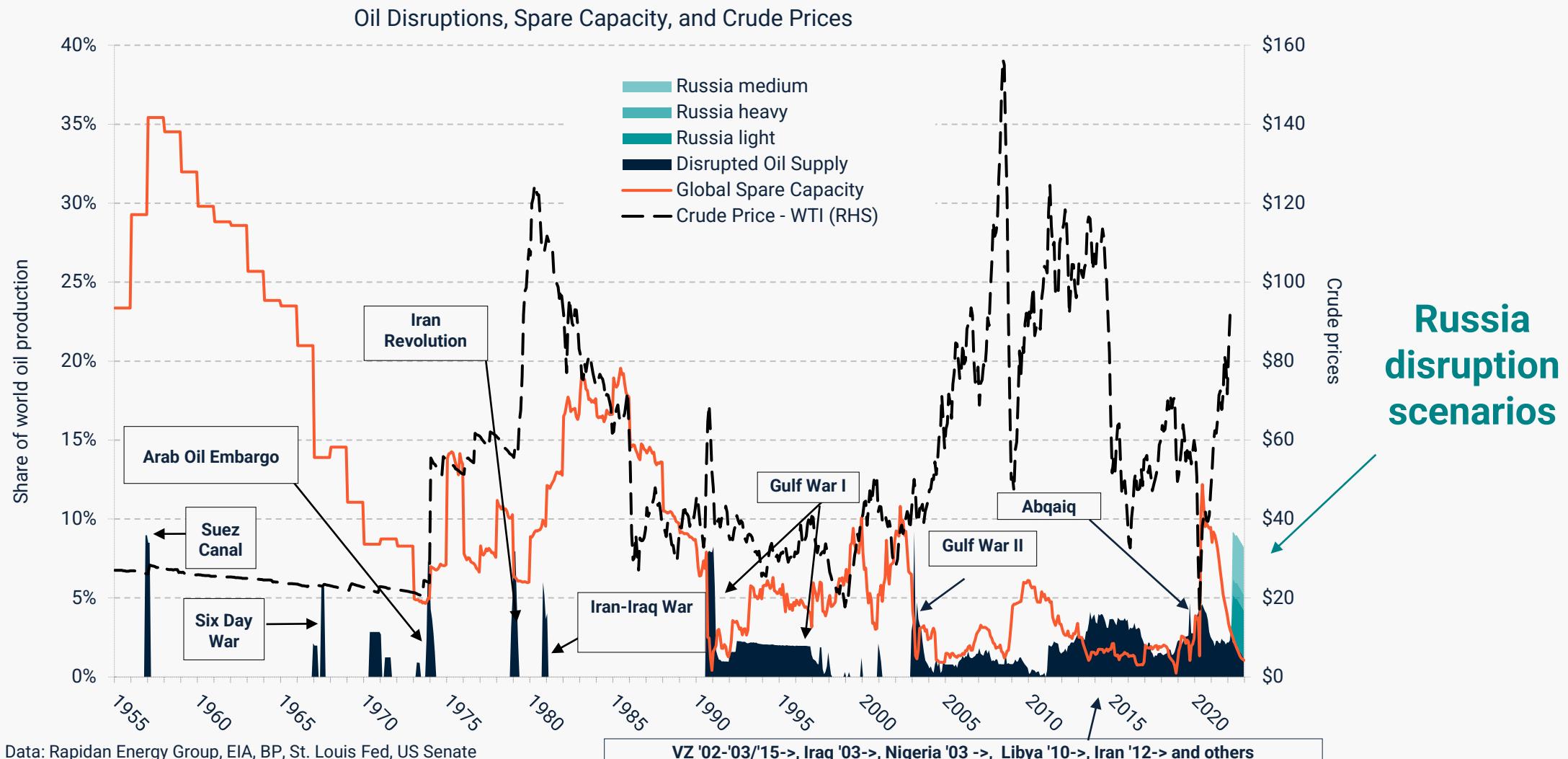


Oil Boom to Follow Bust

Sooner (Russia) or Later (Delayed Peak Demand)

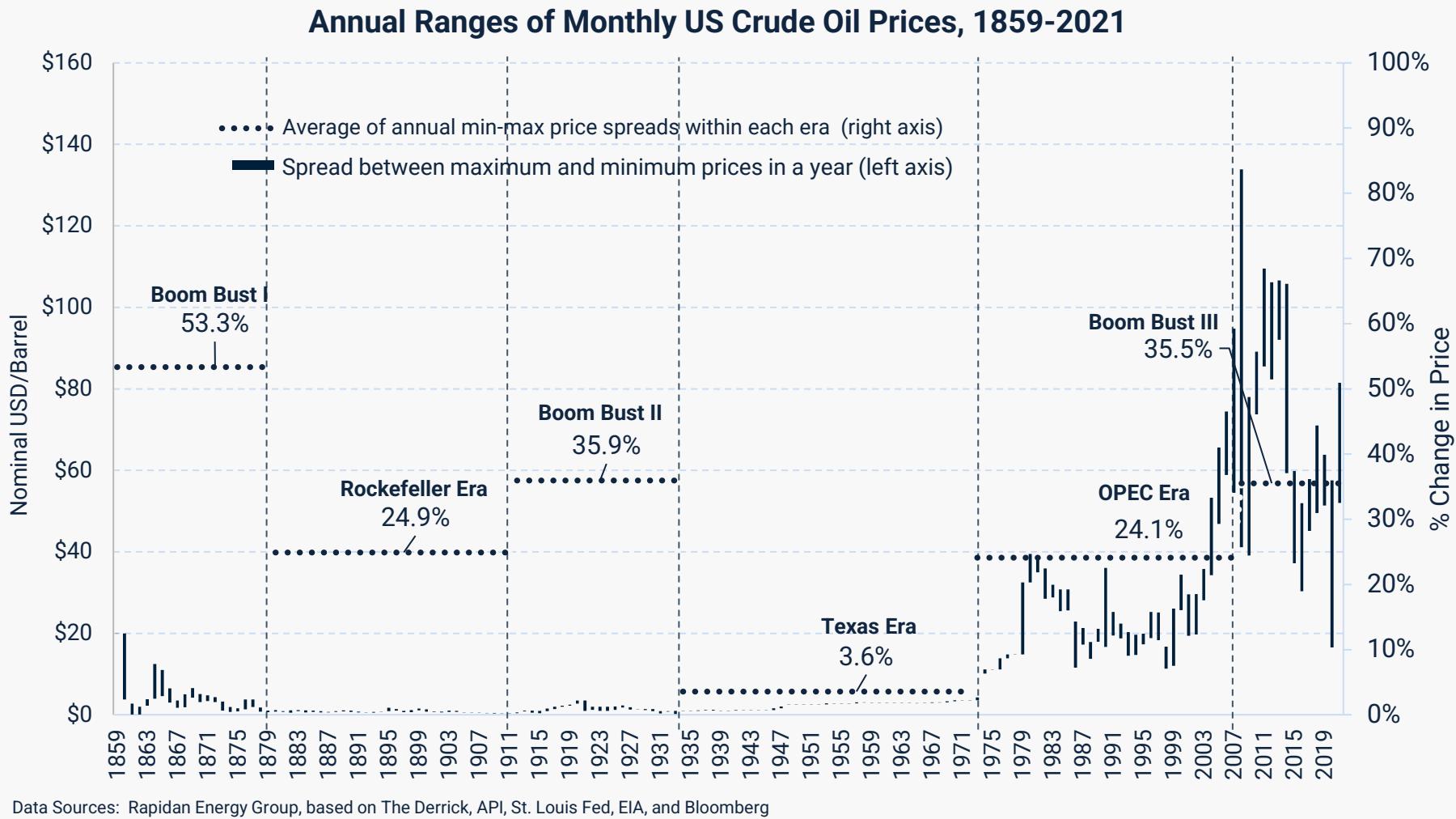
Bob McNally | National Association of Business Economists | March 21, 2022

Russia's Invasion of Ukraine Threatens the Most Severe Oil Disruption in Modern History



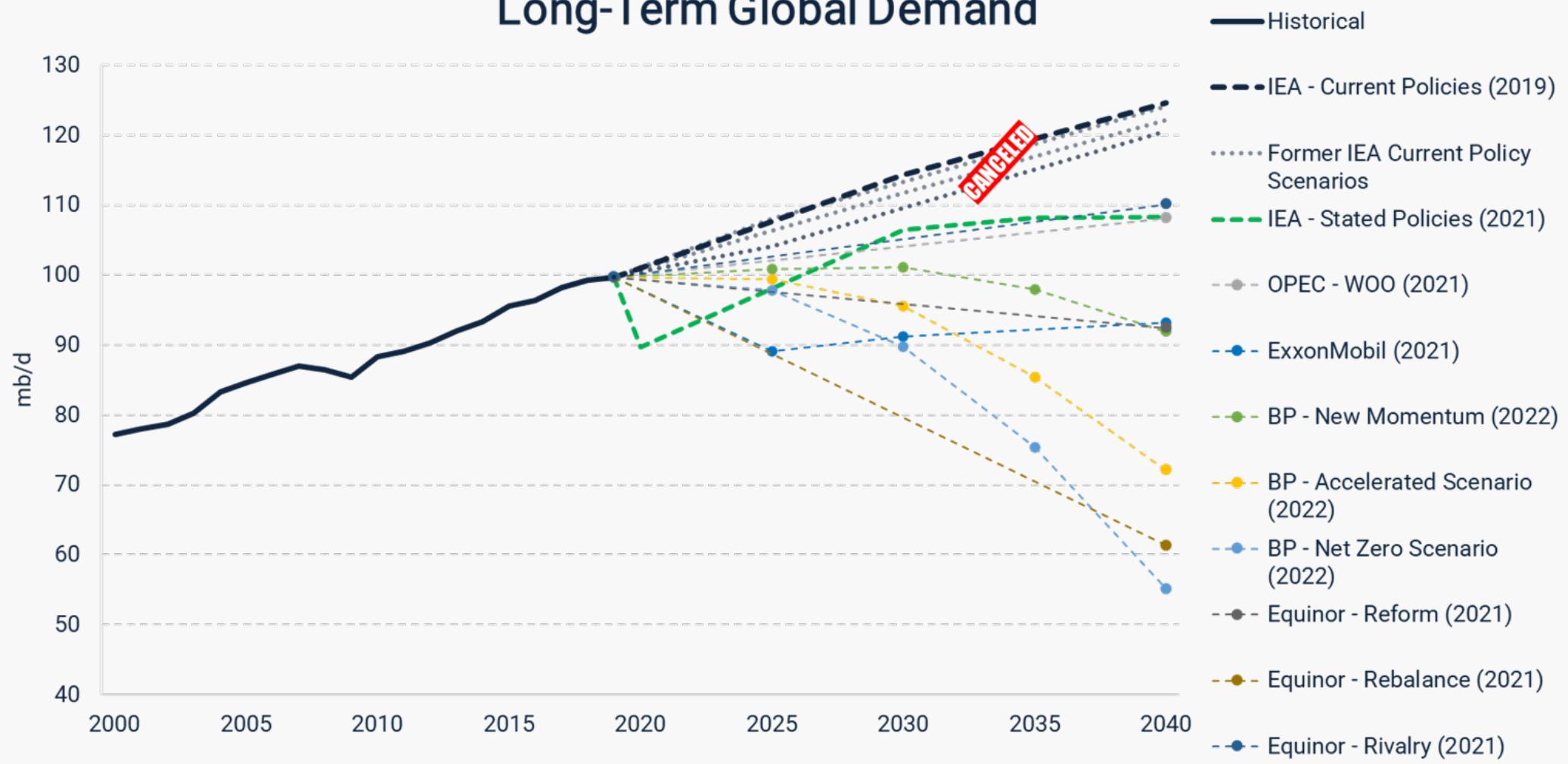
Defining Feature of Today's Oil Market: No Durable Swing Producer

That means oil prices will gyrate between recession and shut in



Consensus Recently Adopted Peak Demand as Base Case...

Long-Term Global Demand



Source: Rapidan Energy Group, IEA, OPEC, BP, Equinor, ExxonMobil

...Despite No Evidence for It

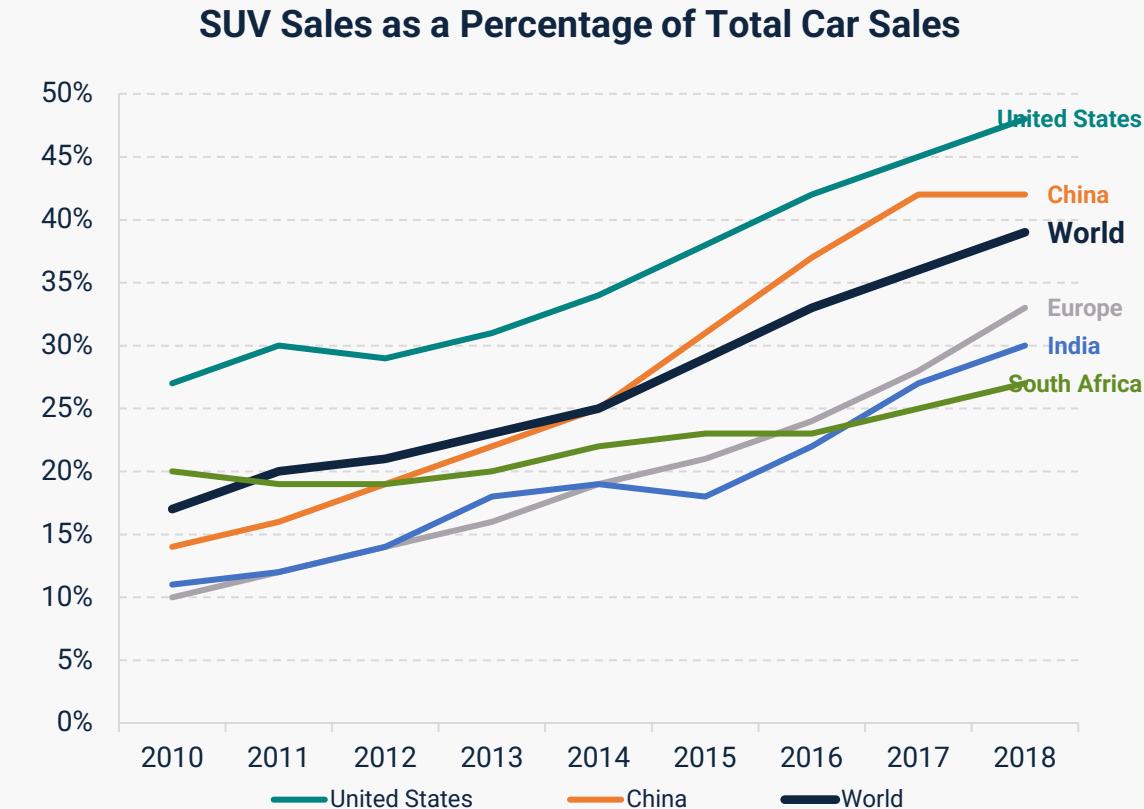
Global SUV sales set another record in 2021, setting back efforts to reduce emissions



Laura Cozzi, Chief Energy Modeler
Apostolos Petropoulos, Energy Modeler
Commentary — 21 December 2021

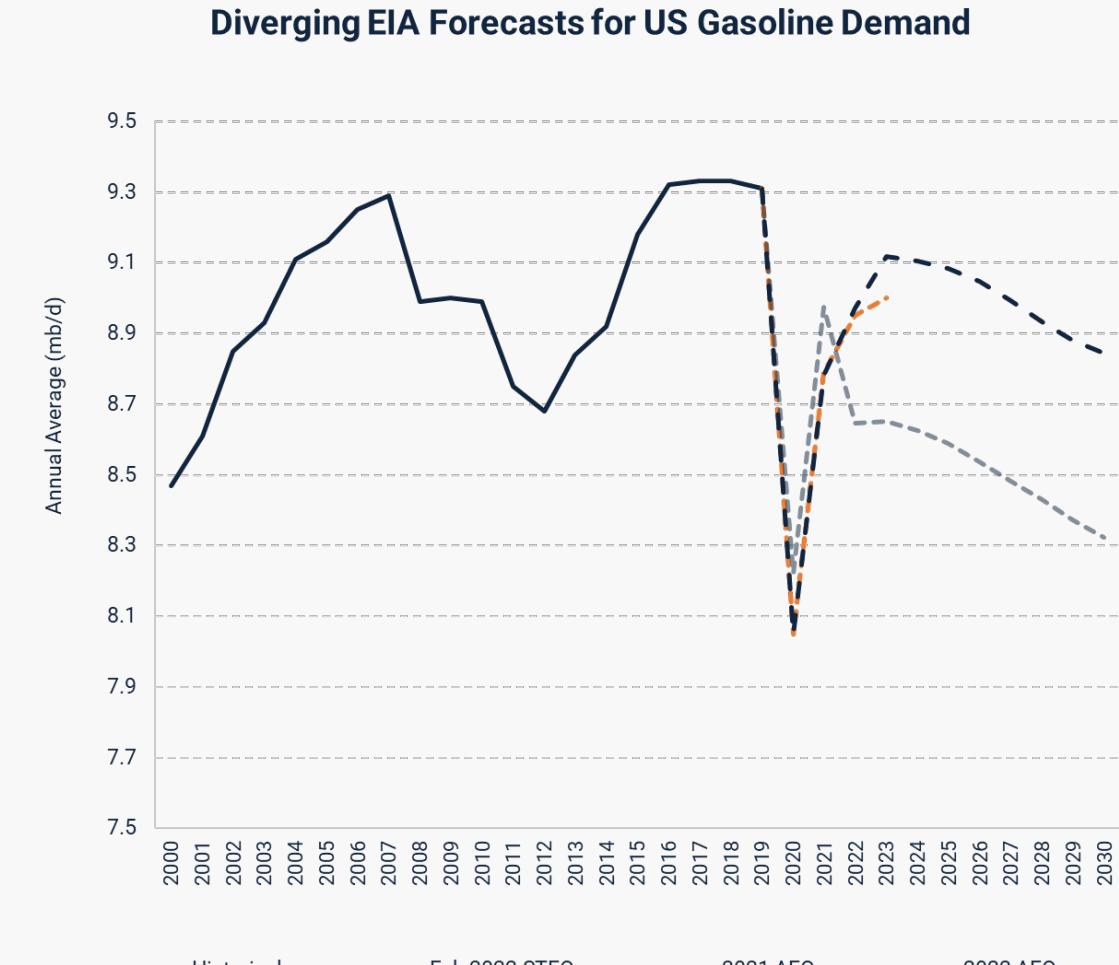
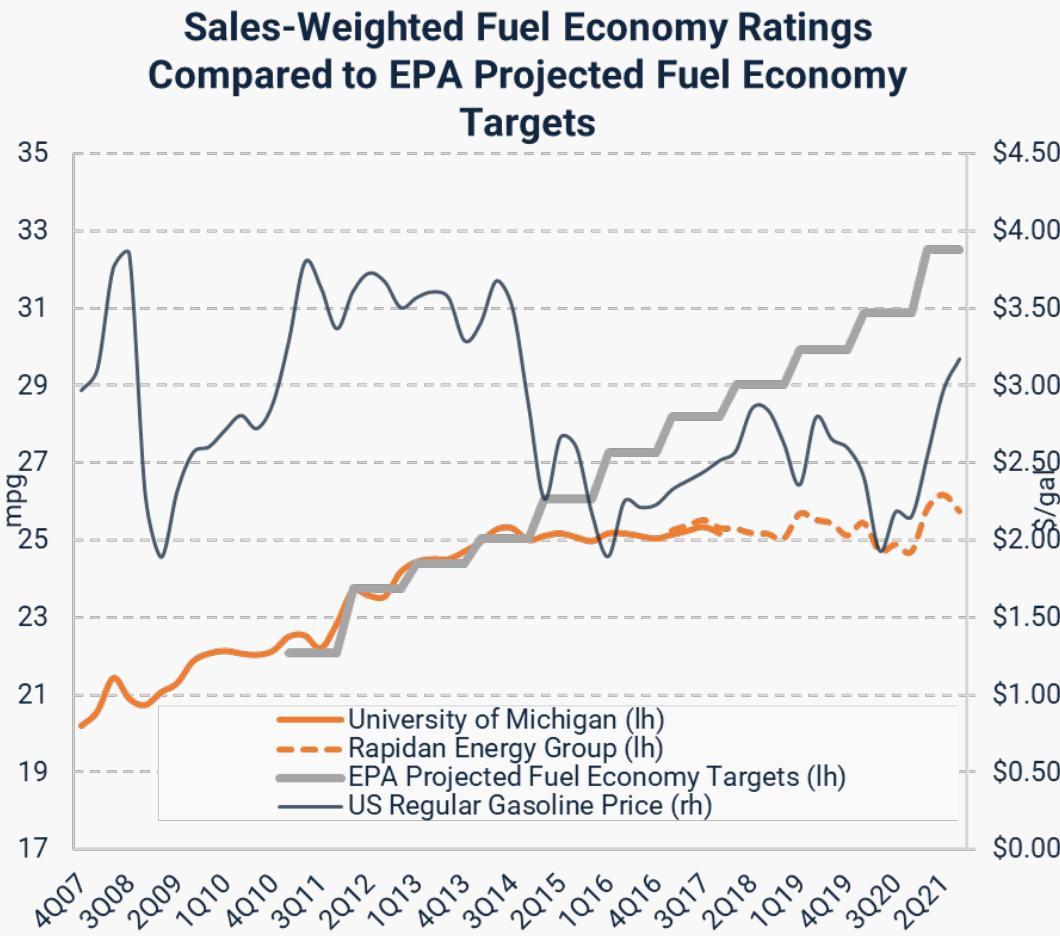
Recent Consumer Trends and Outlook for Transportation		
	Consumer Vehicle Preferences	Fuel Efficiency/EV Policies Currently in Place
EU	ICE Light Trucks	Strong*
China	ICE Light Trucks	Weak
US	ICE Light Trucks	Weak

* Political will to impose transition costs TBD



Source: Rapidan Energy Group, IEA

US Gasoline Demand – Canary in the Coal Mine for the Peak Demand Consensus



If Peak Demand Consensus Proves Wrong, Buckle Up

