OIL MARKET OUTLOOK
September 2018

TIGHT MARKET AND HIGH PRICES LAY THE FOUNDATION FOR NEW INVESTMENT CYCLE
SEPTEMBER 2018
Brent timeline and latest forward curve
Still bullish outlook through 2020, but…

ICE Brent and NYMEX WTI historical 1M prices, latest futures curves and base-case Brent and WTI estimates
USD per barrel

Source: Rystad Energy research and analysis, Bloomberg
New investment cycle potentially creating too much supply 2023-2025 as shale can grow further

Global liquids supply growth by segment vs. demand growth

Thousand barrels per day

Source: Rystad Energy research and analysis, UCube
Permian Basin liquids production and activity in the base case price scenario

Permian: oil and NGL production, completed shale wells

Source: Rystad Energy UCube September 2018
Total U.S. liquids production and activity in the base case price scenario

U.S. oil and NGL production, completed shale wells
Thousand barrels per day

Source: Rystad Energy UCube September 2018
Total U.S. gas production in the base case scenario

Total U.S. gas production by field type (associated*, dry**) and basin

Billion cubic feet per day

- *includes volumes from fields assumed to developed as oil fields (with GOR<160%)
- **includes other volumes from gas and gas-condensate fields (GOR>160%)

Source: Rystad Energy UCube, September 2018
Longer distances between supply and demand to facilitate more LNG trade

Supply and demand of natural gas, 2016-2030
Bcm per year

Australia | Asia | Middle East | Africa | South America | North America | Europe | Russia

Source: Rystad Energy research and analysis, Rystad Energy GasMarketsCube Pilot
LNG market to tighten after 2022, over 200 Mt of liquefaction projects need to be sanctioned to meet demand by 2030.

Ramp-up in US capacity will lead to a well balanced market. Additional volumes will be easily absorbed by market.
Thank You!