

CHAPTER V

PRODUCTION, CONSUMPTION, AND PRICES OF REFINED PRODUCTS

Section 1. Production, consumption, and stocks of principal refined products.

Gasoline is the most important of the products of the petroleum refineries because of its widespread use in internal-combustion engines. Its total value, measured in dollars and cents, is far greater than that for any other refined petroleum product. It ranks second to fuel and gas oil in percentage yield, but with the rapid extension of the use of pressure stills which increase the production of gasoline it bids fair soon to outrank gas and fuel oil even in quantity of production as well as in value. In 1926, when the percentage yield for gasoline was 34.5 per cent, 24.3 per cent was the product of "straight" distillation and 11.1 per cent came from pressure stills.

Despite the constantly increasing number of automobiles and the consequent increased demand for gasoline, the oil industry has kept pace with the demand. Even when a shortage seemed inevitable the industry has secured the necessary crude by raising prices, and a sufficient quantity of gasoline has been forthcoming.

The following table shows the annual supply (production, stocks, and imports) and the annual demand (exports and indicated consumption), by years, for the period 1920-June 30, 1927:

TABLE 42.—Gasoline production, imports, exports, stocks, and indicated consumption, 1920-June 30, 1927¹

[In thousands of gallons]

Item	1920	1921	1922	1923	1924	1925	1926	1927 (January-June)
Production.....	4,882,542	5,153,568	6,202,224	7,555,926	8,959,692	10,903,242	12,588,828	6,755,700
Imports.....	40,488	37,800	62,118	191,310	145,026	160,146	232,680	121,212
Stocks Jan. 1.....	446,796	462,378	586,068	883,806	1,176,588	1,294,566	1,632,750	1,638,966
Gross supply.....	5,369,826	5,653,746	6,850,410	8,631,042	10,281,306	12,357,954	14,454,258	8,515,878
Less:								
Exports.....	656,754	551,628	594,594	870,912	1,216,614	1,322,874	1,819,146	951,300
Stocks Dec. 31.....	462,378	586,068	883,806	1,176,588	1,294,566	1,632,750	1,638,966	1,838,256
Total to deduct.....	1,119,132	1,137,696	1,478,400	2,047,500	2,511,180	2,955,624	3,458,112	2,789,556
Indicated consumption.....	4,250,694	4,516,050	5,372,010	6,583,542	7,770,126	9,402,330	10,996,146	5,726,322
Excess of production over indicated consumption.....	631,848	637,518	830,214	972,384	1,189,566	1,500,912	1,592,682	1,029,378
Net exports (excess over imports).....	616,266	513,828	532,476	679,602	1,071,588	1,162,728	1,586,466	830,088
Per cent of net exports to total supply.....	11.5	9.1	7.8	7.9	10.4	9.4	11.0	9.7

¹ Compiled from reports of the U. S. Bureau of Mines.