



RYSTAD ENERGY PROJECT CARGO SUMMIT 2019 ROTTERDAM

Is the oil & gas market finally picking up again?

Sara Sottilotta, Analyst Oilfield Service Research



RYSTAD ENERGY

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INTRODUCTION

Office locations



Rystad Energy: Independent energy consulting and business intelligence data firm established in 2004, headquartered in Oslo with offices across the globe.

Databases: Covering energy fundamentals, upstream, oilfield services and renewable energy industries.

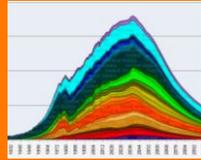
Analytics: Extensive library of market reports, commentaries and fact sheets.

Consulting: Leading advisor on strategy, markets and business development within the energy space globally.



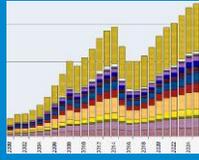
ENERGY KNOWLEDGE HOUSE – METHODOLOGY

UPSTREAM SOLUTIONS



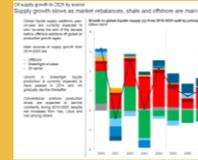
Complete, consistent E&P business analytics data from macro to micro level with global and regional deep dive coverage

OILFIELD SERVICE SOLUTIONS



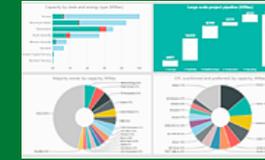
Comprehensive oil services market analysis by industry segments, geography and supplier companies

MARKET SOLUTIONS



Global oil and gas markets analysis with supply and demand balances, as well as fundamental company investment services.

RENEWABLE ENERGY SOLUTIONS



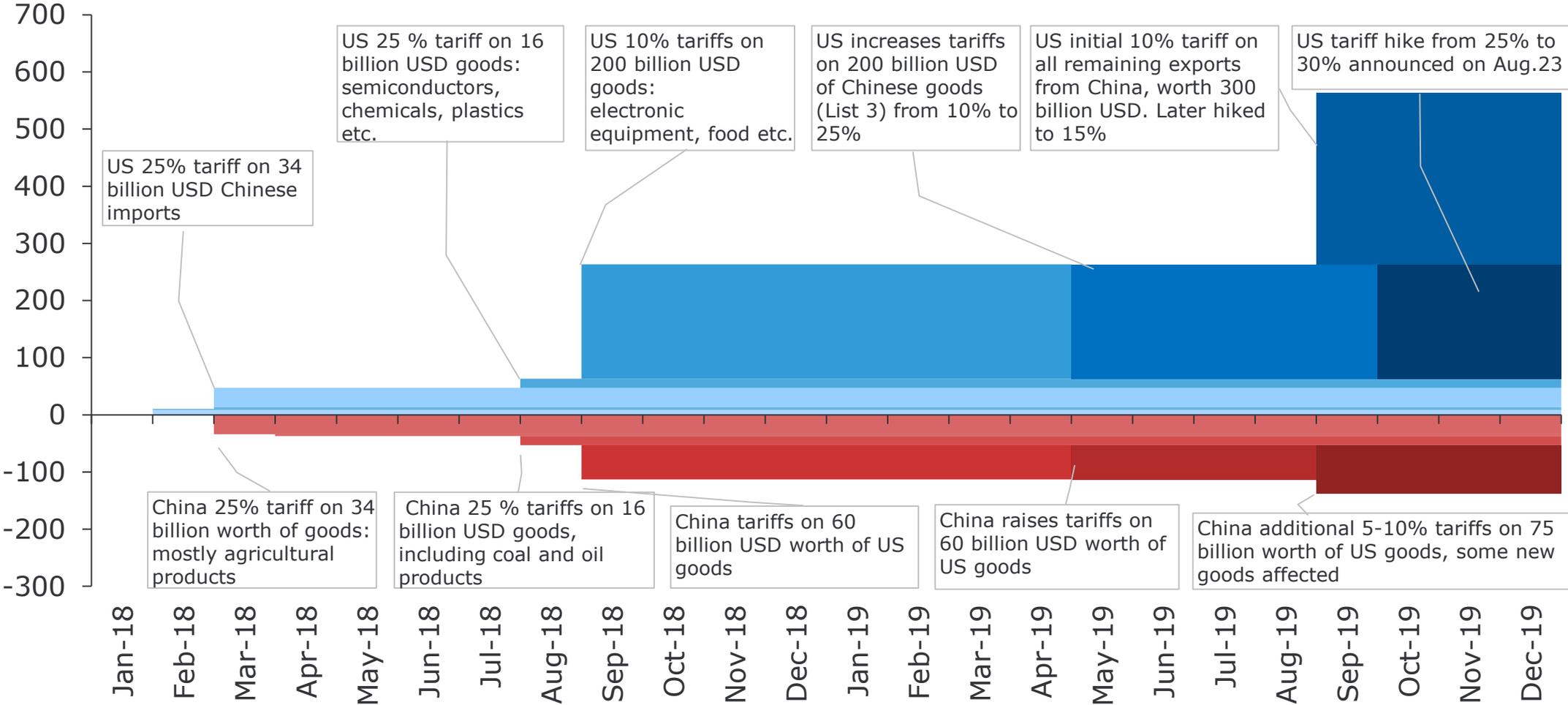
SERA Analytics for tracking solar, wind and storage assets and projects for broad analysis of the renewables industry.

AGENDA

- Oil Market Outlook
- Oilfield Services Outlook

US-CHINA TRADE WAR TIMELINE

Billion USD, tariffs planned and implemented by implementation date

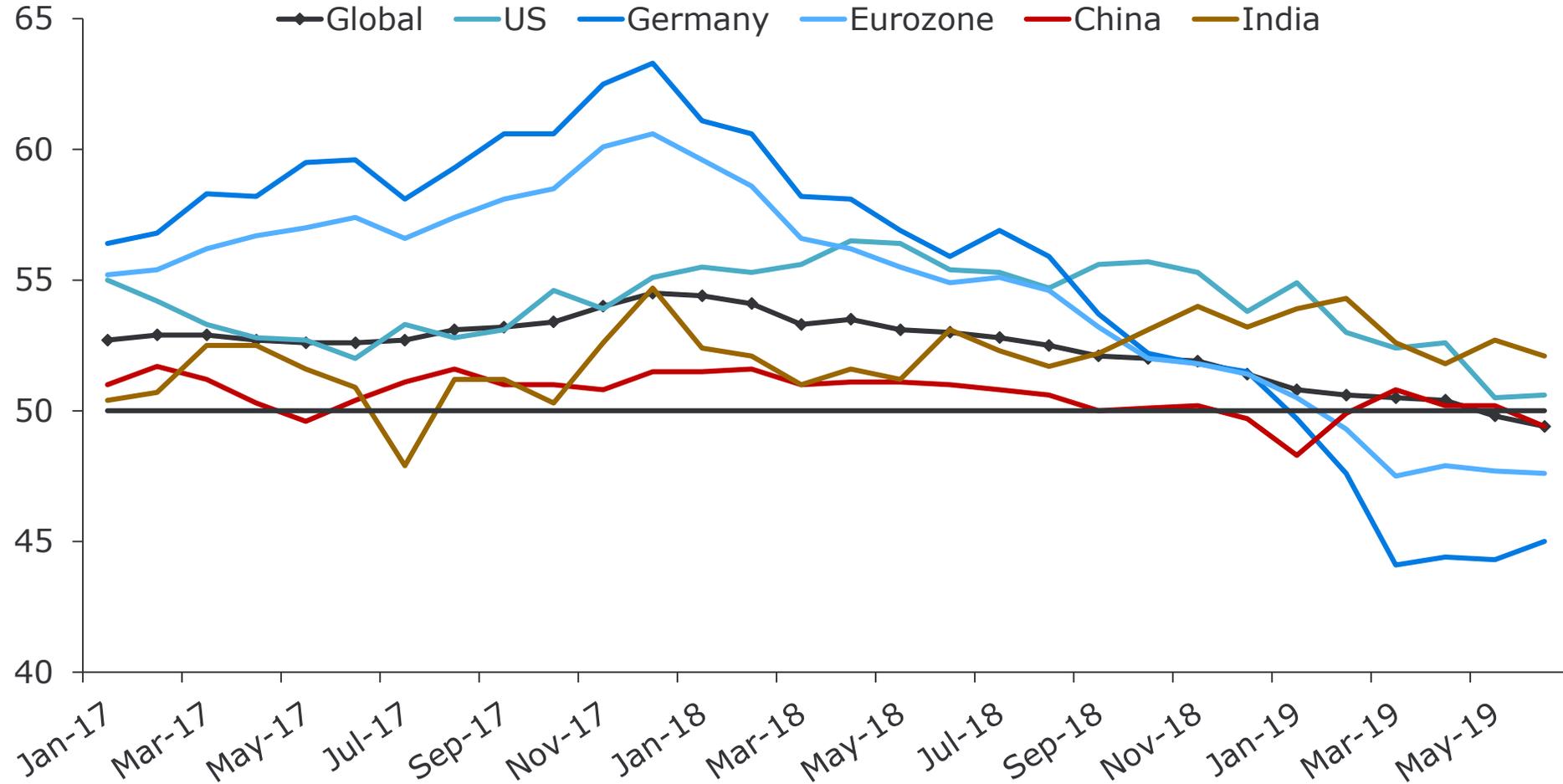


Source: Rystad Energy Research and Analysis

NEW WAVE OF TRADE TARIFFS AND CURRENCIES' DEPRECIATION TEST GLOBAL ECONOMIC AND DEMAND GROWTH

Global manufacturing indicators

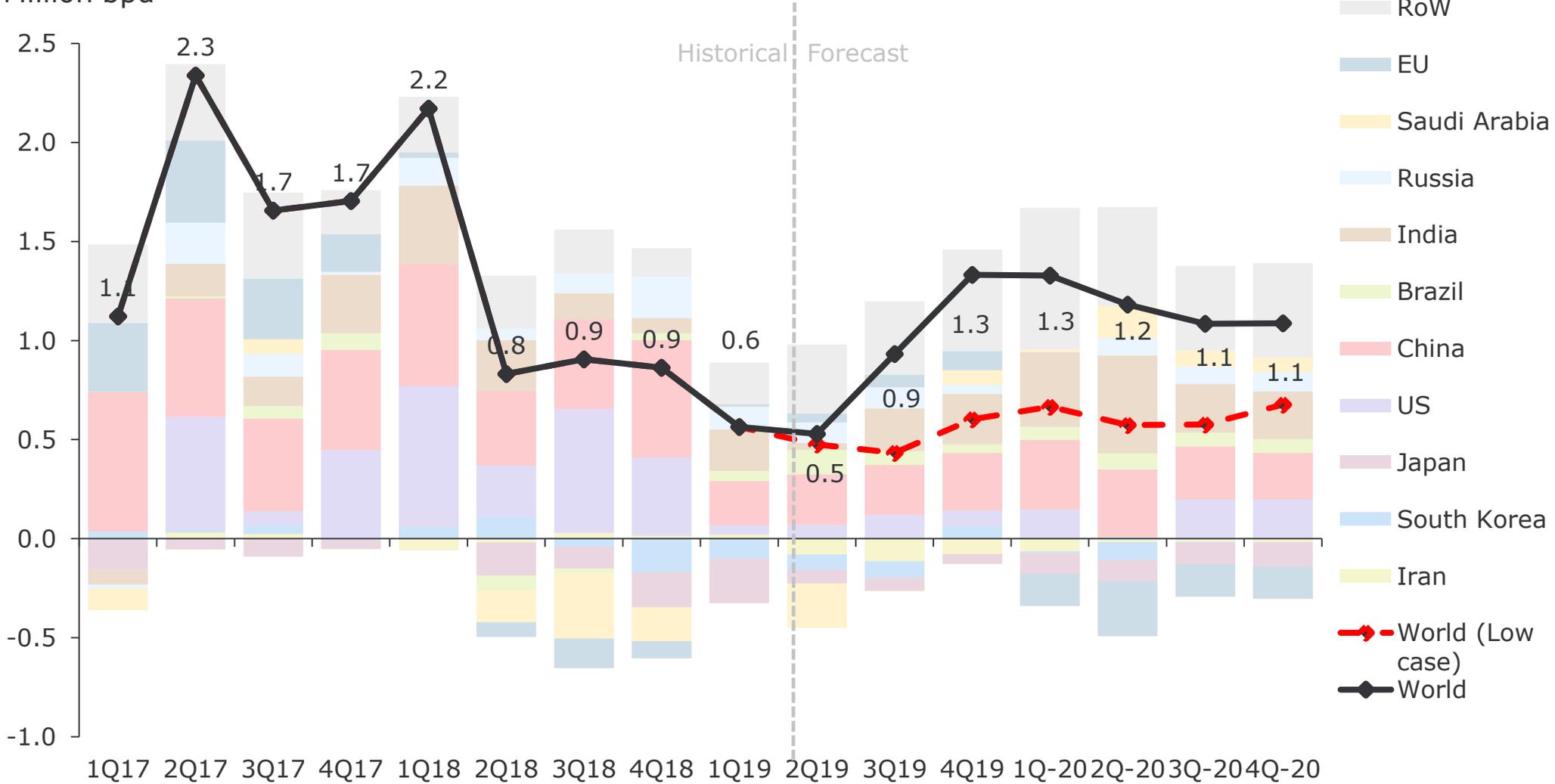
PMI index



PUTTING DEMAND RECOVERY IN 2H19-20` IN JEOPARDY

World liquids demand in the base case and trade war related low case scenarios

Million bpd

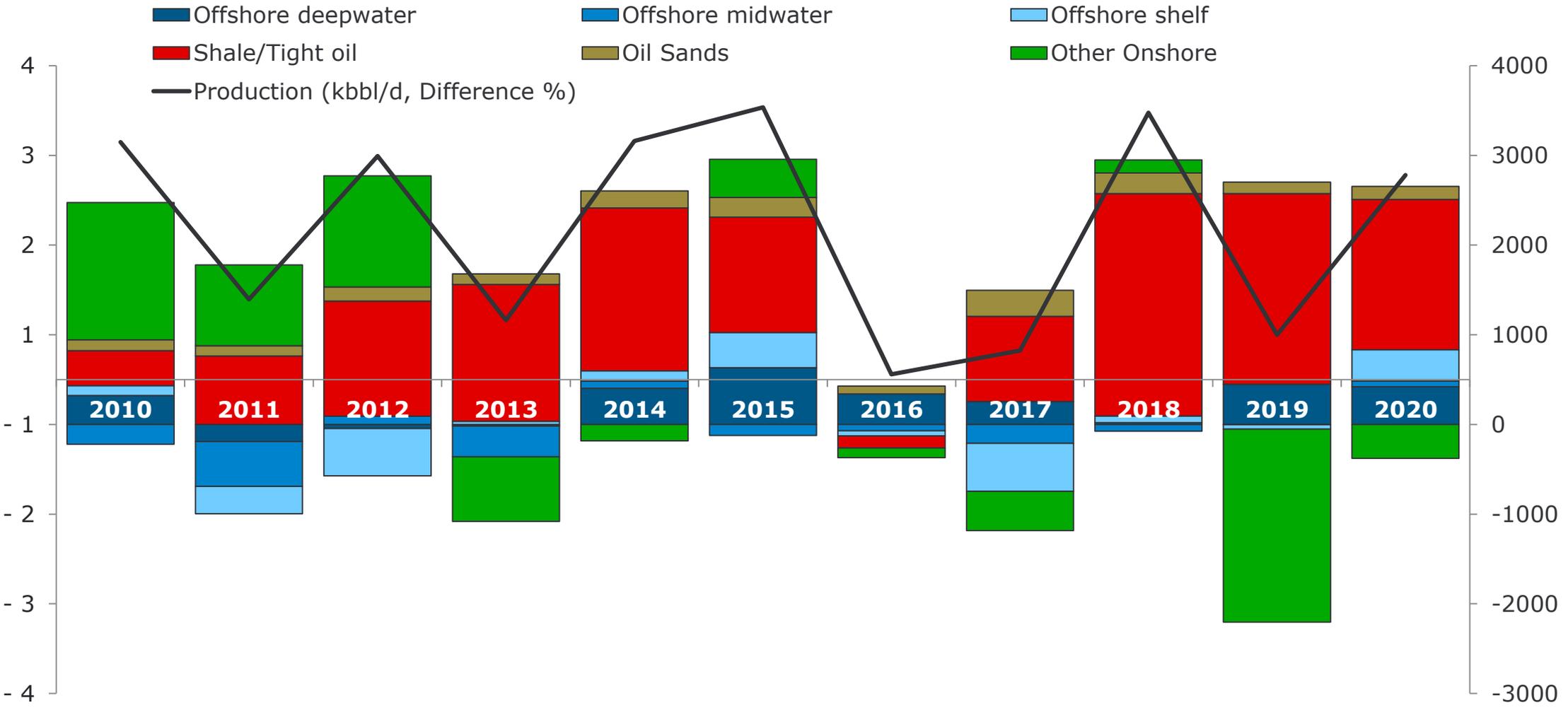


Source: Rystad Energy Ucube



SUPPLY WILL GROW DRIVEN BY SHALE

Global production growth
 Million barrels per day, y/y change



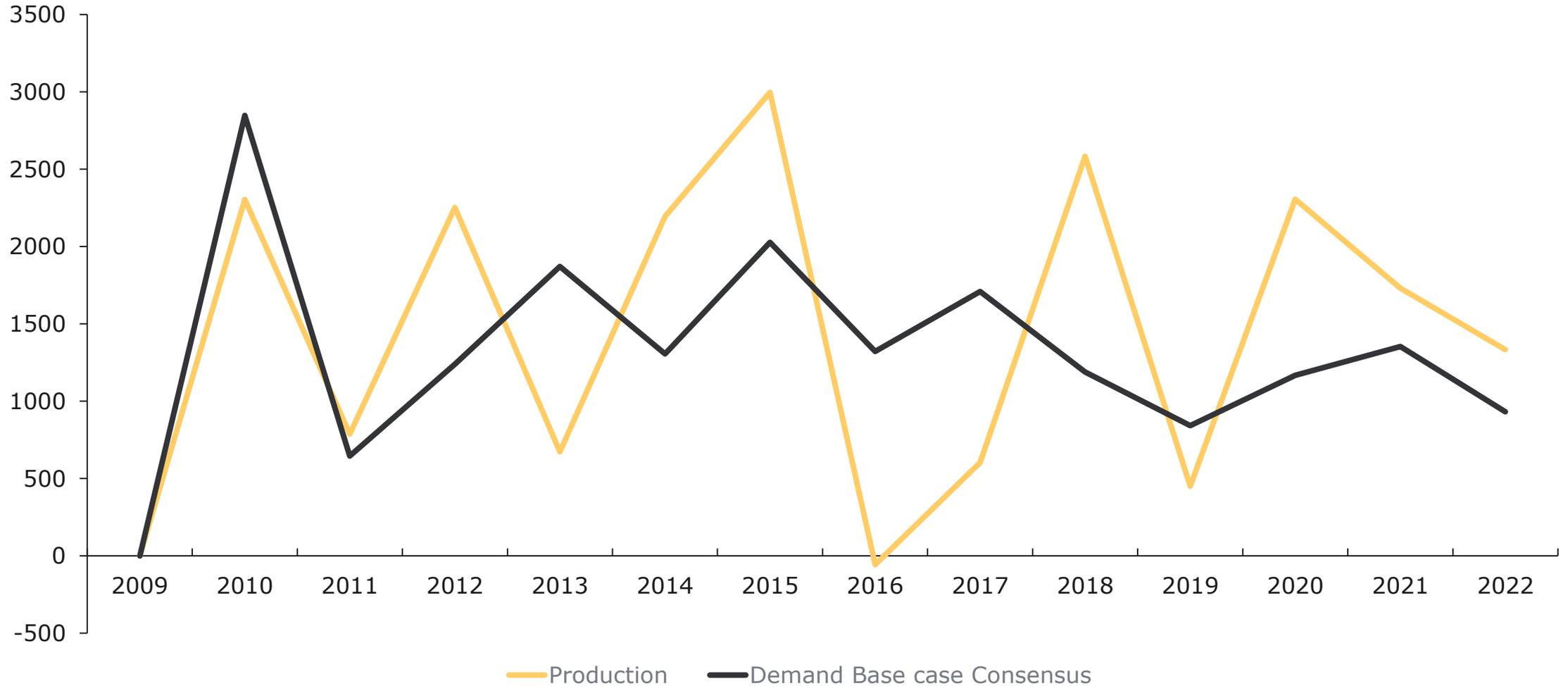
Source: Rystad Energy Ucube



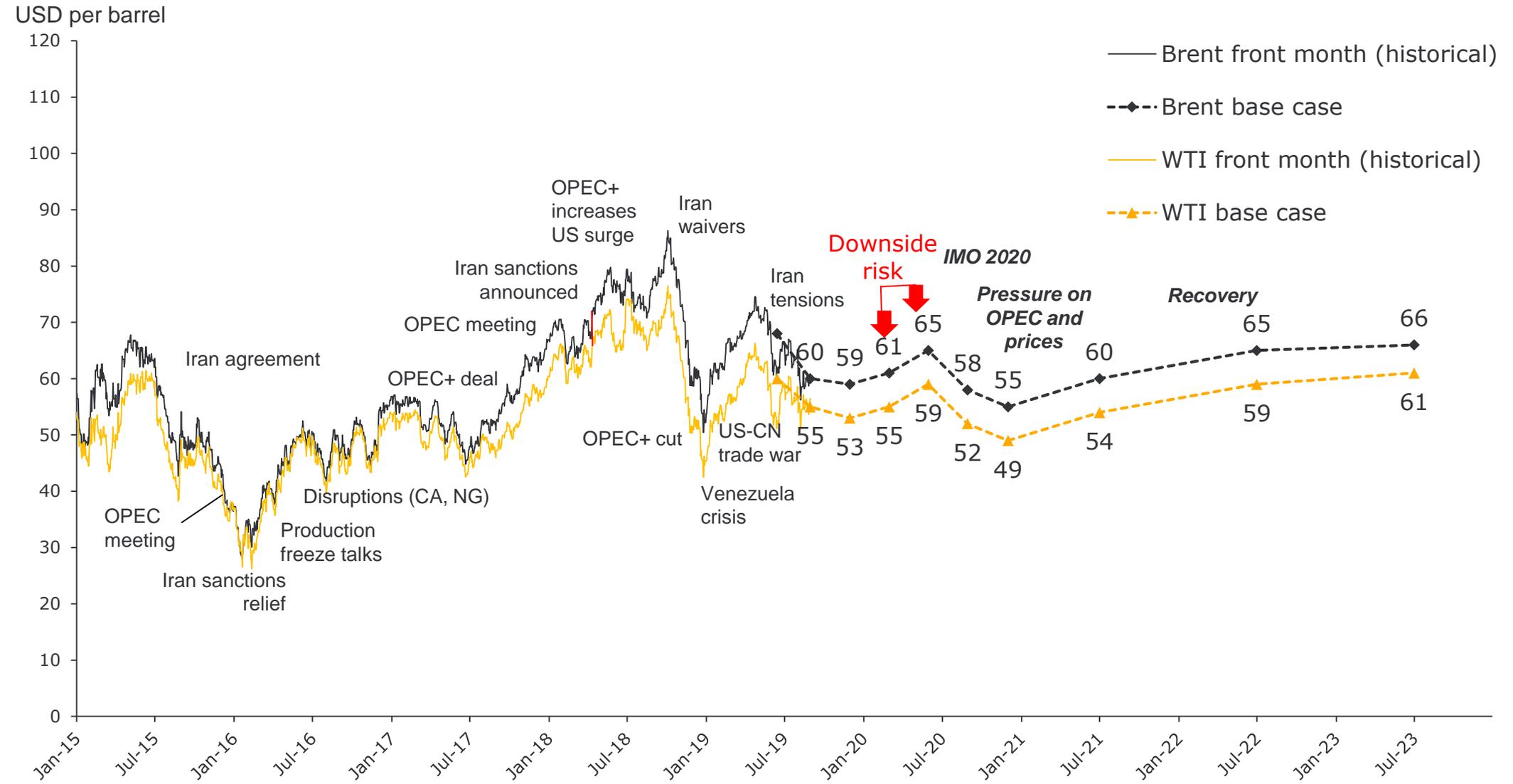
SUPPLY WILL GROW MORE THAN DEMAND

Oil demand and supply growth

Thousand barrels per day, difference



THEREFORE DOWNSIDE RISK TO 2020 PRICES, DESPITE POSITIVE IMO EFFECT, DUE TO EXCESSIVE SUPPLY GROWTH



Source: Rystad Energy Research and Analysis

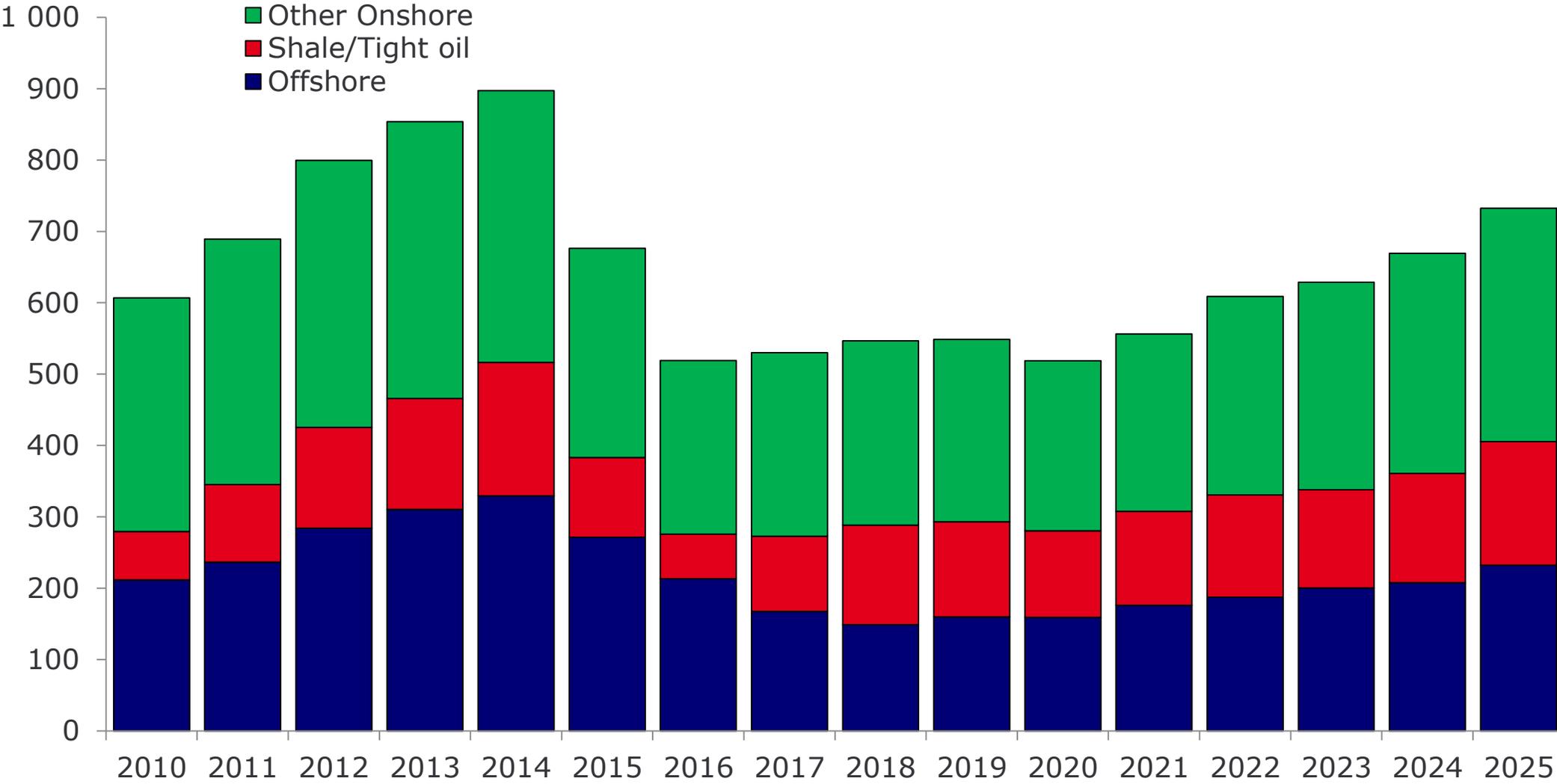
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GLOBAL INVESTMENTS ARE SLOWLY RECOVERING

Global investments by supply type

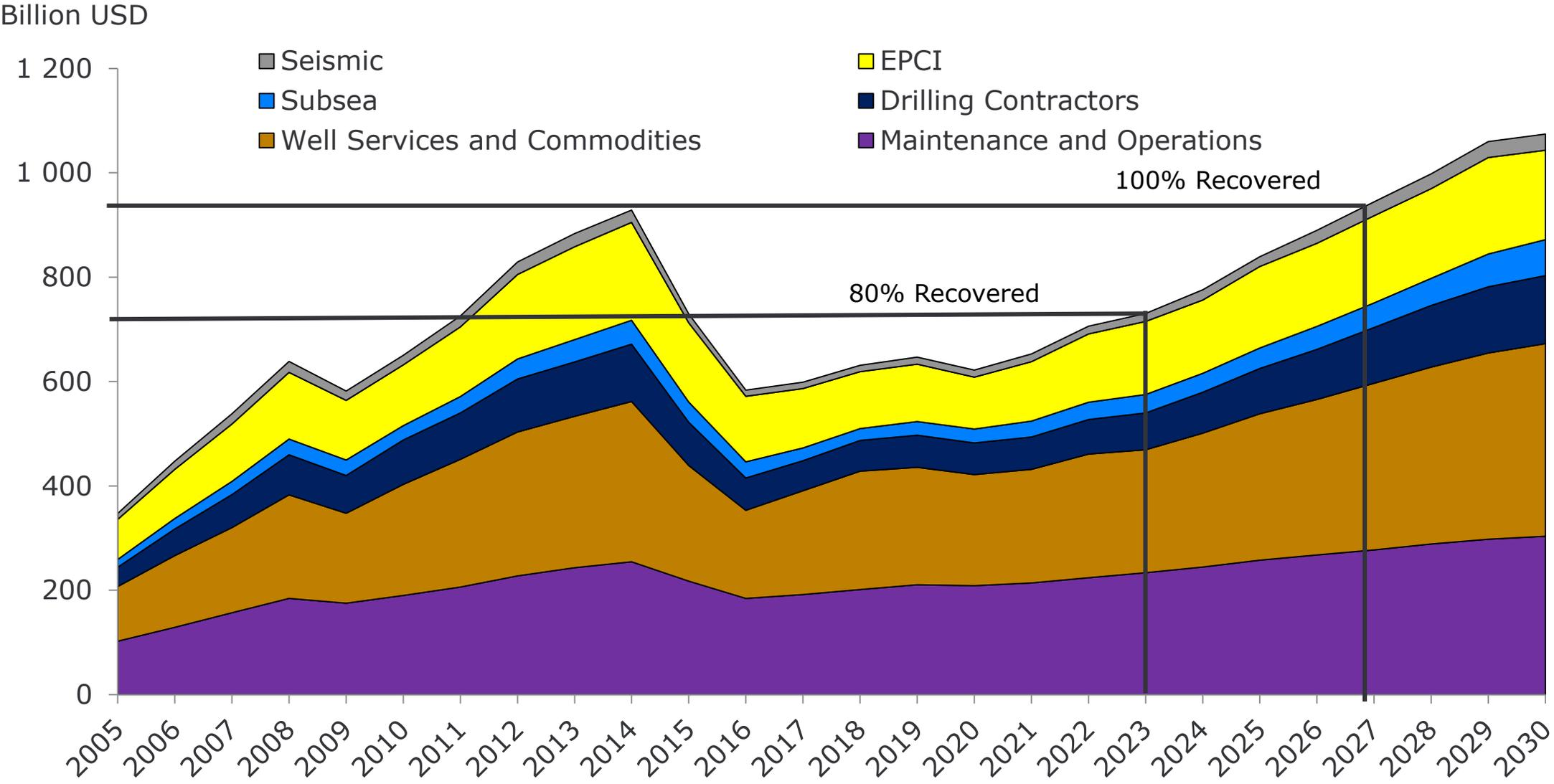
Million USD



Source: Rystad Energy ServiceCube



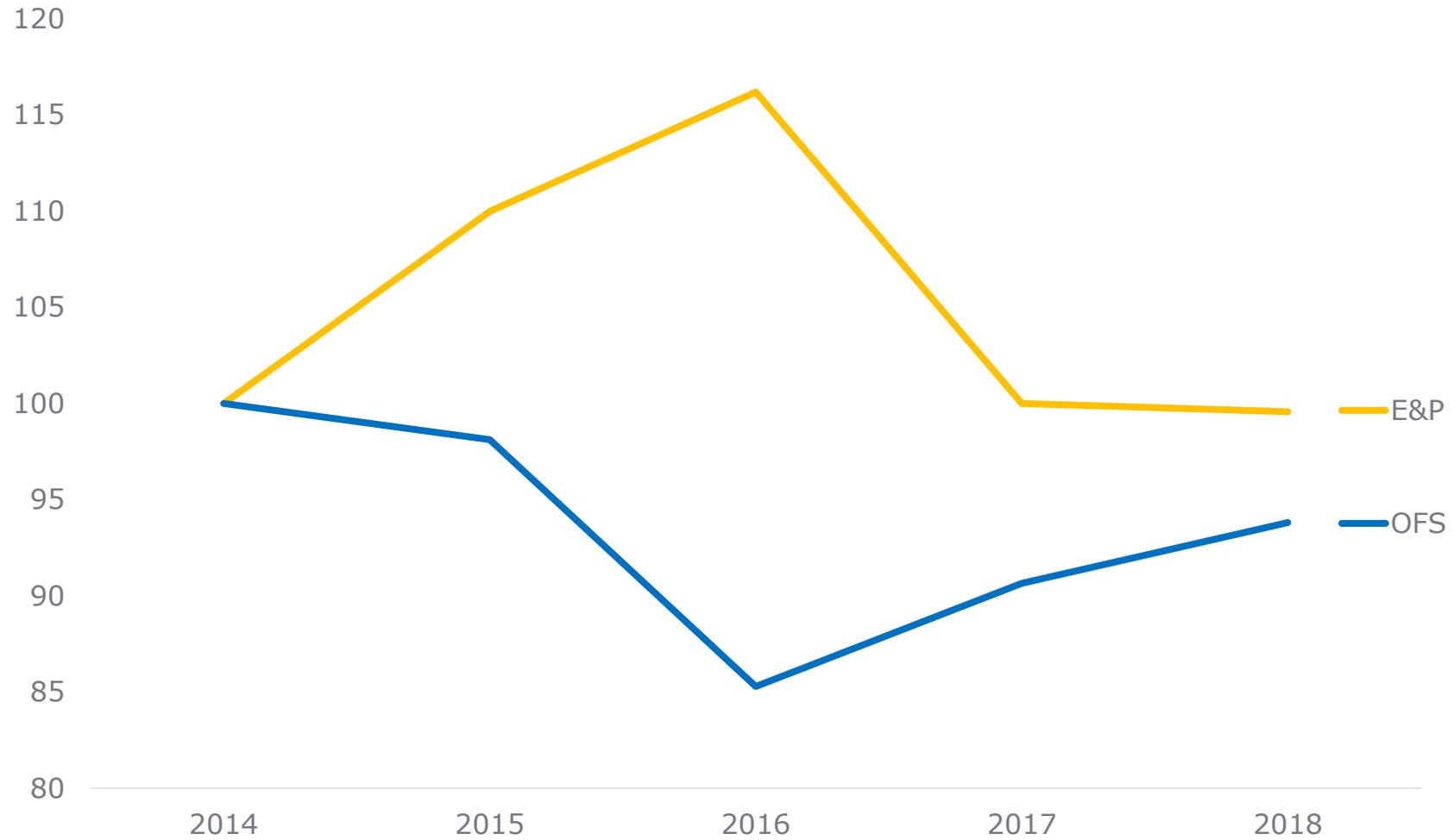
BUT STILL A LONG WAY TO GENERATE SAME REVENUES AS AT PEAK



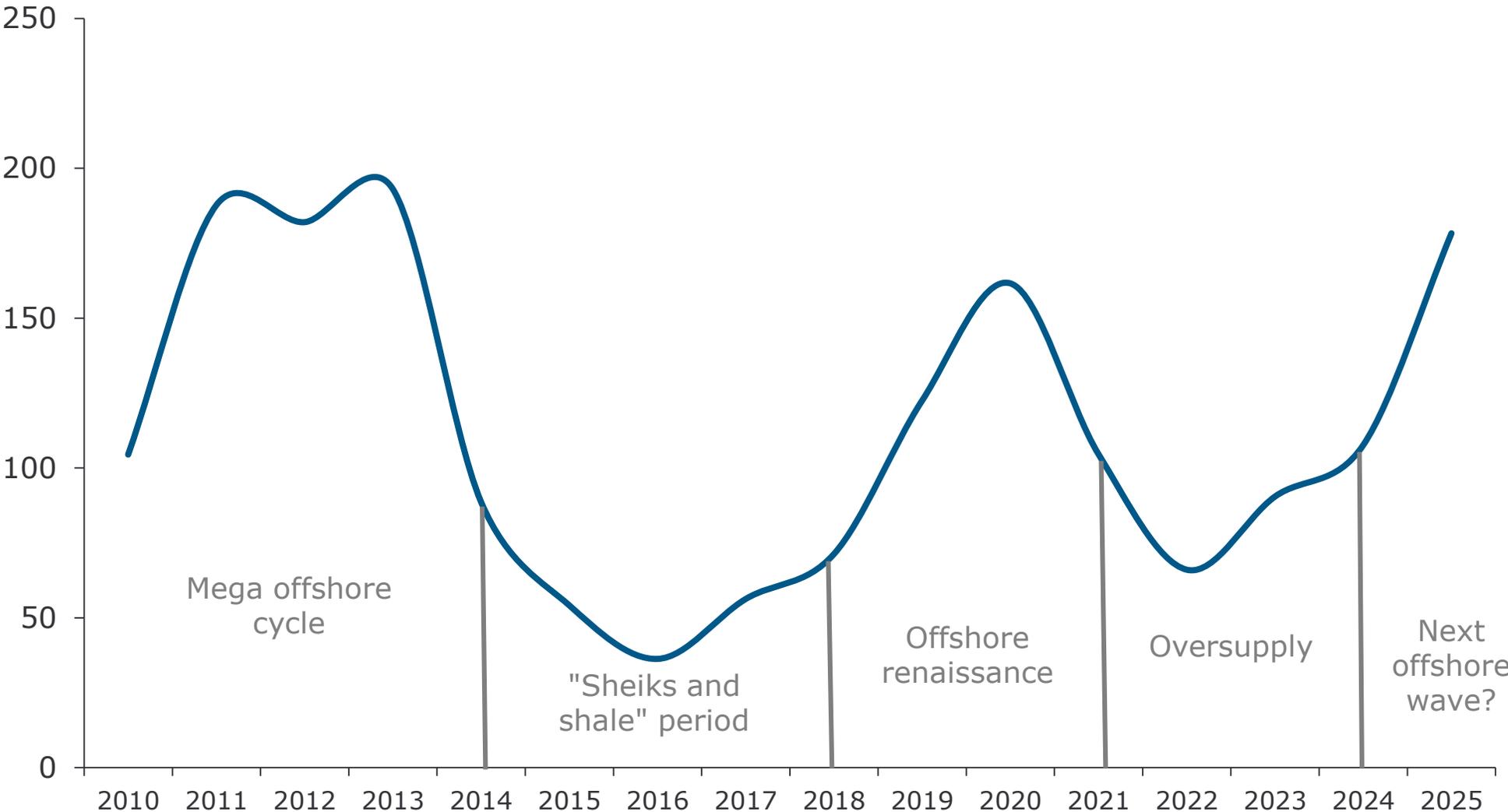
Source: Rystad Energy ServiceCube

PRICING POWER HAS IMPROVED

Indexed market concentration among E&P and Oilfield Service companies



OFFSHORE SANCTIONING WAVE NEARS PEAK

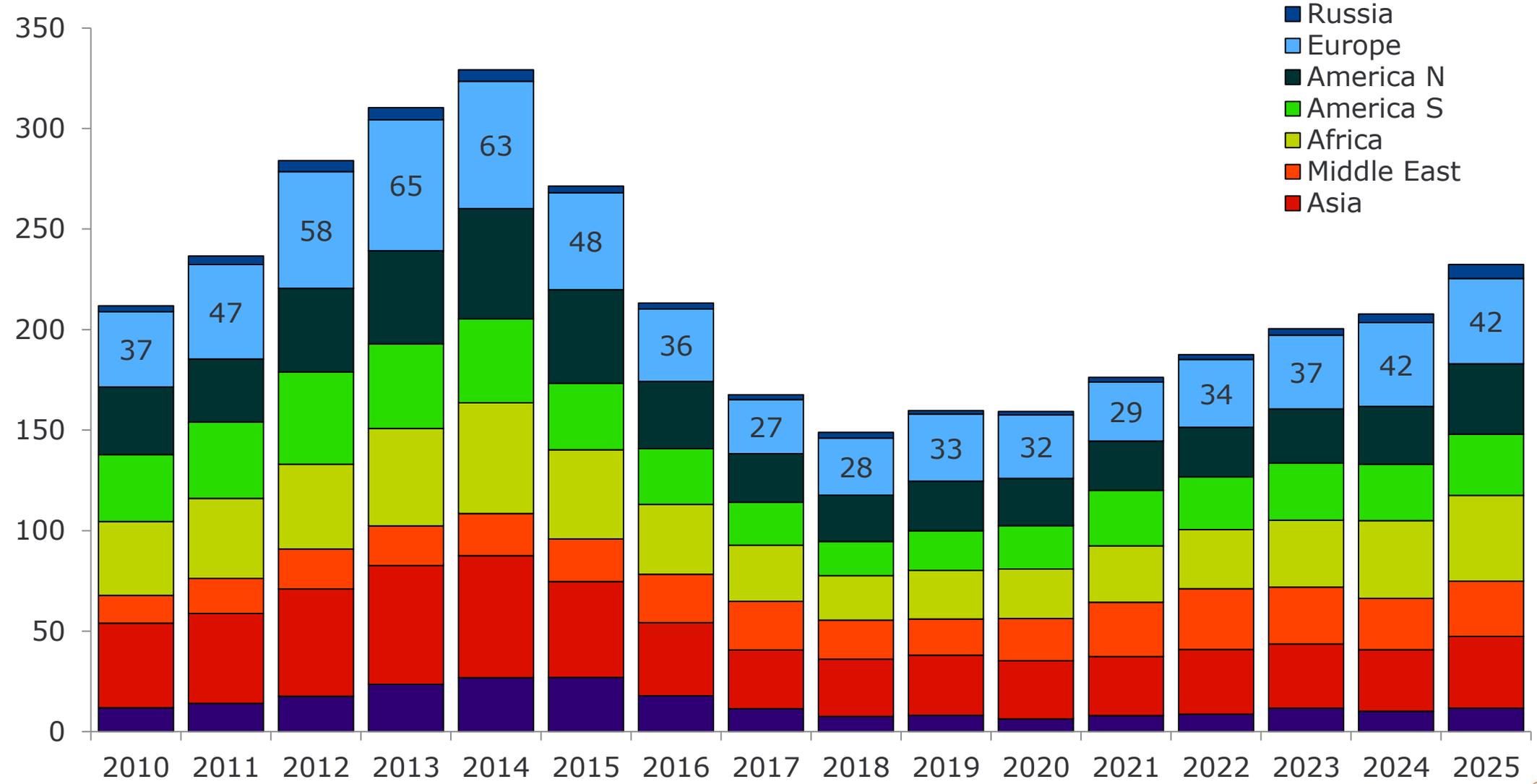


Source: Rystad Energy ServiceCube



OFFSHORE GLOBAL INVESTMENT BOTTOMED OUT IN 2018

Global investments by continent
Billion USD



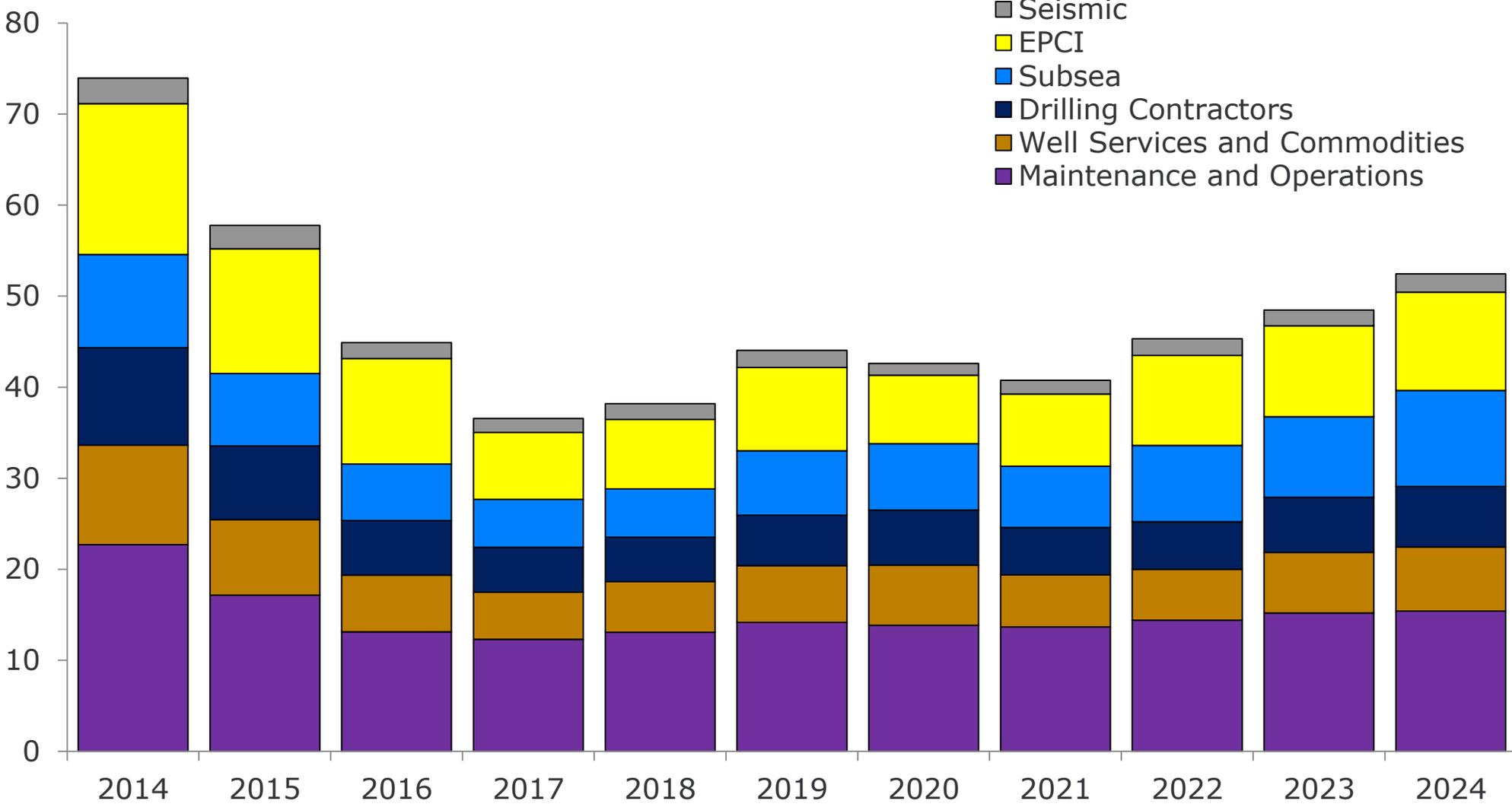
Source: Rystad Energy ServiceCube



OFFSHORE EUROPE SERVICES EXPECTED TO GROW FROM 2022

Offshore service segments expenditure

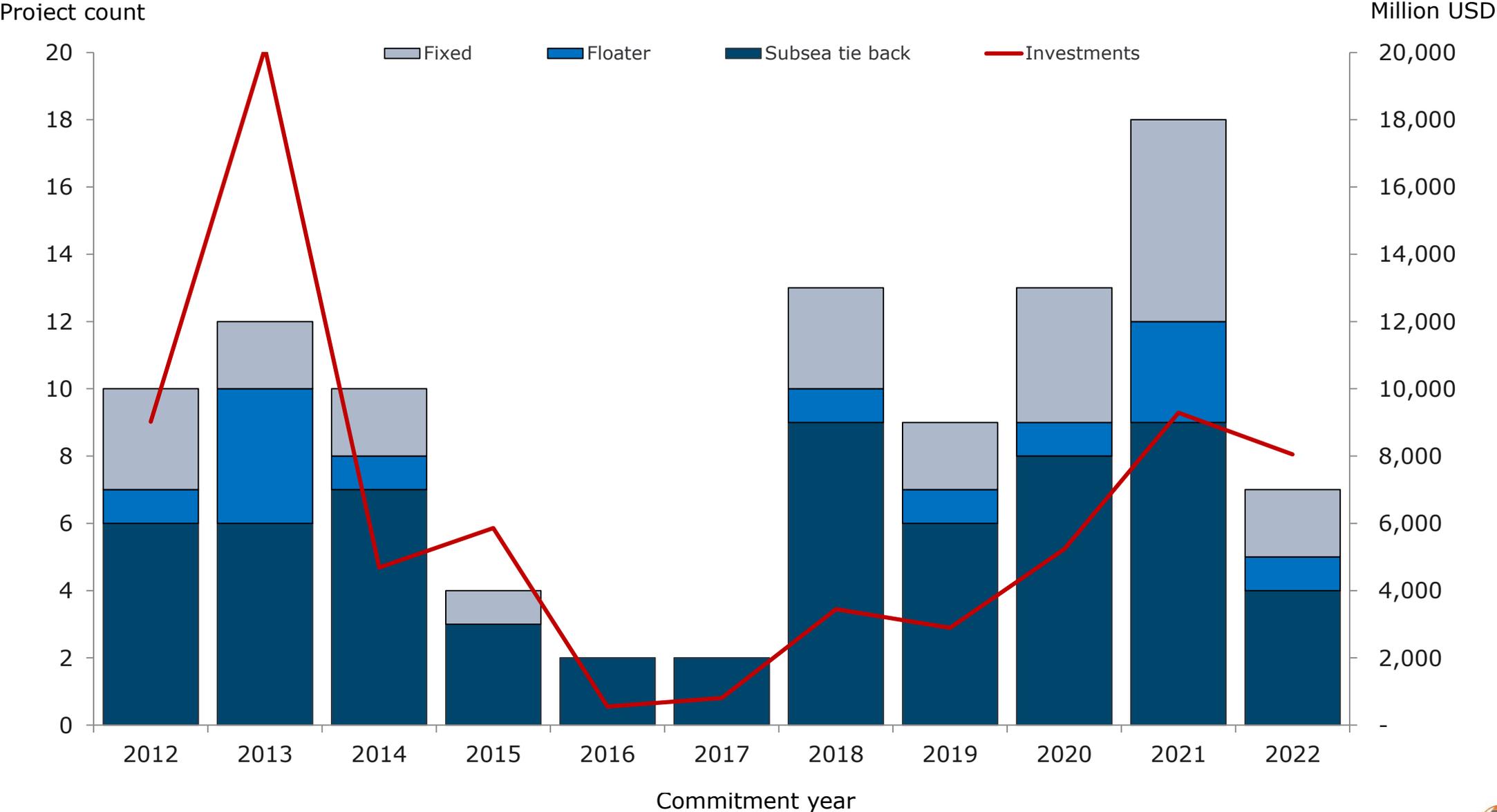
Million USD



Source: Rystad Energy ServiceCube

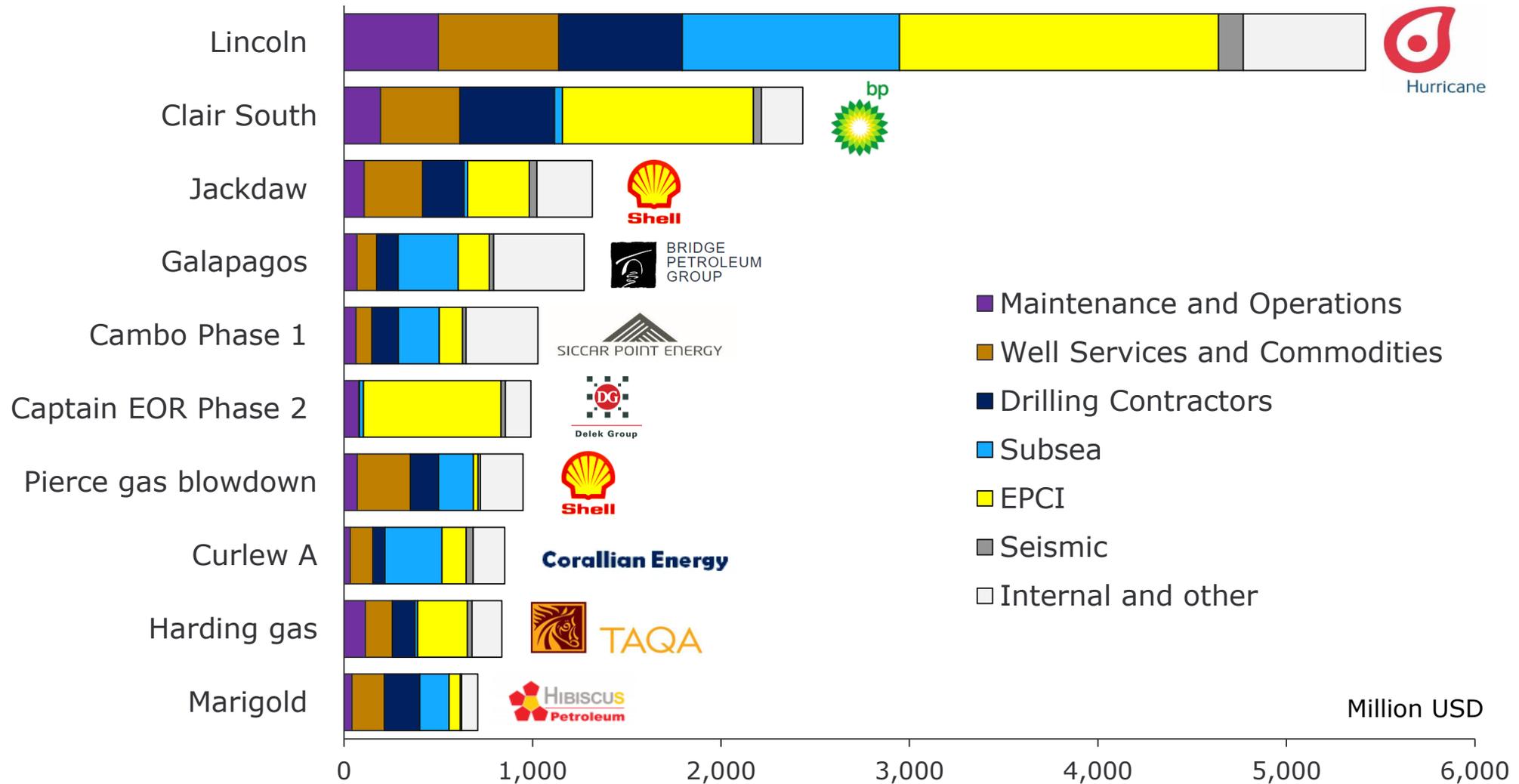


OFFSHORE GREENFIELD COMMITMENTS POISED TO REBOUND IN THE UK



Source: Rystad Energy ServiceCube

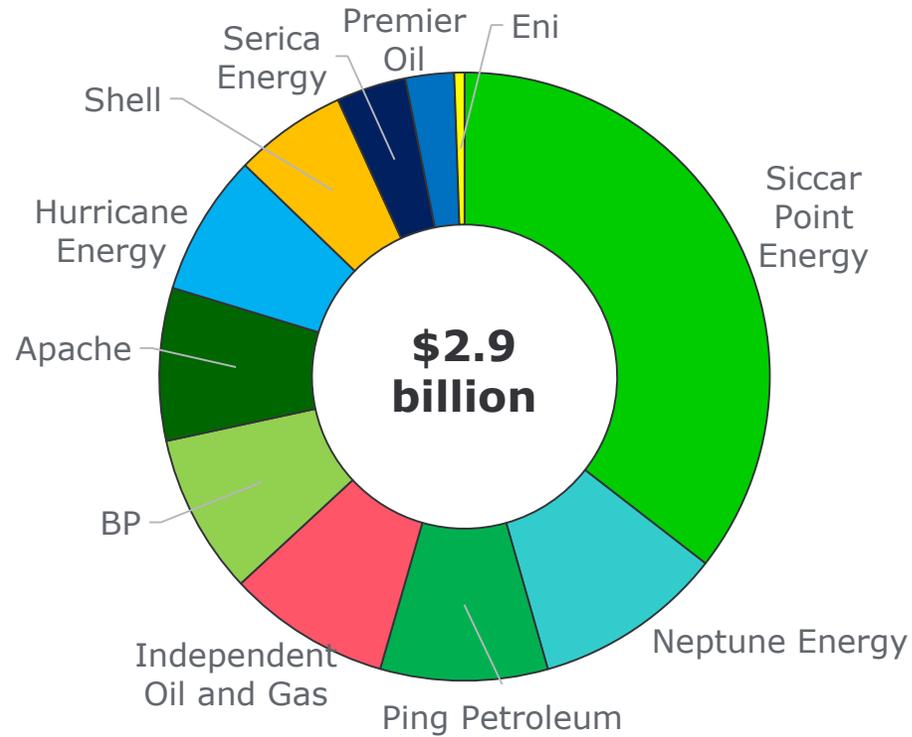
UK'S TOP 10 UPCOMING OFFSHORE PROJECT COMMITMENTS UNTIL 2022



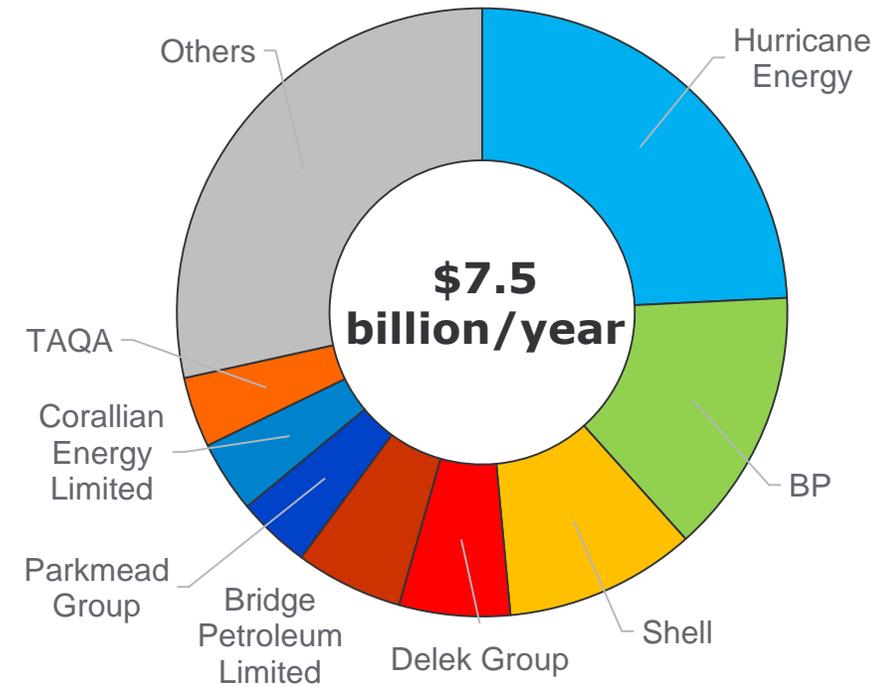
Source: Rystad Energy ServiceCube

UK OFFSHORE PROJECT COMMITMENTS

Project commitments in 2019



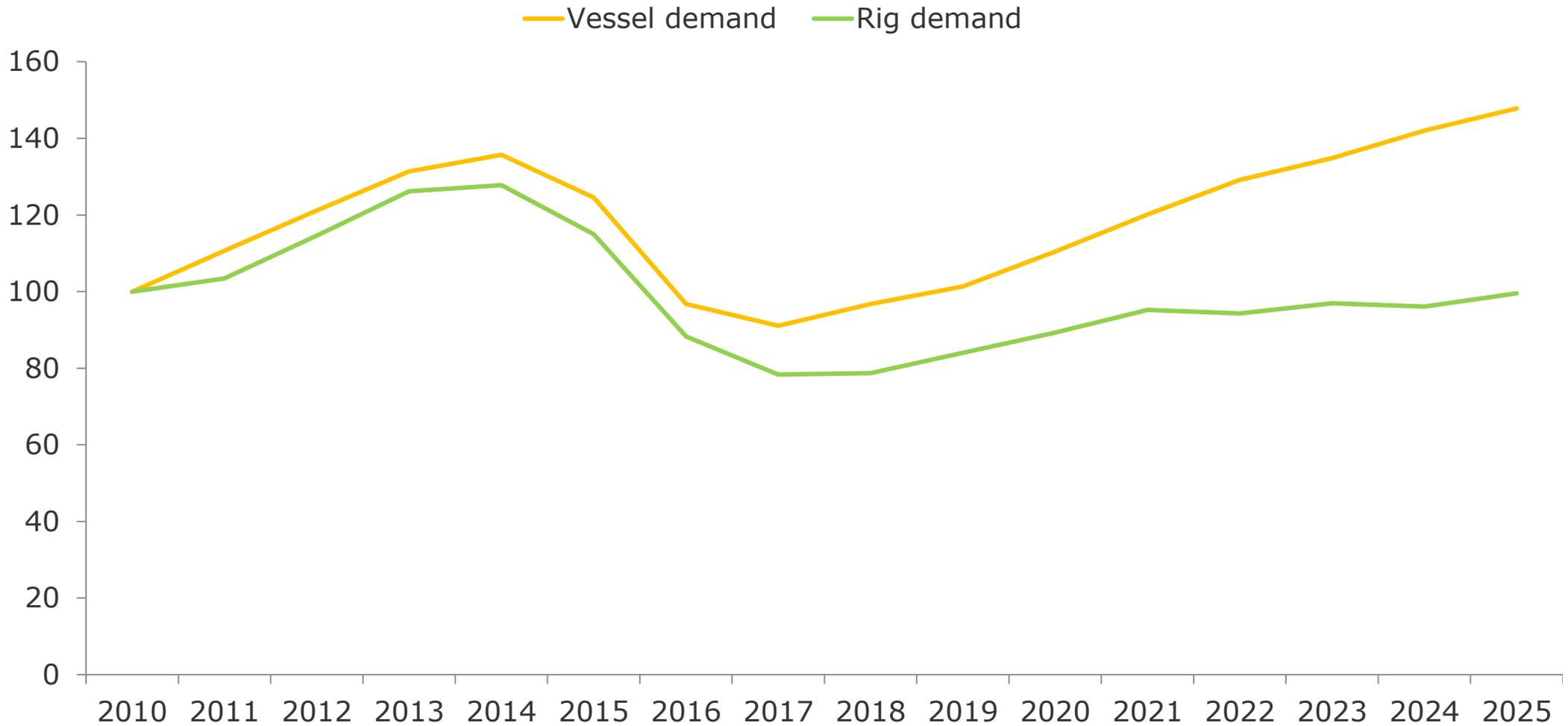
Project commitments from 2020 to 2022



THE OSV DEMAND IS INCREASING MORE THAN THE RIG DEMAND

OSV and Rig demand

Years



THANK YOU FOR YOUR ATTENTION

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