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JODI: Better Data – Better Analysis – Better Decisions

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About the JBC Group

• Independent & Unbiased Industry Experts.

• Highly specialised consulting & analytical services solely focused on the oil & gas industry.

• Founded in 1994 as research arm of PVM. A 20 year history of successfully delivering consulting projects in the area of forecasting, pricing, energy trading, risk management, etc.

• One of the world fastest growing independent oil & gas market research centres.

• Staffed by mixture of energy industry veterans and professional consultants that allows us to bring real world experience plus business, process and technical innovation to our clients.

In 2005 JBC Energy (back then called PVM Oil Associates) was hired by the IEF to provide feedback on the reliability of JODI data against expected quality standards
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Agenda

• Importance of JODI

• How does JBC Energy use JODI

• Factors essential for JODI to succeed
Importance of JODI
Simply speaking:
People increasingly use it, and this is not just anecdotic evidence, JODI is making headlines and...

... JODI is developing into a very powerful and internally recognised data tool in an often very opaque environment.
Importance of JODI

• Our experience confirms that international oil companies, refiners, traders, and banks rely on JODI data

• In GENERAL it is the only
  – publicly/freely available database aiming to provide
  – an all encompassing and comprehensive global overview of historical and recent trends in the oil & gas market
  – for crude, all oil products and natural gas
  – with monthly data collected according to
  – the same methodology
  – in a uniform format
  – in a single language
  – in a single location

As simple as this sounds, this STANDARDISATION makes JODI very powerful for all types of users (incl. Media) => Transparency

• In SPECIFIC it is the only

  – source of data on many Non-OECD countries as well as the
  – the source of the most recent data on
    o Non-OECD trade
    o But also OECD trade: IEA MODS service DOES NOT contain “M-1” month. JODI does
Importance of JODI

The world is trading
• on any little indication on changes in all sorts of data
• within parts of a second, which can decide how successful a trade was

=> Therefore, an organisation which builds the bridge between OECD and non-OECD (and thus provides higher transparency and insight into now more than 50% of the world's global oil demand developments) is not only important but essential in today's world
How does JBC Energy use JODI?
JBC Energy uses of JODI

• An additional input factor for
  – our global/regional/country balances
  – Contributing to our forecasts on a country-by-country and
    product-by-product and sector-by-sector basis for supply,
    demand, inventories, trade flows, prices, etc

• At the end this contributes to the accuracy of our
  forecasting capacities and thus

  – better Data -> better Analysis -> better Decisions

  – These decisions may be anything between short term
    trading decision to long term investment decisions
JBC Energy uses of JODI

**Total Products: Y-o-y Change in Demand (3-Month Moving Average) [’000 b/d]**

Based on observed monthly statistics, as available. Missing data estimated, extrapolated, or derived from annual assessments. All data from August 2017 onwards is estimated. Source: IEA, JODI, national statistics, JBC Energy calculations.

JODI figures help us to assess M-1 month for OECD and provide crucial information on non-OECD developments.
JBC Energy uses of JODI

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Saudi Arabia JODI figures are closely watched: Crude oil stocks were depleted by about 75 million barrels since Nov-15.
JBC Energy uses of JODI

Egypt: Fuel Oil Demand ['000 b/d]

Data from July 2017 onwards is JBC Energy estimates.

Source: JODI, JBC Energy calculations

JODI figures help us to assess /confirm major developments. Egypt: The first phase of the Siemens’ Megaproject (will be the world’s largest natural gas power plant) was put into commercial operation. Significant reductions to fuel oil imports from the beginning of the year, to demand later on.
JBC Energy uses of JODI

Iran Product Demand according to JODI [’000 b/d]

Iran: Demand decline between April and July might be explained by the recent commissioning of a new gas pipeline to feed the north of the country and causing feedstock substitution in power generation. We are sceptical about the magnitude of the decline.
While JODI provides one part of the historical assessments on a country level, JBC Energy mostly focuses on the forecasts and regional/global developments.
What is essential for the success of JODI
Factors essential for JODI success

- Regular reliability checks of all received input
- Quality assessment, comparability with national statistical sources
- Regular check of definitions
- Metadata with actual information
- JODI support unit: inquiries about data issues and ability to adjust/correct data

**RELIABILITY**

- Aim to reduce missing data, especially for the most recent months

**COMPLETENESS**

- Data release information/commentary
- JODI support unit: inquiries about data issues
- Revisions: Information on what has changed month-on-month:
  - by country & product
  - previously missing data that has become available
- OECD demand: JODI vs. IEA differences

**TRANSPARENCY**

**TIMELINESS**

Completeness represents a percentage of countries for which data on demand of total oil products is available at a given point in time.
Thank you!

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