The American Petroleum Institute (API)

The American Petroleum Institute (API) is a national trade association that represents all aspects of America's oil and natural gas industry. The API's 650 corporate members range from the largest major oil company to the smallest of independents and come from all segments of the oil & gas industry. The member companies are producers, refiners, suppliers, marketers, pipeline operators, marine transporters, and even some service and supply companies.

According to the API website their mission is to influence public policy in support of a strong and viable oil and gas industry in the United States. The API conducts or sponsors research ranging from economic analyses to toxicological testing. The agency collects, maintains and publishes statistics and data on all aspects of industry operations, including supply and demand for various products, imports and exports, drilling activities and costs, and well completions. API data provides timely indicators of oil and gas industry trends. API's Weekly Statistical Bulletin (WSB) is the most recognized publication, widely reported by the media.

Since 1929, API's Weekly Statistical Bulletin (WSB) has reported total U.S. and regional crude inventories and data related to refinery operations, production, imports, and inventories for all four major petroleum products: motor gasoline, kerosene jet fuel, distillate fuel oil, and residual fuel oil. These products represent over 80% of total refinery production. The WSB publishes data on the production, imports, and inventories of several subcategories of these products as well as imports and inventories of unfinished oils, crude oil imports and production, and refinery input and capacity data.

The inventory levels of the petroleum products, especially crude oil are closely watched by investors as they show how much oil and product is available in storage. The WSB provides an overview of U.S. petroleum demand. If the increase or "build" in crude inventories is more than expected, it implies weaker demand and is bearish for crude prices. Likewise, the same can be said if a decline or "draw" in inventories is less than expected. Declining crude inventories are evidence of supply reduction and are interpreted as bullish for the industry as this puts upward pressure on prices.

Sources:

http://www.api.org/products-and-services/statistics/api-weekly-statistical-bulletin

http://www.api.org/about

http://www.investing.com/economic-calendar/api-weekly-crude-stock-656