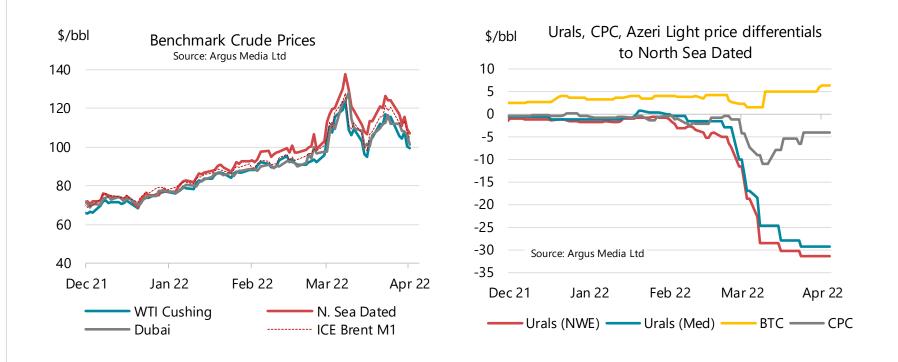


# Discussion of current energy market situation

Keisuke Sadamori, Director of Energy Markets and Security, IEA

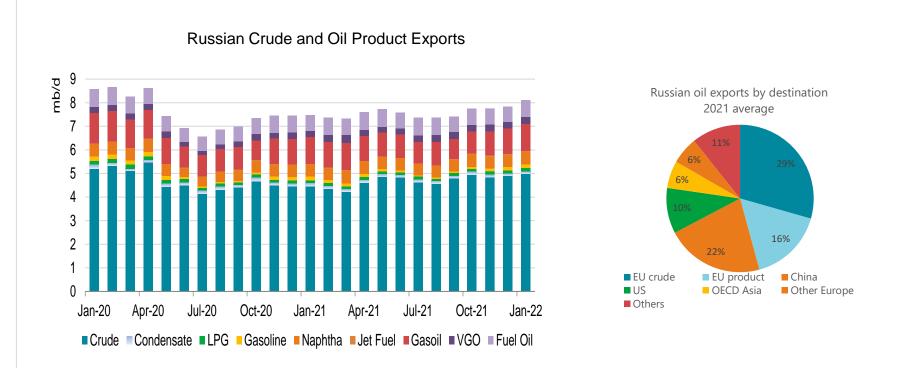
Conference The War in Ukraine and Energy Prices, 5 April 2022

### Oil prices surge to \$140/bbl after Russia invades Ukraine



Urals discount widens to a record \$30/bbl as spot trades all but dry up.

#### Potential loss of Russian supply cannot be understated



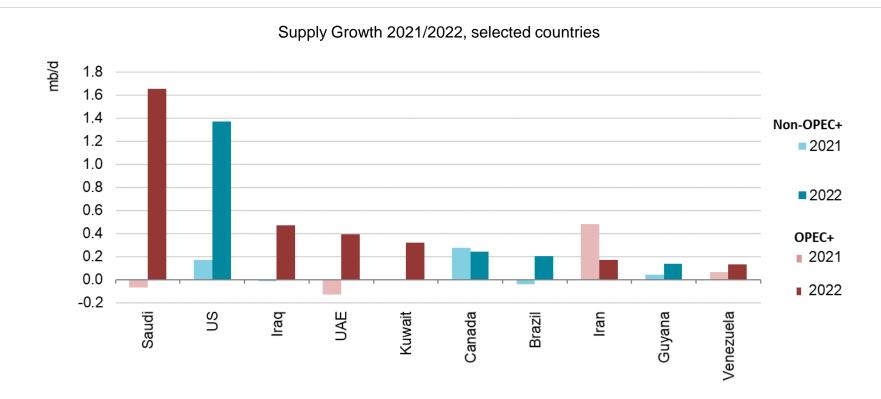
**Ie**0

Russia, the world's largest oil exporter, shipped more than 8 mb/d to global markets in January. 51% of exports went to Europe, 22% to China, 10% to US, 6% to OECD Asia Oceania in 2021.

IEA 2022. All rights reserved.

## World oil supply still set to rise by 4.2 mb/d in 2022

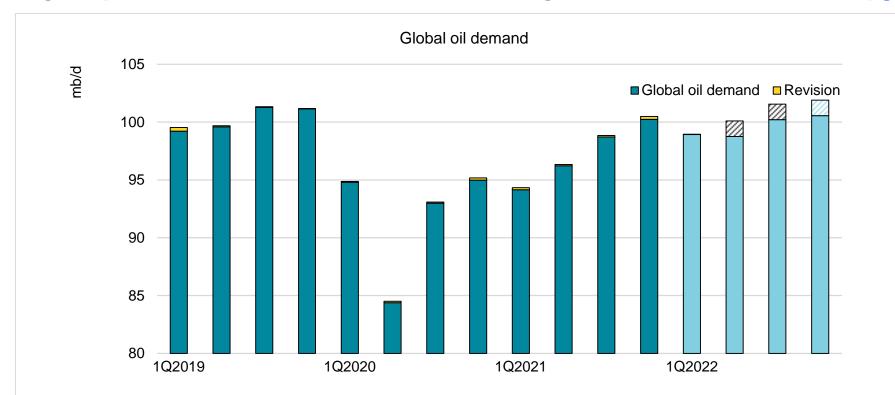




Saudi, US, Iraq could deliver biggest gains.

OPEC+ (excluding Russia) adds 3.6 mb/d. Non-OPEC+ output to rise by 2.1 mb/d, of which US contributes 65%

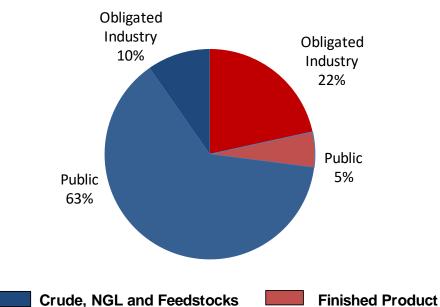
#### Higher prices and weaker GDP cut demand growth



led

Demand forecast reduced by 1.3 mb/d for 2Q22-4Q22 as prices rise and economic expansion slows. World oil demand now expected to rise by 2.1 mb/d

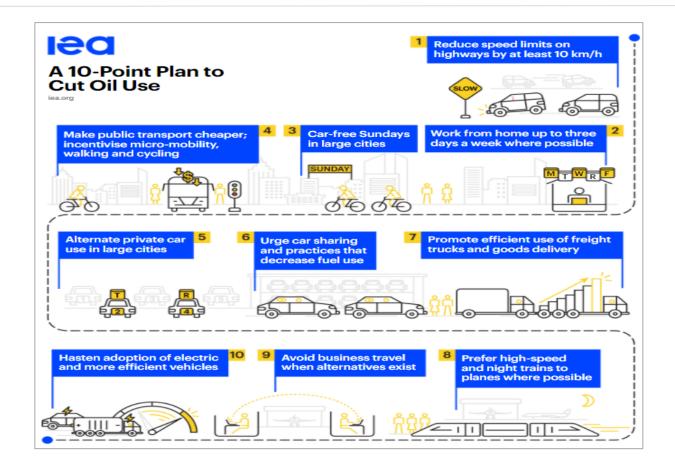
# IEA decided to release 60 mb (1 March) and 120 mb (1 April)



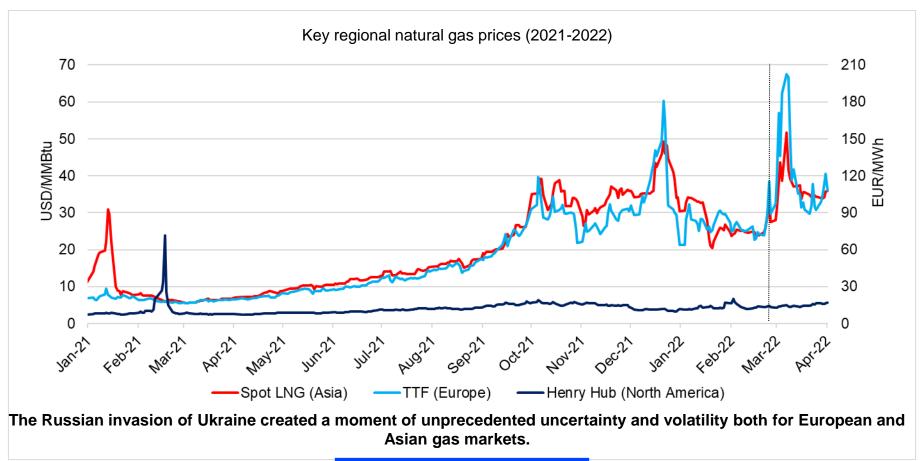
Emergency oil stocks made available from IEA Ukraine collective action agreed on 1 March

62.7 mb were made available in the release agreed on 1 March. Details of the release agreed on April 1 is now being worked out.

#### IEA 10-Point Plan to Cut Oil Use

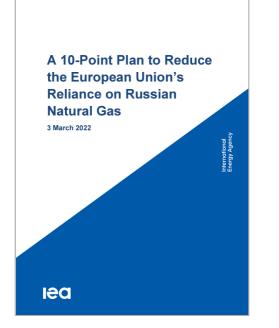


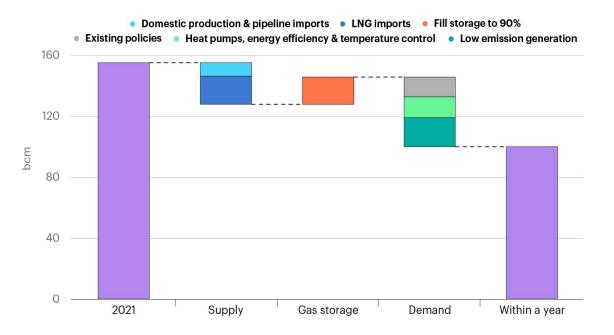
# The invasion of Ukraine drove European gas prices to record highs



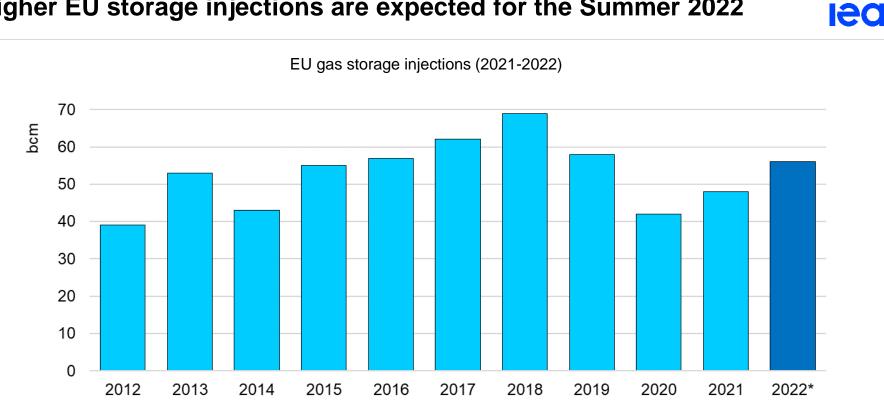
#### IEA 10-Point Plan to Reduce Reliance on Russian Gas







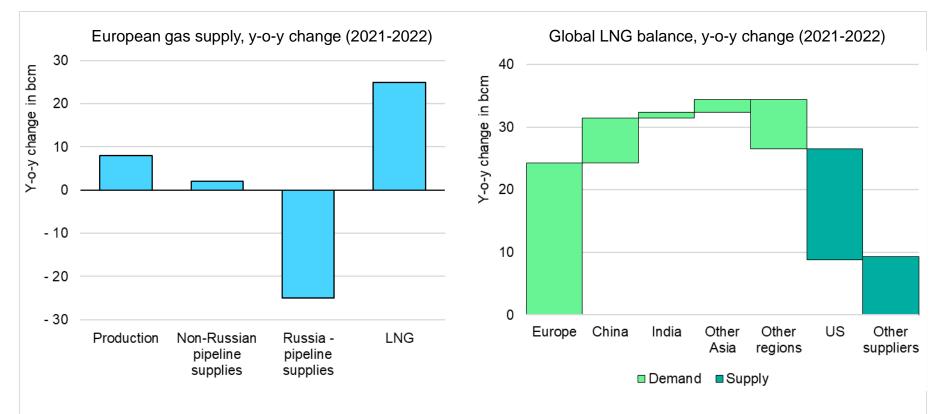
#### Higher EU storage injections are expected for the Summer 2022



\*injections required to be fill up storage sites up to at least 80% of their working storage capacity

Gas storage injections are set to increase by close to 20% year-on-year in the EU to fill storage sites up to 80% of their working storage capacity by the beginning of the heating season.

## Europe's incremental supply needs drive LNG growth and tightness



Global LNG trade flows reconfigure in 2022 as Europe becomes the premium market for LNG.

