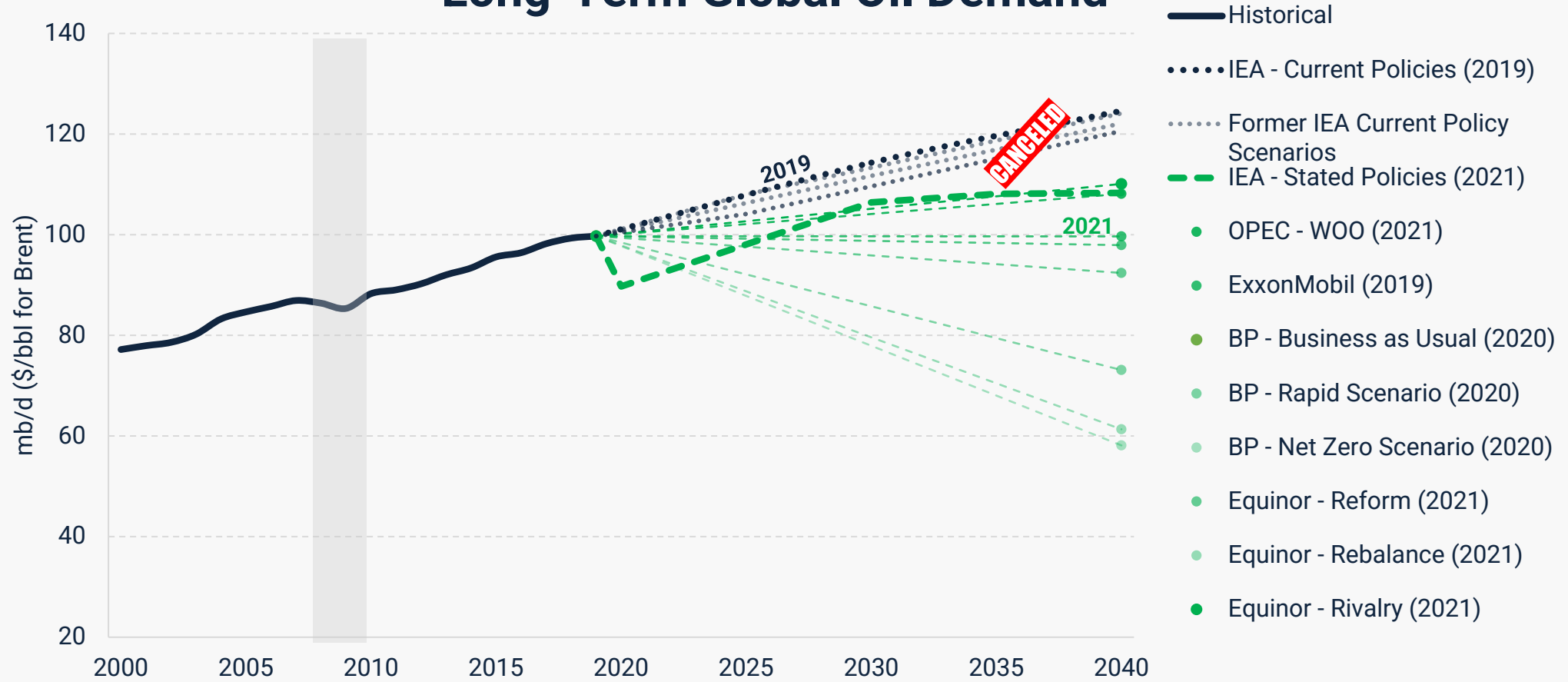


The New Peak Demand Consensus and Oil's Looming Boom Cycle

Bob McNally | International Energy Forum | February 16, 2022

Consensus Recently Adopted Peak Demand as Base Case...

Long-Term Global Oil Demand



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

...Despite No Evidence for It

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 |

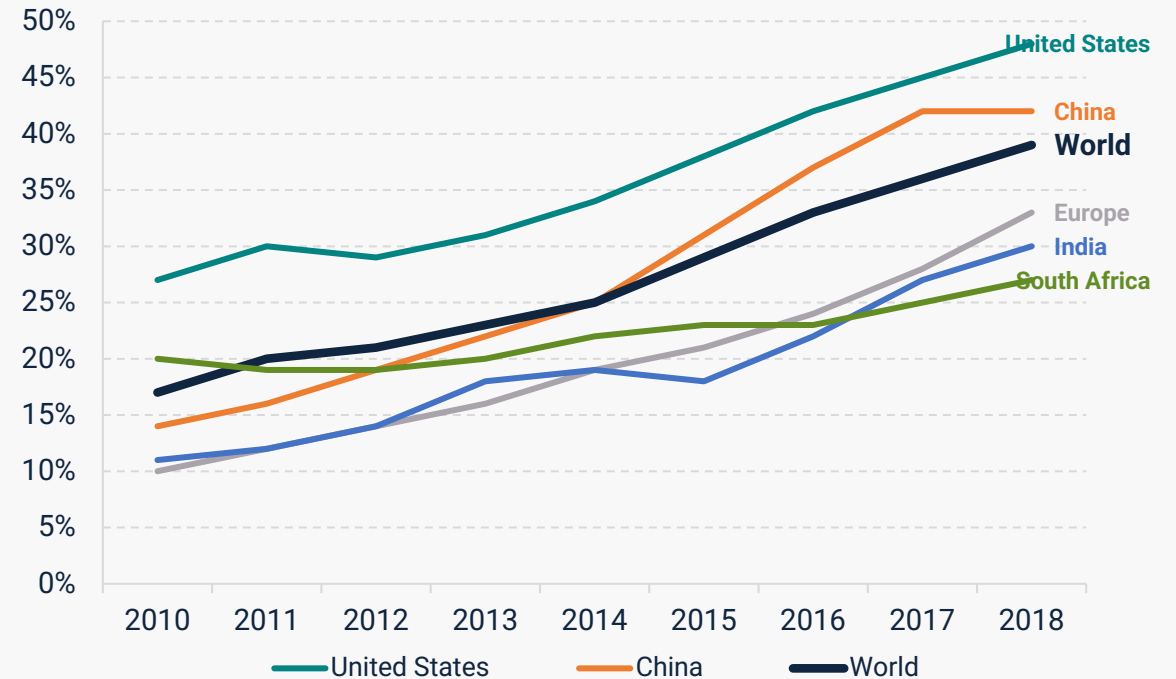
* Political will to impose transition costs TBD

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

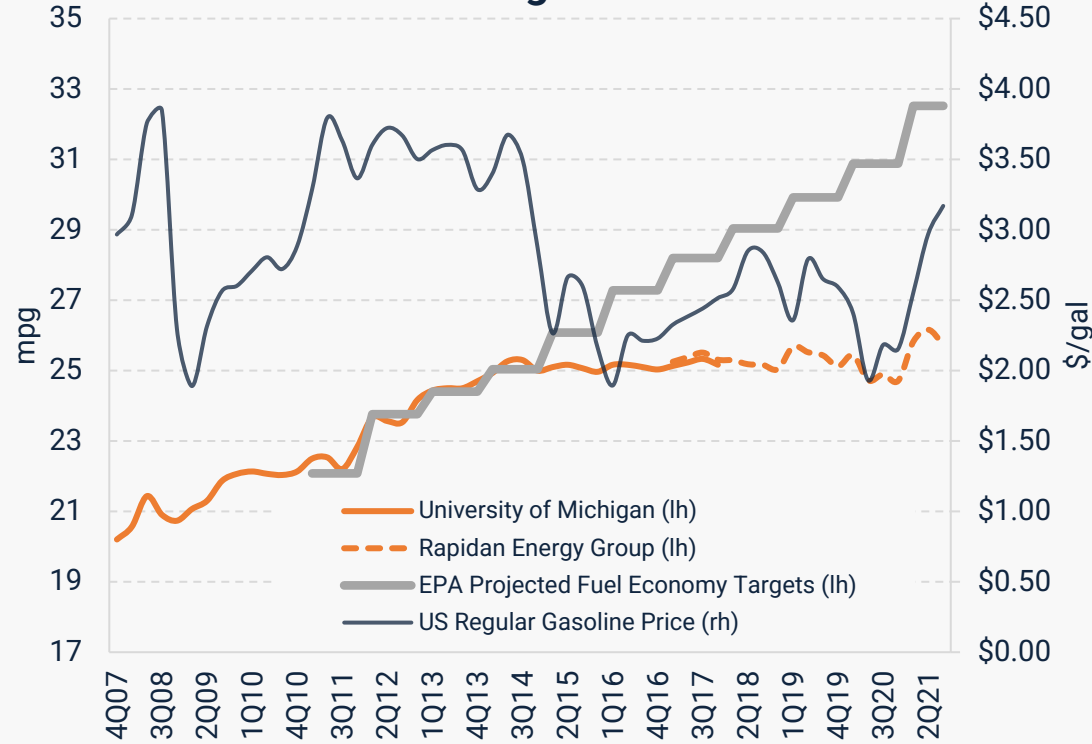
SUV Sales as a Percentage of Total Car Sales



Source: Rapidan Energy Group, IEA

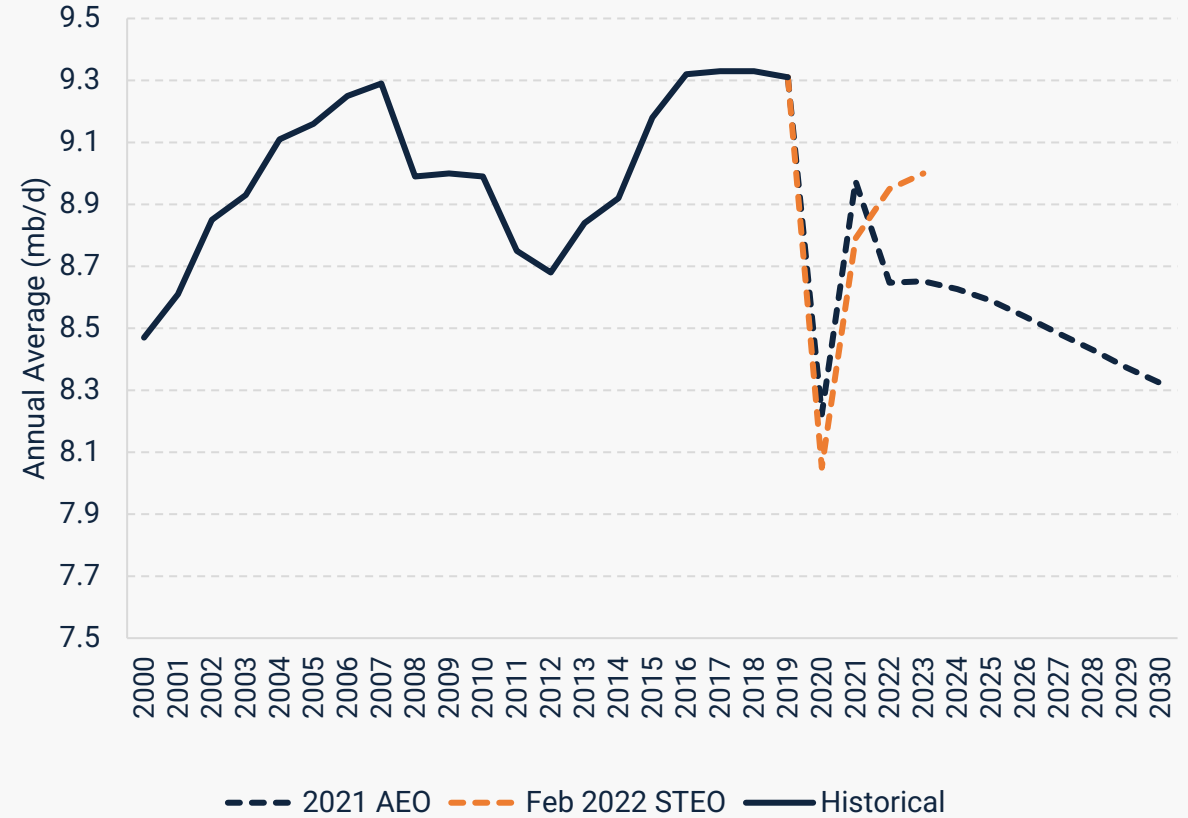
US Gasoline Demand – Canary in the Coal Mine for the Peak Demand Consensus

Sales-Weighted Fuel Economy Ratings Compared to EPA Projected Fuel Economy Targets



Source: Rapidan Energy Group, EPA, Bloomberg, NHSTA, UMTRI

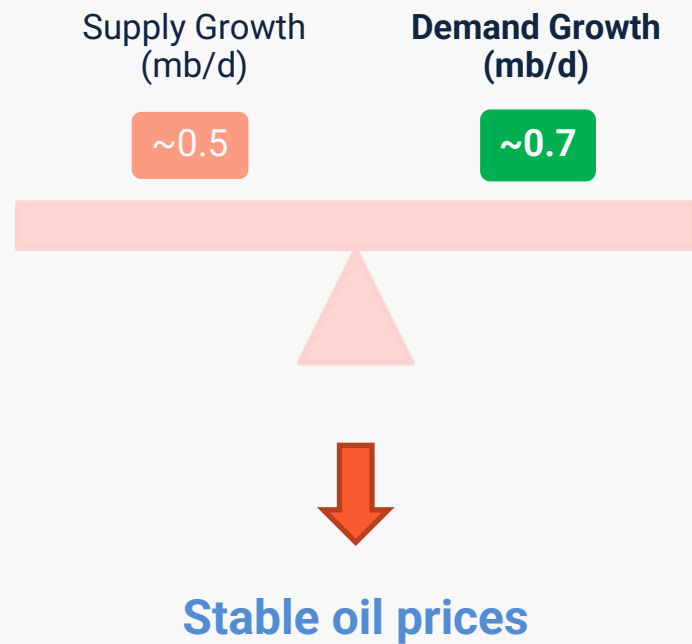
Diverging EIA Forecasts for US Gasoline Demand



Source: Rapidan Energy Group, EIA

If Peak Demand Consensus Proves Wrong, Buckle Up

Consensus View



Rapidan Energy Group's View

