+44 20 8123 2220
info@marketpublishers.com

# Oil Storage Market – Global Industry Size, Share, Trends, Opportunity, and Forecast, 2018-2028Segmented by Type (Crude Oil, Gasoline, Aviation Fuel, Naphtha, Diesel, Kerosene, and Liquefied Petroleum Gas), Material (Steel, Carbon Steel, and Fiberglass-reinforced Plastic), and Product Design (Open Top Tank, Fixed Roof Tank, Floating Roof Tank, and Others), By Region, Competition

https://marketpublishers.com/r/O45AE5032F62EN.html
Date: November 2023
Pages: 175
Price: US$ 4,900.00 (Single User License)
ID: O45AE5032F62EN

## Abstracts

Global Oil Storage Market was valued at USD 11.42 Billion in 2022 and is anticipated to project robust growth in the forecast period with a CAGR of 4.85% through 2028.

Key Market Drivers

Price Volatility will help in Oil Storage Market growth.

Price volatility is a significant driver of the oil storage market, exerting a profound influence on the decisions and strategies of both nations and private entities involved in the oil industry. This volatility stems from a myriad of factors, including geopolitical tensions, supply and demand imbalances, economic fluctuations, and unforeseen events such as natural disasters. During periods of low oil prices, companies and countries often seek to capitalize on price arbitrage opportunities by storing excess oil. By purchasing and storing oil when prices are depressed and then selling it when prices rise, they can generate substantial profits. This is especially true in a market condition known as 'contango,' where future prices are higher than current prices, incentivizing storage. Geopolitical tensions and supply disruptions can lead to sudden and

+44 20 8123 2220
info@marketpublishers.com

unpredictable spikes in oil prices. In such cases, oil storage becomes a crucial tool for managing the impact of these price surges. Nations with strategic petroleum reserves may choose to release oil from storage to stabilize domestic prices and ensure a consistent energy supply.

Moreover, the oil storage market provides a critical safety net for producers, enabling them to store their output during times of oversupply or production disruptions. This flexibility helps to maintain a more stable supply chain and ensures that oil is available when needed, even if production or transportation is temporarily disrupted. Furthermore, as the global energy landscape evolves towards cleaner and more sustainable alternatives, the oil storage market may adapt to accommodate shifts in demand and supply patterns. For example, storage facilities could be repurposed to store alternative fuels or be used as part of carbon capture and storage (CCS) projects. In summary, price volatility is a fundamental driver of the oil storage market, shaping decisions about when and how much oil to store. It provides a financial incentive for companies and nations to engage in storage activities, helping them navigate the unpredictable nature of the oil market and maintain energy security in a rapidly changing world.

Trade and Shipping Have Played a Crucial Role in The Growth of The Oil Storage Market

Trade and shipping play a pivotal role in driving the oil storage market, shaping the demand for storage infrastructure and facilities at key global transportation hubs. The interconnectedness of the oil industry with international trade necessitates robust storage capabilities to manage the flow of crude oil and petroleum products effectively. Firstly, trade dynamics profoundly influence oil storage needs. As countries engage in cross-border commerce of crude oil and refined products, storage facilities become critical for managing inventory and facilitating timely deliveries. Ports, terminals, and storage tanks near major shipping routes become strategic assets for accommodating imports, exports, and transshipments of oil. Additionally, the oil storage market is closely tied to the availability and utilization of oil tankers. These vessels are a primary mode of transporting crude oil and petroleum products across oceans and seas. When tanker traffic increases due to changing trade patterns or fluctuations in global oil demand, there is a corresponding need for storage infrastructure near ports to ensure the efficient transfer of oil between vessels and storage facilities.

Furthermore, shipping regulations and safety standards impact the design and operation of oil storage facilities. Compliance with international maritime regulations, including those related to oil spill prevention and response, shapes the storage

infrastructure near ports and coastal regions. This influence underscores the importance of adapting storage facilities to meet evolving regulatory requirements. Trade disruptions, such as geopolitical tensions, accidents, or adverse weather conditions, can also drive the demand for temporary oil storage solutions. When oil shipments are delayed or rerouted, storage facilities provide a buffer to manage potential supply chain disruptions and maintain a steady flow of oil to end-users. As the global energy landscape evolves, the oil storage market may see shifts in demand for storage capacity near emerging energy hubs and renewable energy infrastructure. For example, storage facilities could be repurposed to accommodate the storage and distribution of alternative fuels like liquefied natural gas (LNG) or hydrogen, supporting the transition to cleaner energy sources. In conclusion, trade and shipping are integral drivers of the oil storage market, influencing the location, capacity, and functionality of storage facilities. These factors ensure the smooth operation of the global oil supply chain and underscore the sector's adaptability in response to evolving energy and trade trends.

Download free Sample Report

Key Market Challenges

Aging Infrastructure

The aging infrastructure within the oil storage market stands as a significant impediment to its continued growth and efficiency. Many existing storage facilities were constructed decades ago, and the wear and tear of time are becoming increasingly evident.

Maintenance Costs: Aging storage infrastructure requires constant maintenance and repair, driving up operational costs. Frequent repairs can disrupt operations and lead to production downtime, impacting revenue and profitability.

Technological Obsolescence: Older facilities often lack the technological advancements seen in newer storage sites. This makes it harder to monitor and manage oil storage efficiently, compromising safety and efficiency.

In conclusion, aging infrastructure is a formidable challenge facing the oil storage market. It demands substantial investments in maintenance, upgrades, and safety measures to ensure the continued viability and competitiveness of storage facilities in an ever-evolving industry. Failure to address these challenges can lead to operational inefficiencies and increased risks, ultimately hampering the growth and sustainability of the oil storage market.

+44 20 8123 2220
info@marketpublishers.com

## Geopolitical Risks

Geopolitical risks pose a significant threat to the oil storage market. These risks, stemming from political instability in key oil-producing regions and international conflicts, can severely disrupt the oil storage landscape.

Supply Disruptions: Geopolitical tensions or conflicts in major oil-producing areas can lead to abrupt supply disruptions. Such disruptions often result in oil price volatility, which can increase the demand for storage as a risk mitigation strategy. However, they also jeopardize the safety and accessibility of storage facilities located in these regions.

Security Vulnerabilities: Oil storage facilities are appealing targets for sabotage, terrorist acts, or military actions during geopolitical conflicts. Attacks on these facilities can result in environmental catastrophes, massive oil spills, and disruptions in oil supply chains.

In summary, geopolitical risks introduce an unsettling element of unpredictability and insecurity into the oil storage market. To navigate these challenges, storage operators must carefully assess and manage these risks to ensure the uninterrupted functioning of their facilities in a world fraught with geopolitical uncertainties.

## Key Market Trends

### Strategic Petroleum Reserve Expansion

The expansion of Strategic Petroleum Reserves (SPRs) is poised to be a significant driver in the global oil storage market. This trend is characterized by nations, particularly oil-importing ones, recognizing the paramount importance of bolstering their energy security by increasing their strategic petroleum reserves. Energy Security, in an era of geopolitical uncertainties and supply disruptions, countries are prioritizing energy security. Expanding SPRs ensures a buffer against potential oil supply interruptions, which can be critical for a nation's stability and economic well-being. In essence, the expansion of Strategic Petroleum Reserves signifies a proactive approach to energy security and resilience, fostering growth and stability in the global oil storage market. As nations continue to prioritize these initiatives, they are expected to drive investments in storage infrastructure, technology, and capacity expansion in the years to come.

### Floating Storage

+44 20 8123 2220
info@marketpublishers.com

Floating storage has emerged as a potent force driving the global oil storage market. This trend gained exceptional prominence during the COVID-19 pandemic and the subsequent oil price war, reshaping the dynamics of oil storage worldwide. Oversupply and Demand Shock: The pandemic led to a sudden and unprecedented drop in oil demand while major oil-producing nations engaged in a price war. This resulted in a colossal oversupply of crude oil that overwhelmed onshore storage capacities, necessitating the use of tankers as temporary storage solutions. Price Contango: A 'contango' market condition, where future oil prices exceeded current prices, provided a strong incentive for traders and producers to purchase oil at lower prices, store it on vessels, and sell it later at more favorable rates.

While the surge in floating storage was a reaction to exceptional circumstances, it underscored the industry's capacity to innovate and adapt in times of crisis. Although not a long-term solution, floating storage remains a crucial element in the oil storage market's toolkit, ready to be deployed when market imbalances, geopolitical uncertainties, or unforeseen supply disruptions emerge.

Segmental Insights

Type Insights

The crude oil segment to Dominate the Market. The crude oil segment is expected to dominate the global oil storage market in the coming years. The demand for crude oil is expected to grow in the coming years, due to the growth of the global economy and the increasing demand for energy. Crude oil is a volatile commodity, and the need to store it in strategic reserves is important to protect against price fluctuations, and Crude oil is a relatively low-cost commodity, and the cost of storing it is relatively low.

Material Insights

By Material, Carbon Steel segment will dominate the market. Carbon steel is the most common and affordable type of steel. This makes it the most cost-effective material for manufacturing oil storage tanks. Carbon steel is strong and durable. It can withstand the harsh conditions of oil storage, such as high temperatures and corrosive chemicals. Carbon steel is versatile. It can be used to manufacture a variety of oil storage tanks, including open top tanks, fixed roof tanks, and floating roof tanks. Carbon steel is recyclable. This makes it an environmentally friendly material for oil storage. The other major materials used for oil storage are stainless steel and fiberglass-reinforced plastic (FRP). Stainless steel is more expensive than carbon steel, but it is more resistant to

+44 20 8123 2220
info@marketpublishers.com

corrosion. FRP is less expensive than carbon steel, but it is not as strong or durable.

Regional Insights

The North America region has established itself as the leader in the Global Oil Storage Market with a significant revenue share in 2022. In 2019, North America has an oil consumption (includes light distillates, middle distillates, fuel oil, and others) of 23536 thousand barrels per day (kb/d) i.e. a decline of 0.7% when compared to 2018 (23692 kb/d). Similarly, the oil consumption for the United States can be given as 19400 kb/d as of 2019. A decline of 0.1% has been observed when compared to 2018 (19428 kb/d). The United States is expected to dominate the market in the North America region, owing to capacity additions and CAPEX on new build oil storage projects, followed by Canada. Growing crude production in Canada has resulted in the complete utilization of storage and pipeline capacities. New oil storage terminals have been planned in the country to cater to the demand of the domestic oil producers. The largest oil storage terminals of North America are Freeport V (United States), West Hackberry (United States), and Big Hill (United States). Also, the largest crude storage fields in the United States were Cushing, Oklahoma (82 million barrels), Louisiana Offshore Oil Port (67 million barrels), Houston, Texas (36 million barrels), etc. As the number of storage terminals or oil fields were increasing, the demand for oil storage market is expected to increase in North America during the forecast period.

Therefore, based on the above-mentioned factors, North America is expected to dominate the oil storage market during the forecast period.

Key Market Players

ZCL Composites

Belco Manufacturing Company

Containment Solutions

Synalloy Corp.

L.F. Manufacturing

Zepnotek Storage

+44 20 8123 2220
info@marketpublishers.com

Oiltanking GmbH

Columbian Steel Tank

Sunoco Logistics

Vitol Tank Terminals

Report Scope:

In this report, the Global Oil Storage Market has been segmented into the following categories, in addition to the industry trends which have also been detailed below:

Global Oil Storage Market, By Type:

Crude Oil

Gasoline

Aviation Fuel

Naphtha

Diesel

Kerosene

Liquefied Petroleum Gas

Global Oil Storage Market, By Material:

Steel

Carbon Steel

Fiberglass-reinforced Plastic

Global Oil Storage Market, By Product Design:

+44 20 8123 2220
info@marketpublishers.com

Open Top Tank

Fixed Roof Tank

Floating Roof Tank

Others

Global Oil Storage Market, By Region:

North America

United States

Canada

Mexico

Asia-Pacific

China

India

Japan

South Korea

Indonesia

Europe

Germany

United Kingdom

France

Russia

+44 20 8123 2220
info@marketpublishers.com

Spain

South America

Brazil

Argentina

Middle East & Africa

Saudi Arabia

South Africa

Egypt

UAE

Israel

Competitive Landscape

Company Profiles: Detailed analysis of the major companies present in the Global Oil Storage Market.

Available Customizations:

Global Oil Storage Market report with the given market data, Tech Sci Research offers customizations according to a company's specific needs. The following customization options are available for the report:

Company Information

Detailed analysis and profiling of additional market players (up to five).

+44 20 8123 2220
info@marketpublishers.com

# Contents

+44 20 8123 2220
info@marketpublishers.com



## 7. ASIA-PACIFIC OIL STORAGE MARKET OUTLOOK

+44 20 8123 2220
info@marketpublishers.com



## 8. EUROPE OIL STORAGE MARKET OUTLOOK

+44 20 8123 2220
info@marketpublishers.com

+44 20 8123 2220
info@marketpublishers.com



## 9. SOUTH AMERICA OIL STORAGE MARKET OUTLOOK



## 10. MIDDLE EAST & AFRICA OIL STORAGE MARKET OUTLOOK

+44 20 8123 2220
info@marketpublishers.com



## 11. MARKET DYNAMICS

+44 20 8123 2220
info@marketpublishers.com

+44 20 8123 2220
info@marketpublishers.com

+44 20 8123 2220
info@marketpublishers.com

## I would like to order

Product name: Oil Storage Market – Global Industry Size, Share, Trends, Opportunity, and Forecast, 2018-2028Segmented by Type (Crude Oil, Gasoline, Aviation Fuel, Naphtha, Diesel, Kerosene, and Liquefied Petroleum Gas), Material (Steel, Carbon Steel, and Fiberglass-reinforced Plastic), and Product Design (Open Top Tank, Fixed Roof Tank, Floating Roof Tank, and Others), By Region, Competition

Product link: https://marketpublishers.com/r/O45AE5032F62EN.html

Price: US$ 4,900.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:
info@marketpublishers.com

## Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page https://marketpublishers.com/r/O45AE5032F62EN.html

## To pay by Wire Transfer, please, fill in your contact details in the form below:

First name:
Last name:
Email:
Company:
Address:
City:
Zip code:
Country:
Tel:
Fax:
Your message:

**All fields are required

Custumer signature _____

Please, note that by ordering from marketpublishers.com you are agreeing to our Terms & Conditions at https://marketpublishers.com/docs/terms.html

+44 20 8123 2220
info@marketpublishers.com

To place an order via fax simply print this form, fill in the information below and fax the completed form to +44 20 7900 3970