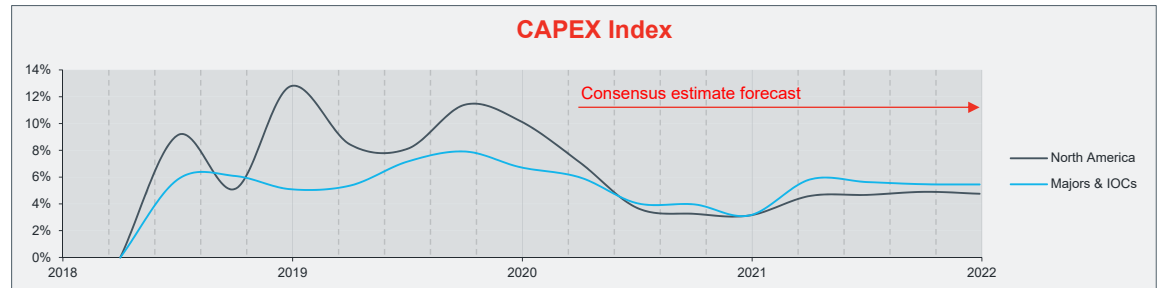
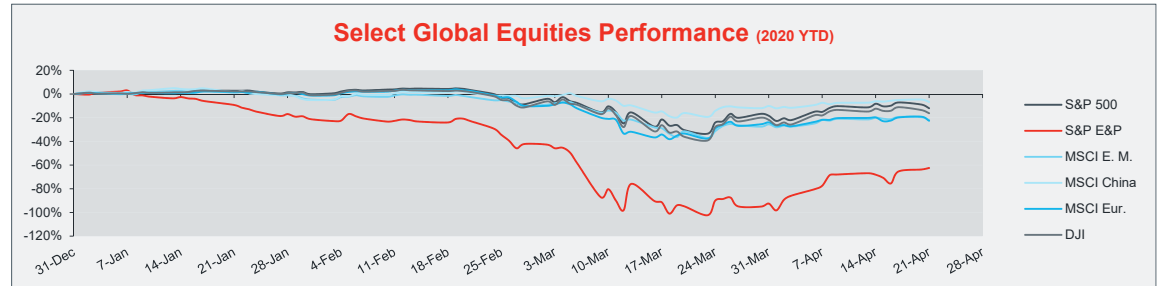
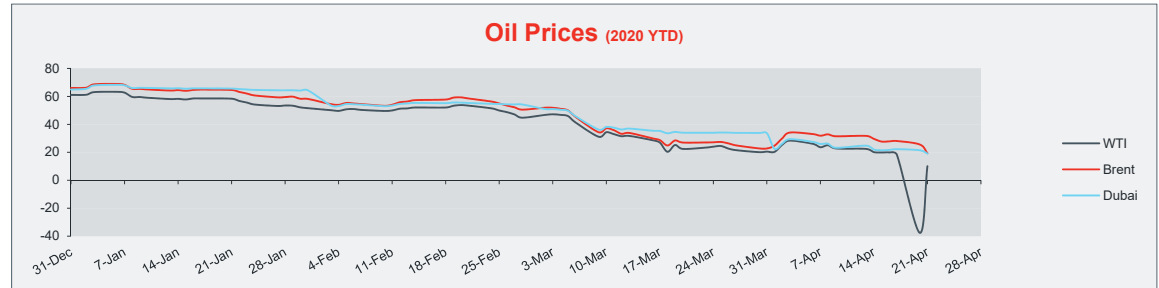
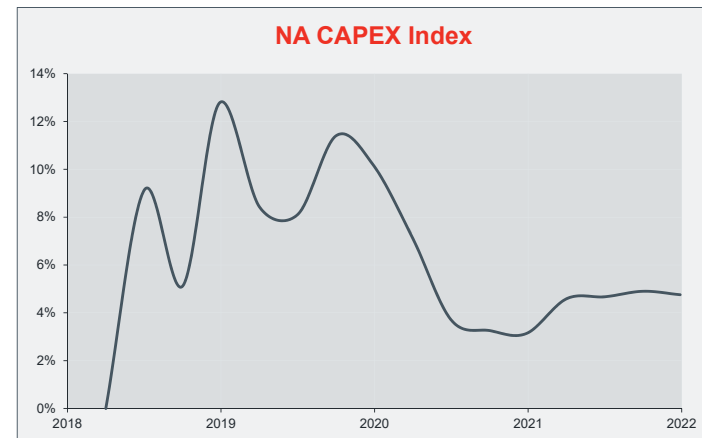
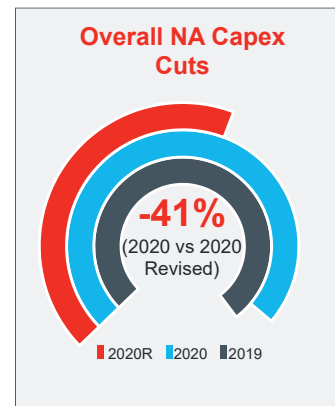
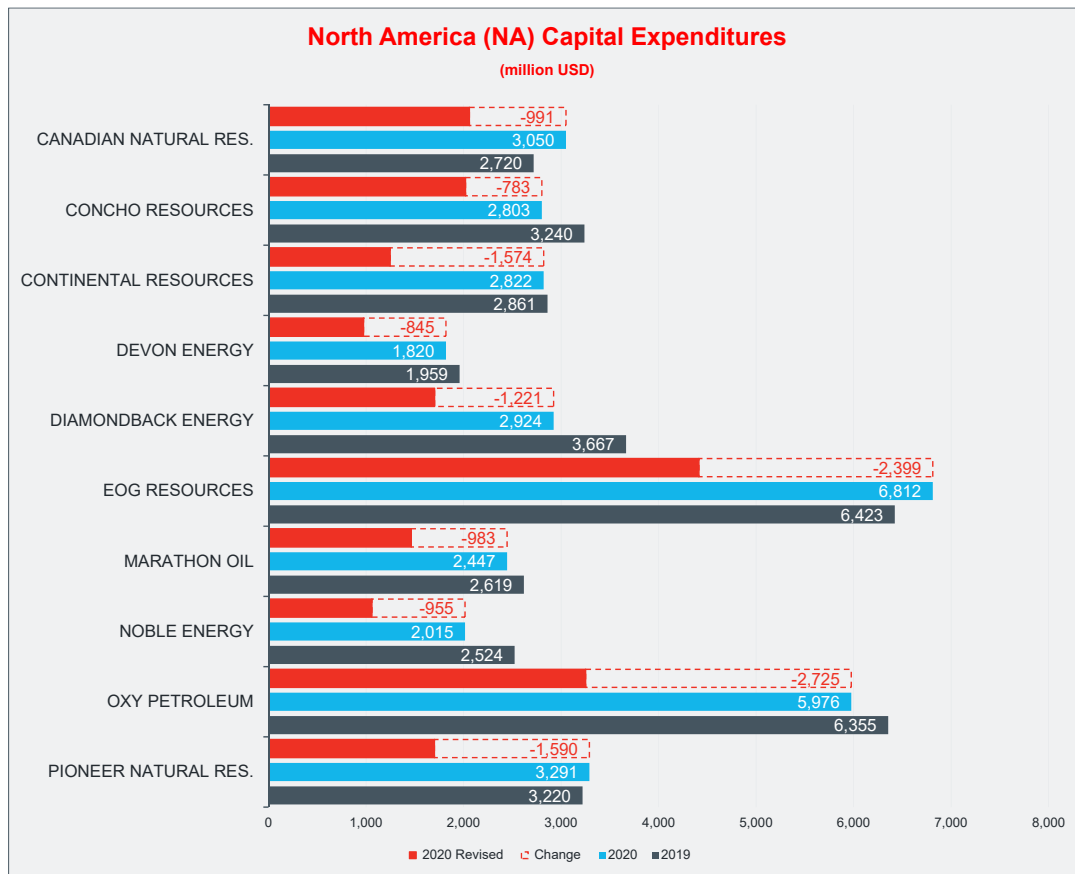


The Duff & Phelps Capex Cut Tracker

- Since the start of 2020, global economic sentiment has increasingly been dominated by the impact of the COVID-19 pandemic on GDP growth rates (new global downward revision to -3.0%; U.S., China and Eurozone downward to -5.9%, +1.6% and -7.5% respectively), global equities, production indices, interest rates and global oil demand.
- The global oil and gas industry has not only been hit heavily due to the temporary contraction in global demand caused by COVID-19, but also by record output levels from OPEC and non-OPEC producers and their inability to react in a timely matter to a global oversupply of crude oil and lack of available storage capacity.
- Even though production-cut agreements have now been reached, they are far from required cutbacks, and for the first time, we are observing negative WTI prices. This has especially affected Exploration and Production (E&P) companies, that rushed to cut spending forecasts for 2020 and 2021 on a record scale.
- The response to revise 2020 and 2021 spending guidance has led companies to focus on de-risking portfolios and creating more cost-efficient structures. This has resulted in companies cutting capital expenditures by double digits and cancelling and delaying projects to center efforts on highly profitable projects.
- Many companies have now repeatedly cut forecasts since March 2020, reacting to record-level price volatility. To provide a comprehensive and timely update on the industry's actions, Duff & Phelps provides a bi-weekly update to its Capex Cut Tracker which analyzes announced spending cuts for North America-focused, international and national oil companies.



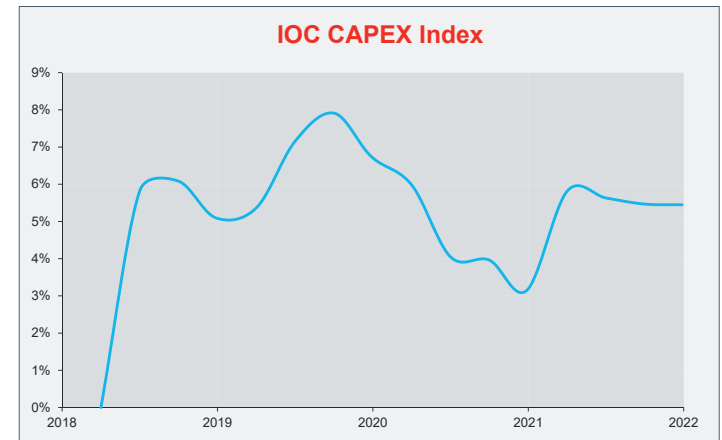
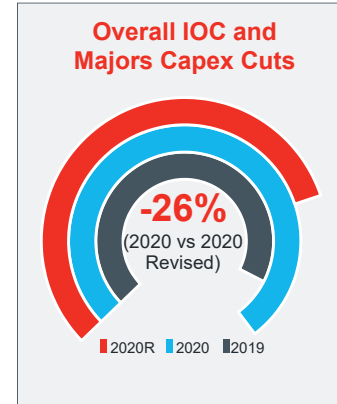
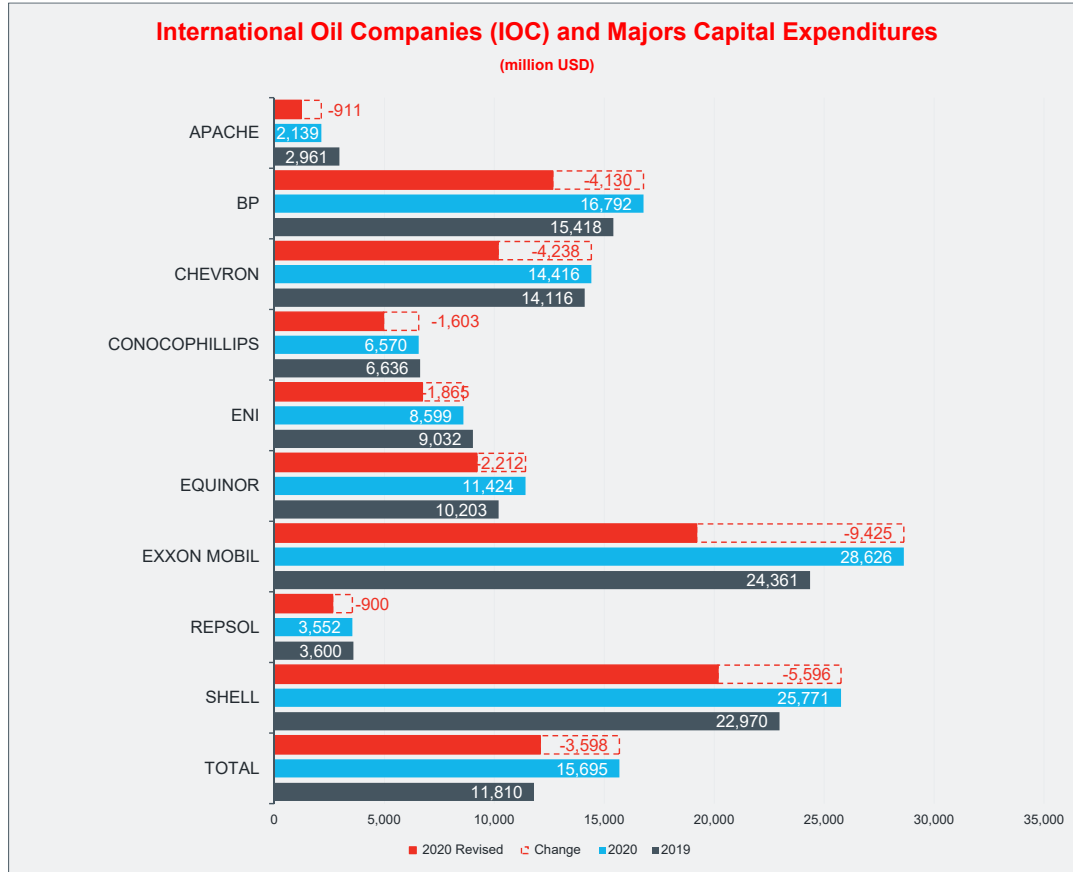


Source: CapitalIQ, Bloomberg, company filings and press releases, and Duff & Phelps analysis

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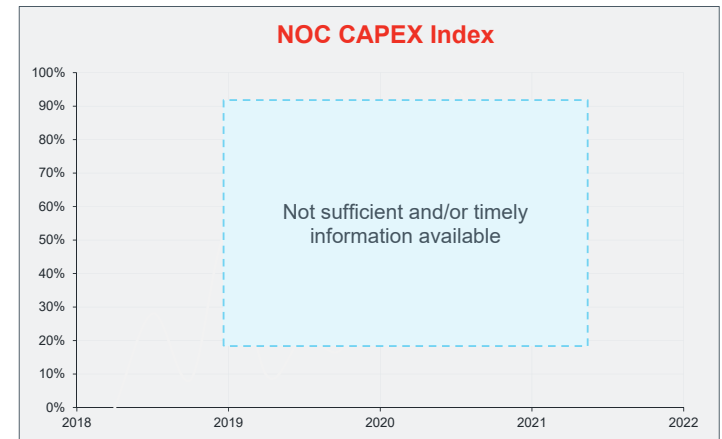
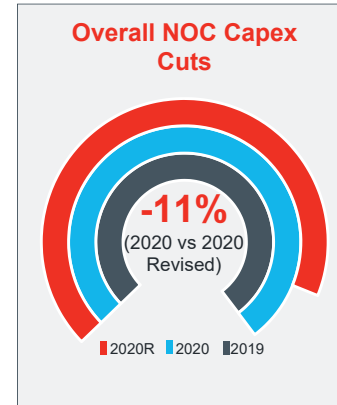
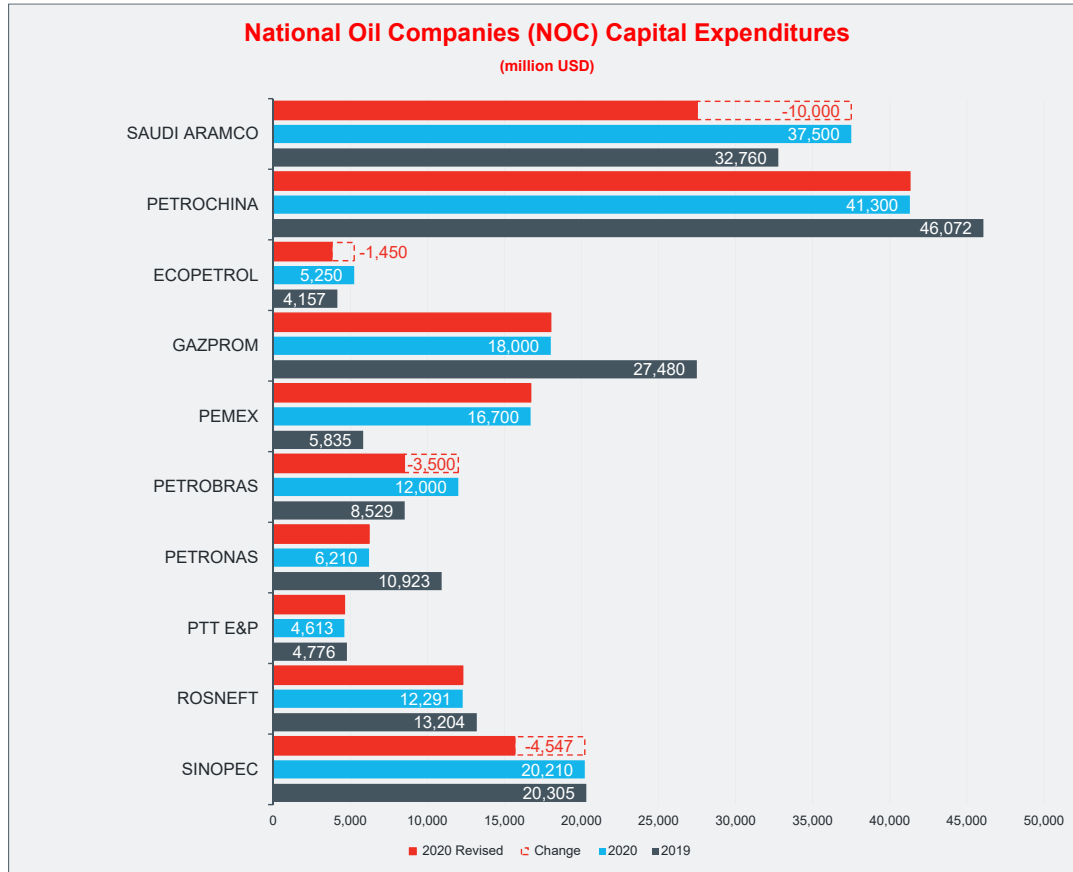
Capex Cut Tracker

International Oil Companies and Majors



Source: CapitalIQ, Bloomberg, company filings and press releases, and Duff & Phelps analysis

Last Updated: Apr 22, 2020



Source: CapitalIQ, Bloomberg, company filings and press releases, and Duff & Phelps analysis

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