

THE OIL INDUSTRY

COMPARING OIL COSTS AND PRODUCTION

Oil has been serving as a dominant resource not only for manufacturing and industry, but also in our daily lives as gasoline for transportation since the 20th century. According to *The New York Times*, in November 2015, the price of oil dropped to approximately \$10 per barrel, with the national average price for regular gasoline being \$2.19 per gallon, which is 73 cents lower than the price a year ago. Why the recent drop in oil prices? How much oil is the world producing? This poster explores the supply and costs of oil, which has risen and dropped at significant points in time.

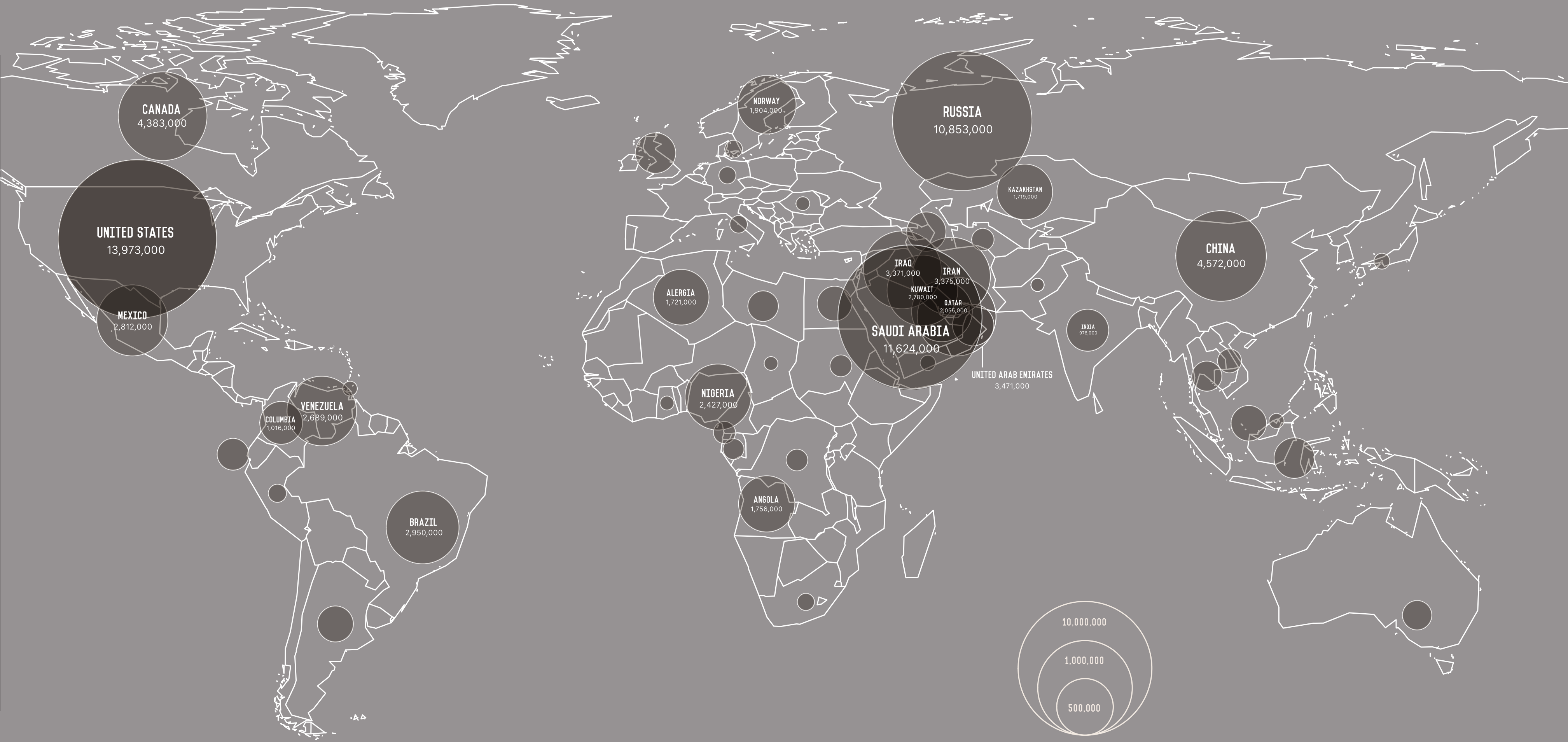
SUCH IS THE STATE OF THE OIL INDUSTRY THESE DAYS THAT THERE IS SOMETIMES NOWHERE TO PUT THE OIL.

THE NEW YORK TIMES

TOP OIL PRODUCERS IN THE WORLD

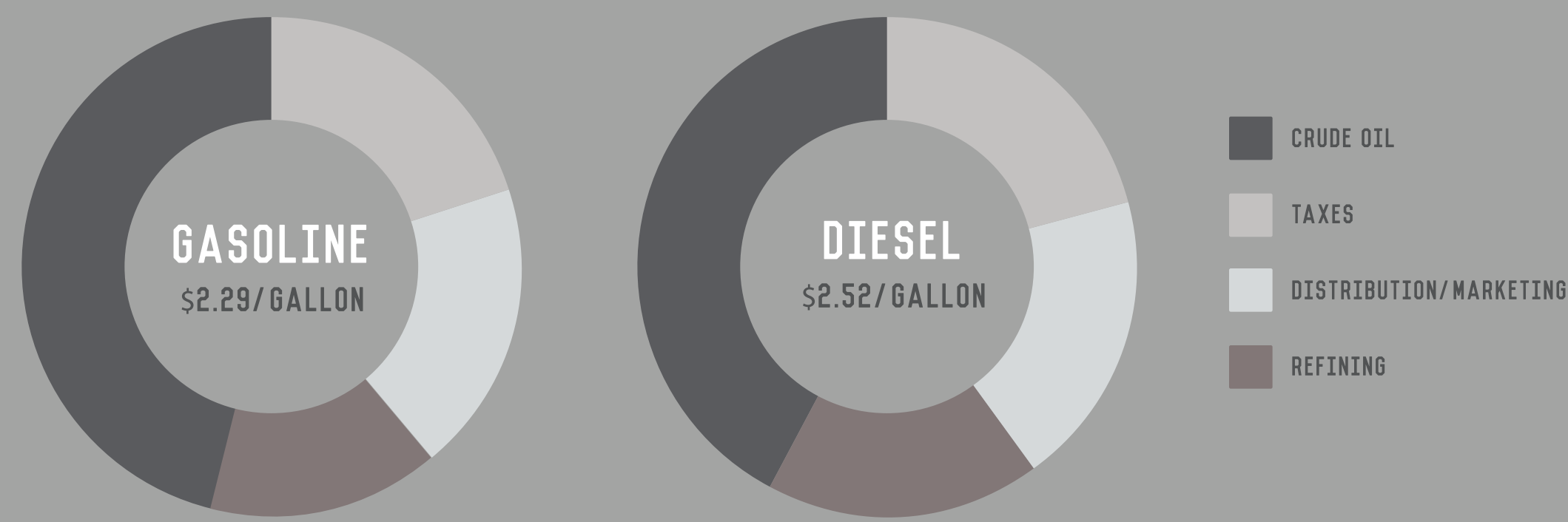
COMPARING THE NUMBER OF BARRELS PRODUCED EACH DAY

- | | |
|-------------------------------------|---------------------------|
| 01 United States – 13,973,000 | 11 Kuwait – 2,780,000 |
| 02 Saudi Arabia – 11,624,000 | 12 Venezuela – 2,689,000 |
| 03 Russia – 10,853,000 | 13 Nigeria – 2,427,000 |
| 04 China – 4,572,000 | 14 Qatar – 2,055,000 |
| 05 Canada – 4,383,000 | 15 Norway – 1,904,000 |
| 06 United Arab Emirates – 3,471,000 | 16 Angola – 1,756,000 |
| 07 Iran – 3,375,000 | 17 Algeria – 1,721,000 |
| 08 Iraq – 3,371,000 | 18 Kazakhstan – 1,719,000 |
| 09 Brazil – 2,950,000 | 19 Colombia – 1,016,000 |
| 10 Mexico – 2,812,000 | 20 India – 978,000 |



DECEMBER 2015

WHAT YOU PAY FOR IN A GALLON OF:



OIL PRICES: SUPPLY, DEMAND, AND GLOBAL EVENTS

The reason for oil prices vary, but most of the fluctuation is caused by **supply**, **demand**, and **global events**. When there is a greater demand for oil, the prices can soar significantly. However, when there is an oversupply of oil, the prices can decrease. Global events, such as wars and recessions, can also drop the price of oil or raise the costs dramatically.

As seen in the graph below, the cost of oil has been at its lowest since 2009 in the United States, with prices decreasing each month in 2015. The reasons? Oil production has been at its highest in the past five years, producing **1.8 million barrels a day**. With this greater supply, oil prices are able to be lower. The lack of demand for oil also contributes to the current cost.

COST OF GASOLINE PER GALLON (USD)

