

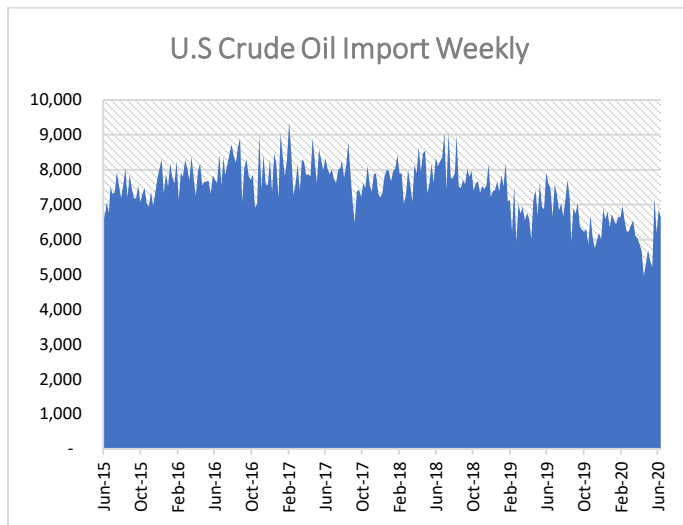
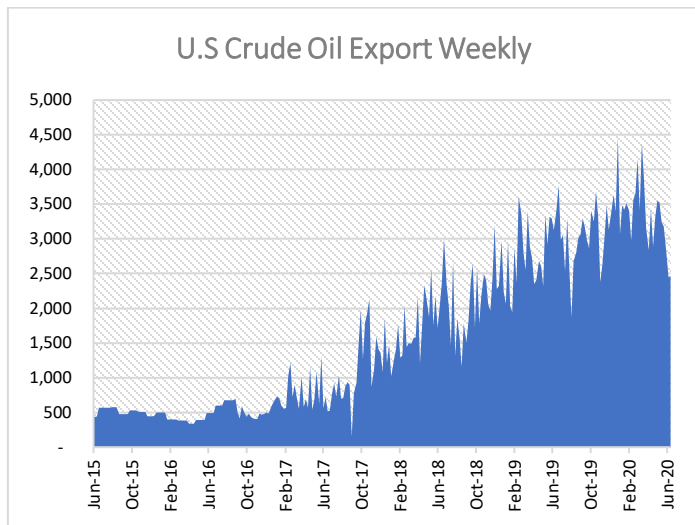
1. U.S. commercial crude oil inventories at 539.3 million barrels; U.S. crude oil inventories are about 15% above the five-year average for this time of year.
2. U.S. commercial crude oil inventories increased by 1.2 million barrels from the previous week, down from 5.7mil from last week.



Source: DAC, EIA, Bloomberg

U.S. Imports and Exports (weekly update)

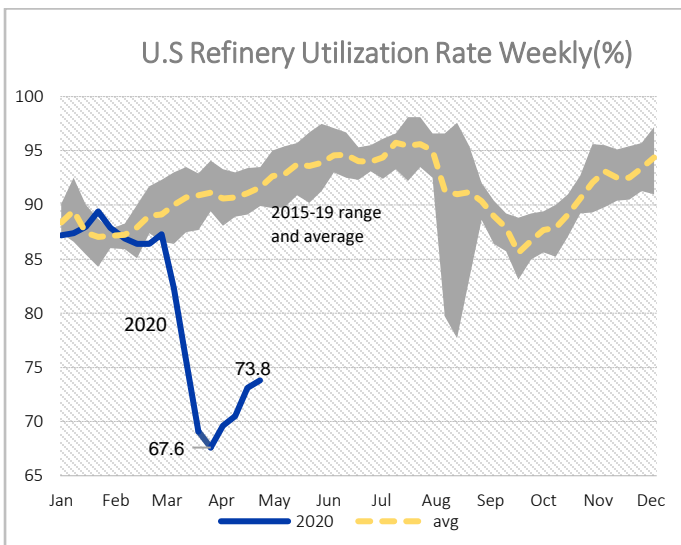
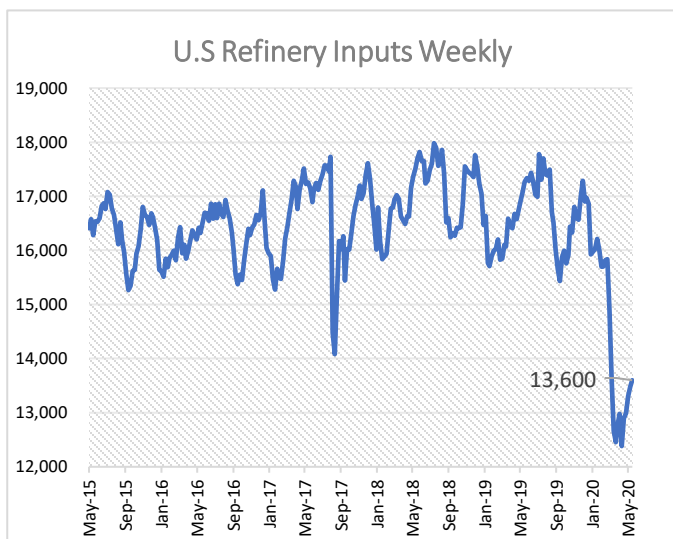
1. The U.S. crude oil exports averaged 2.5 million barrels per day during the week ending 6/12/2020. Over the past four weeks, crude oil export about 2.7 million barrels per day, 17.4% below the same four-week period last year. U.S. crude exports require about \$1.41 Brent-WTI premium to break even down from historical average \$4.41. Brent-WTI differential price premium moved to \$2.47 week ending June 12.
2. The U.S. crude oil imports averaged 6.6 million barrels per day last week, decreased by 0.2 million barrels per day from previous week. Over the past four weeks, crude oil imports averaged about 6.7 million barrels per day, 10% less than the same four-week period last year.



Source: DAC, EIA, Bloomberg

U.S. Refinery Inputs and Utilization Rates (weekly update)

1. U.S refinery inputs averaged 13.6 million barrels per day during the week ending 6/12/2020 which was 116 thousand barrels per day more than the previous week's average.
2. Refineries operated at 73.8% of their operable capacity last week, fifth weekly improvement in a row.

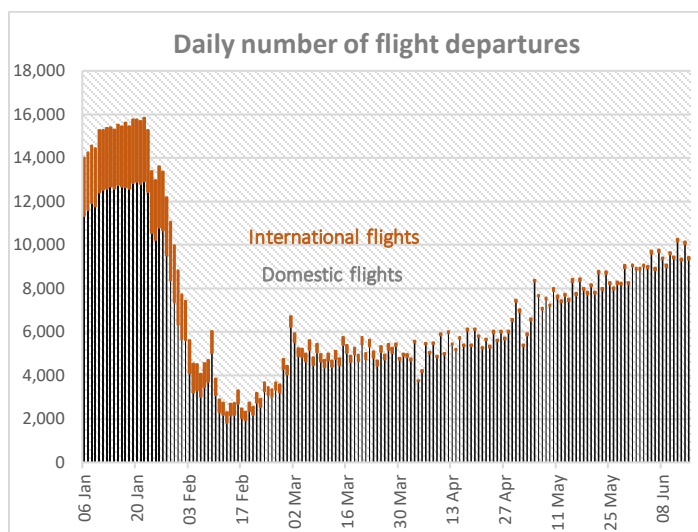


Source: DAC, EIA, Bloomberg

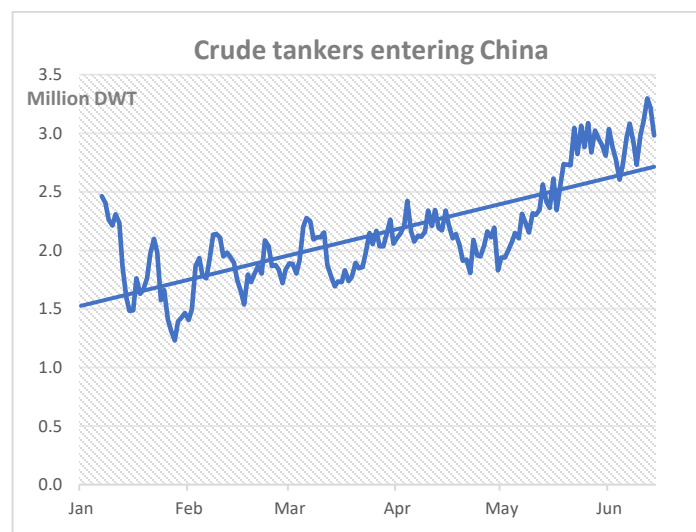
Chart of the Month

Major Country - Mobility Trends Reports – China (leading indicator of energy demand)

1. Below is charting the daily flight departures from major Chinese airports as a leading indicator for what expect to follow for other major countries as the economy reopen continues. Clearly domestic flight recovered noticeably yet international might take much longer to come back to “normal”. (all data updated as of 6/15/2020)
2. Crude tankers entering China has increased from Feb low as independent refinery run rate shoot up above five-year average indicating demand gradually improve. (data updated as of 6/14/2020)



Source: Bloomberg, FlightStats, Flightradar24



Source: Bloomberg.

Disclosures:

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