

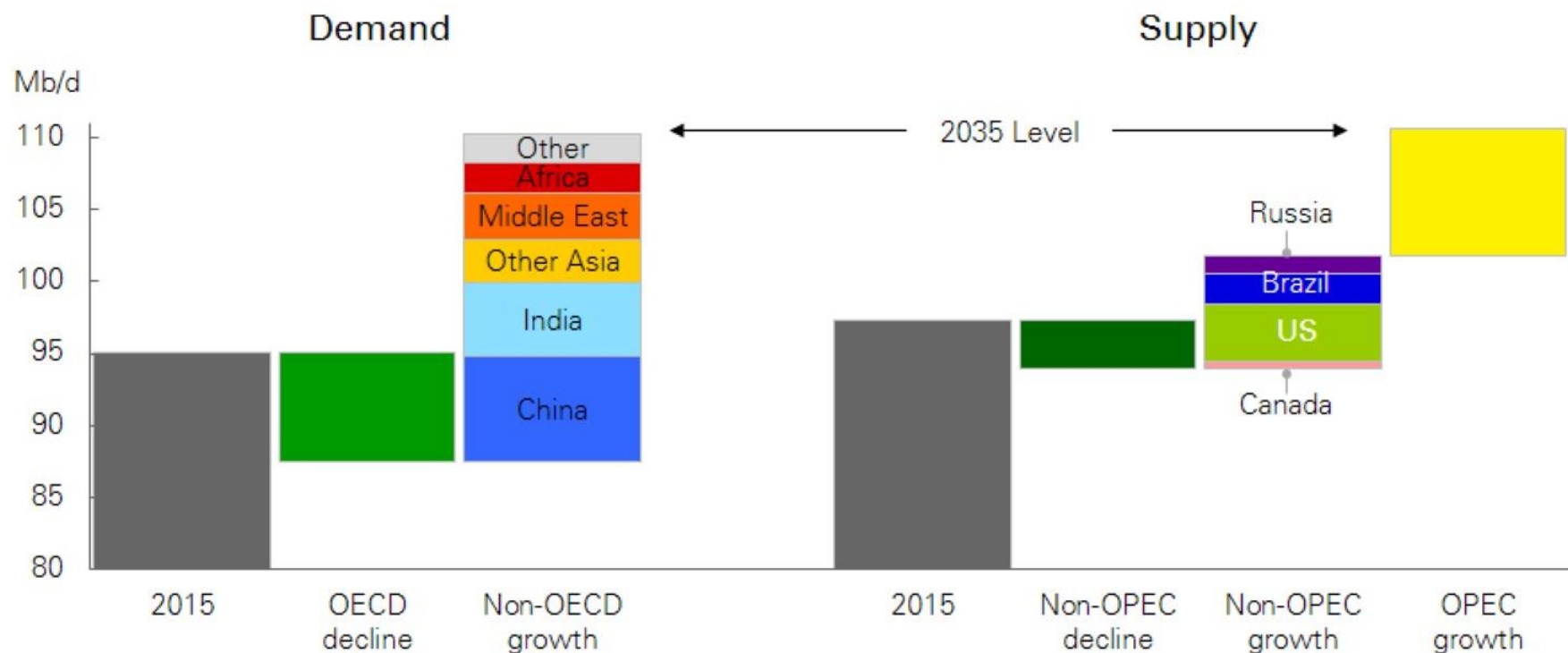


# Oil Market Outlook: May 2017

William Zimmern

Head of global macroeconomics, BP

# Oil market expected to continue to grow over next 20 years



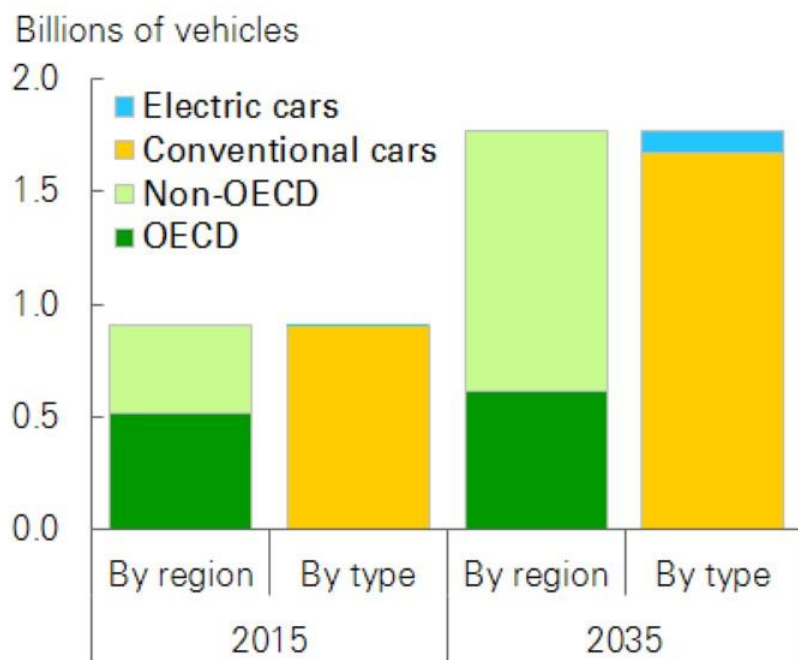


# Two key questions for oil market outlook

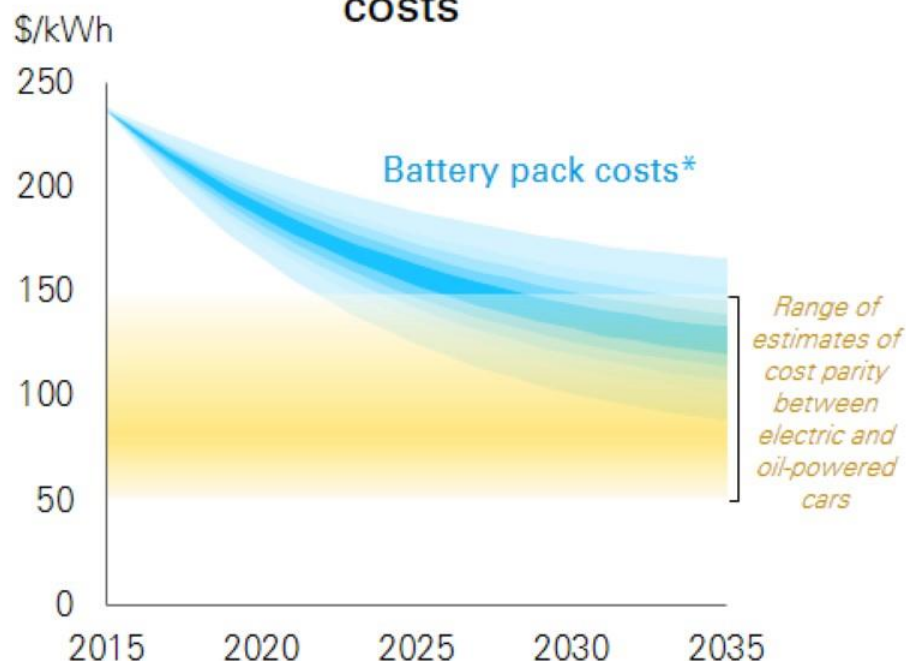
- How might electric cars and the broader mobility revolution affect oil demand?
- How might the abundance of oil resources affect the behaviour of low-cost oil producers?

# Growth of electric cars

## The global car fleet: 2015-2035



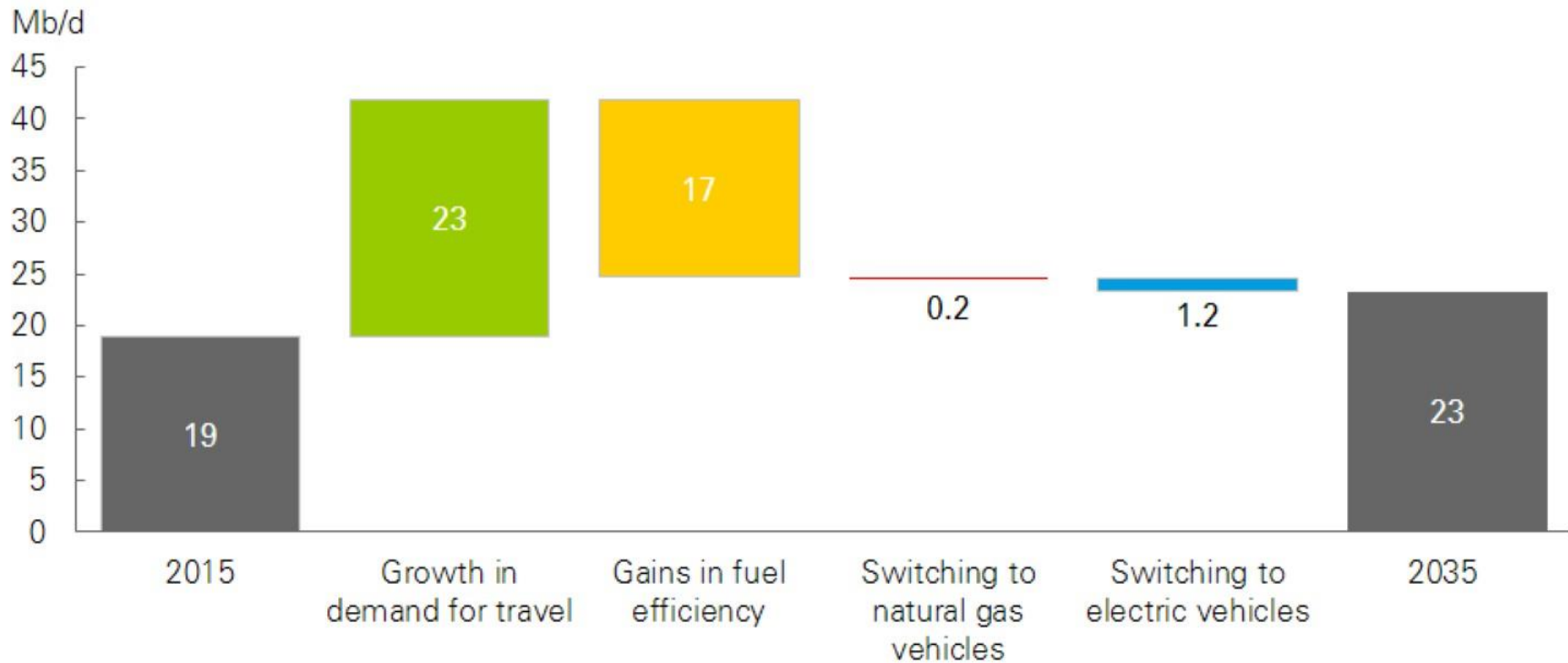
## Illustrative path for battery pack costs



\*For a Battery Electric Vehicle with a 60 kWh pack. Cost projections depend heavily on the degree of EV uptake, which is uncertain, so ranges should be treated as illustrative only. Current estimates of battery costs also vary widely, but this uncertainty is not shown

# Liquid fuel demand from cars

Decomposing changes in liquids demand from cars: 2015-2035



# Mobility revolution

- **Electric cars:** lead to a switch away from conventional cars
- **Autonomous vehicles:** improve fuel efficiency via efficient driving
- **Car sharing:** can amplify the effects of new-technology cars
- **Ride pooling:** reduce total miles driven by pooling journeys



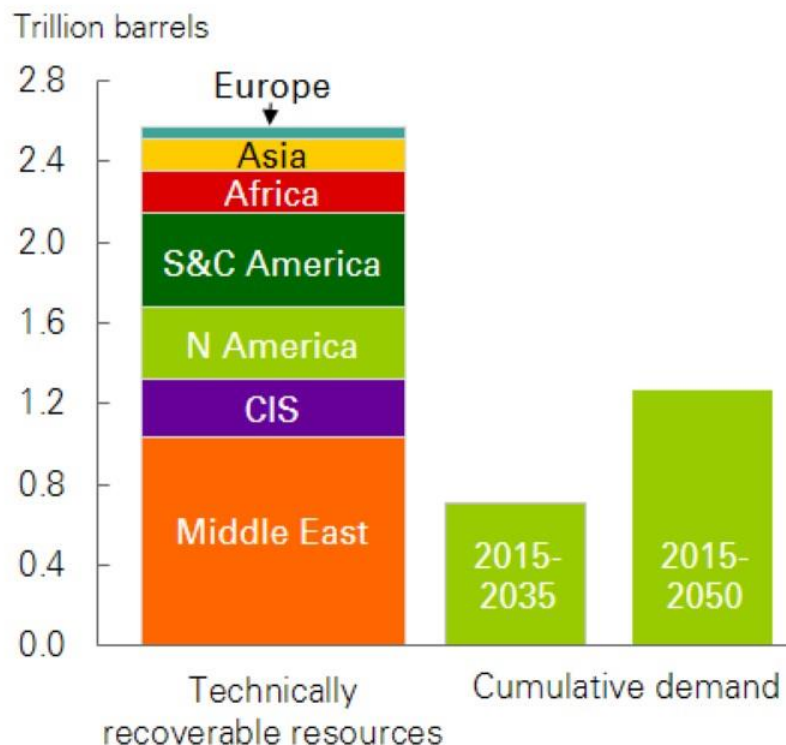
# Longer-term outlook for oil market

- How might electric cars and the broader mobility revolution affect oil demand?
- How might the abundance of oil resources affect the behaviour of low-cost oil producers?



# Abundance of oil resources

Estimates of technically recoverable resources and cumulative oil demand

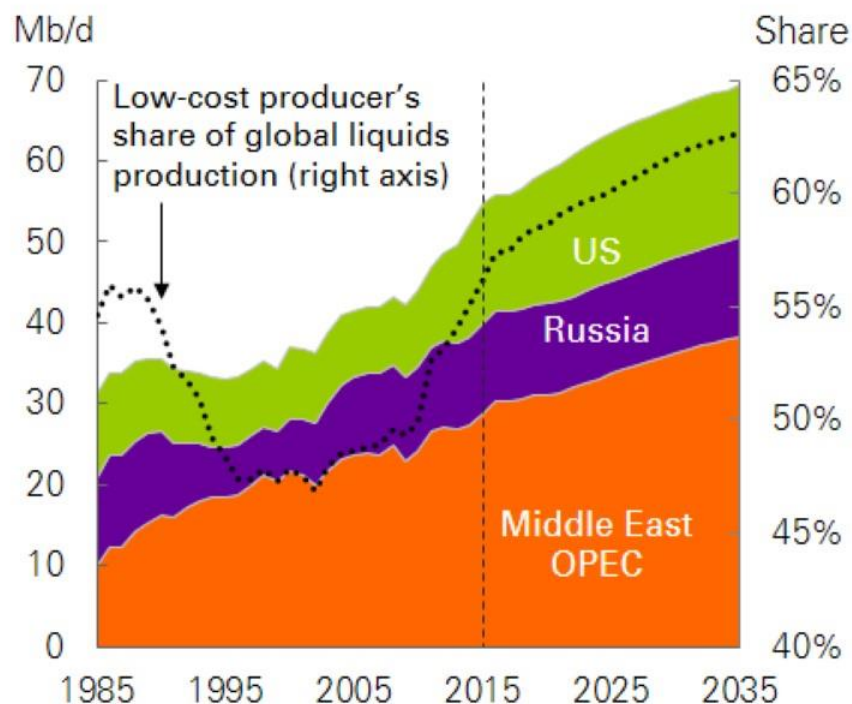




# Abundance of oil resources



## Oil supply of lower-cost producers





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