

Iran sanctions could hit oil supply

Amid fears that Iran may cut off oil exports in retaliation for UN sanctions, U.S. strategists calculate that the resulting price spike could cost the U.S. economy alone up to \$201 billion. Drawing on strategic reserves could replace supplies from Iran for up to 18 months at most

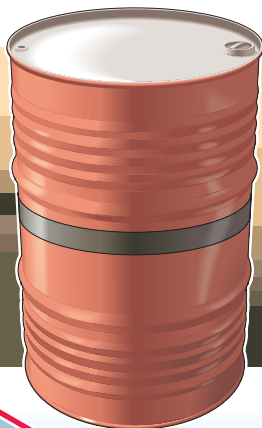
CRUDE OIL EXPORTS

Total 40m barrels/day

(million barrels/day)

CRUDE OIL IMPORTS

40m barrels/day



Saudi Arabia **8.7**

Russia **6.7**

Norway **2.9**

Iran 2.7

Venezuela **2.4**

UAE **2.3**

Others **14.3**

Europe **12.7**

U.S. **9.7**

Japan **4.2**

South Korea **2.2**

India **1.8**

China **1.8**

Others **7.6**

DRAWING ON STRATEGIC RESERVES

U.S. reserves **685m barrels**

Other IEA reserves **329m barrels**

Excess production capacity* and fuel switching: **465m barrels**

Billion barrels

International Energy Agency member countries obliged to store emergency oil stocks equal to 90 days consumption

8 months: Using U.S. reserves alone

18 months: Reserves depleted, excess capacity of 850,000 barrels per day insufficient

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18
Months

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*Mainly in Saudi Arabia
Sources: GAO, IEA, EIA