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ENERGY INTELLIGENCE **FINANCE**®

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OUR TAKE

When Rewards Are Great, So Are Risks

Energy Intelligence considers the newly introduced UK windfall tax to be a sign of rising risk of legislative intervention in the energy industry amid high prices. While not unexpected — and by no means gamble-free — the move underscores the pressure governments are under to cut energy bills amid a global cost-of-living crisis. We see other countries at least contemplating following suit.

- The UK Treasury has temporarily made oil and gas profits subject to a headline tax rate of 65%, up from 40%. It expects the change to generate £5 billion ($6.3 billion) in tax revenues in 12 months, allowing the government to raise discounts on energy bills.

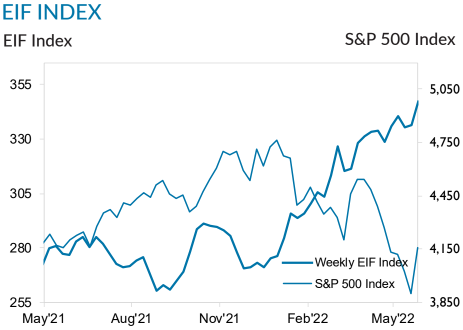
- Shell, BP, TotalEnergies and Eni are exposed via still-substantial UK North Sea portfolios, with the region accounting for around 6% of BP and Total's global output last year. Jefferies analysts see the tax changes having a low single-digit percentage impact on the net income of BP, Eni and Total, and a more negligible impact on Shell.

- As we flagged previously, companies need to consider stakeholders, not just shareholders, as they ponder how to spend huge profits. With hydrocarbon-rich countries around the world dangling the prospect of windfall tax, using bumper earnings to repurchase shares, pay out big dividends or cut debt will do little to appease cash-strapped consumers or government accountants looking to balance the books. Notably, Shell and BP were unable to fend off the tax even after pledging to invest £20 billion-£25 billion over the next 10 years and up to £18 billion by 2030, respectively, in the UK energy system.

- The windfall tax naturally comes with risks to investment, even if producers can claim up to 90% tax relief if they reinvest profits upstream. Shell, which last year decided to move its tax residence to the UK from the Netherlands, noted the tax relief does not extend to renewable energy and wants more "certainty" of policy. The vaguely worded promised phase-out of the tax once prices return to "historically more normal levels" provides little reassurance. The sunset clause doesn't hit until end-2025.

- The introduction of a windfall tax in the UK — the least-risky investment jurisdiction under Energy Intelligence's Country Risk Index — is telling. True, the UK already scores worse than the likes of Norway, Canada and the US on Stability of Regulations and Energy Strategy and Stability, reflecting occasional ad hoc changes. But absolute risks are on the rise in previously "safe" jurisdictions as Western countries look to expedite the shift away from fossil fuels. Windfall taxes already exist in countries such as Italy, and some Democrats have been pushing for one in the US. Another special duty on excess profits at electricity generators, including renewable power producers, is said to be in the offing in the UK, extending the reach to other parts of the energy sector.

EIF INDEX



EIF Global Oil and Gas Index of 22 traded equities

PEER STRATEGY

Russian Refining Assets at Risk From EU Oil Embargo

- *Independent Lukoil's European refineries could be hardest hit by an EU embargo on Russian crude oil imports, while state-run Rosneft may have a little more wiggle room.*

- *Time and sizable investments in the plants' processing units could be needed to enable them to refine non-Russian grades.*

- *Russian companies have so far drawn up no alternative plans to replace their European downstream assets.*

The Issue

With EU leaders having agreed a ban on most Russian oil imports in the wake of the conflict in Ukraine, Russian operators of European refineries are left with a stark choice: change the feedstock mix or give up ownership of the plants. Replacing Russian grades could be a costly exercise — and one that Russian companies are loath to undertake amid the very real risk of their assets being nationalized. A temporary exemption to the import ban for pipeline supplies, which account for one-third of Russian oil deliveries to the continent, could give Rosneft's Schwedt refinery in Germany some breathing space but not for long.

Mixed Luck for Lukoil

Unlike Rosneft, Lukoil's refineries in Europe are all fed via sea. The company's Swiss-registered trading arm, Litasco, which supplies the plants, could replace Russian Urals with other crude grades, but this would involve considerable time and expense, the Russian major says.

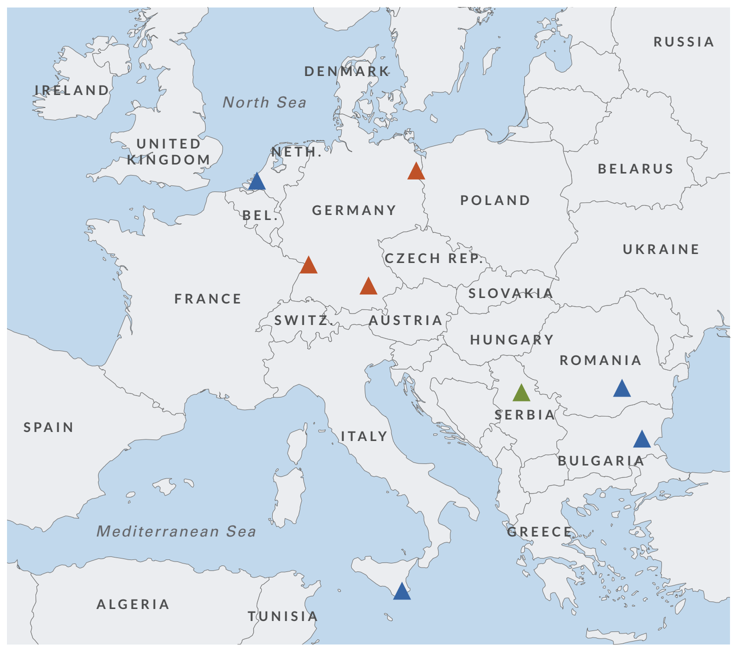
One saving grace is an exemption from the ban for EU member Bulgaria until the end of 2024, as disclosed by Bulgarian Prime Minister Kiril Petkov. The board chairman of Lukoil's Neftohim Burgas refinery in Bulgaria, Ishat Sharafutdinov, had warned that if crude from Russia stops being delivered, the plant would be forced to cease operations. Processing Middle East and North African grades there instead is possible but would lower the refinery's 190,000 barrel per day capacity because of technological constraints.

Lukoil's Isab plant on the Italian island of Sicily faces more immediate problems. Sources say close to $700 million would be needed to adjust the refinery's configuration to accommodate new feedstock. In the past, the plant processed crude from Iraq and North Africa but as plans for a "temporary nationalization" of Isab have been floated, Lukoil, which recorded a $647 million write-down on the asset in 2014, is reluctant to take on the financial burden of making adjustments. The Sicilian government, meanwhile, cannot afford to let the refinery shut down since it is one of the biggest employers in the region.

Downstream Divestment

Lukoil has long been weighing options to optimize its downstream operations in Europe. These have included potential divestment of its refineries due to volatile refining margins. For years it looked for a buyer for Isab, for which it had forked out a total €2.4 billion ($2.6 billion) and spent a further $300 million

RUSSIAN REFINING ASSETS IN EUROPE



Rosneft refinery · Lukoil refinery · Gazprom Neft refinery

Source: Google Maps

Refinery Name	Capacity *('000 b/d)*	Country	Russian Investor	Shareholding
Isab	320	Italy	Lukoil	100%
Neftohim Burgas	190	Bulgaria	Lukoil	99.50
Petrotel	50	Romania	Lukoil	99.77
Zeeland	180	Netherlands	Lukoil	45.00
Bayernoil	206	Germany	Rosneft	28.57
Miro	316	Germany	Rosneft	24.00
PCK Schwedt	240	Germany	Rosneft	54.17*
Pancevo	96	Serbia	Gazprom Neft	50.00%†

*Germany in March placed Rosneft's purchase of a further 37.5% in PCK Schwedt from Shell under review. †Gazprom Neft on May 6 transferred a 6.15% stake in refinery operator NIS to parent Gazprom. *Source: Companies and refinery websites* on optimization, but failed to find one. There were also plans to consolidate the refineries into a separate holding company and fit them into Litasco's operations.

Litasco's supplies of Lukoil crude to European refineries were a godsend for cash flows as the coronavirus pandemic took hold, giving the company guaranteed customers as others were losing their export business. Tankered by Litasco unit Eiger Shipping, these shipments are again helping to keep Lukoil's exports afloat. Even when its European refineries were struggling to turn a profit and faced a higher carbon tax, Lukoil had decided against divesting them, the company's vice president, Leonid Fedun, said at the end of last year. He said the way forward was to find new niche production lines such as biodiesel, biokerosene and for plastics. At Burgas, for example, Lukoil had plans to build a 300,000 ton per year polypropylene unit.

One of the options now could be to divest Litasco — which sources say is now the actual owner of the refineries — to Lukoil managers or some other "friendly structure." Developing an oil refining business in another region, such as the Asia-Pacific, has so far not featured in Lukoil's plans.

Friends and Foes

State-controlled Russian companies with refining assets in Europe have headaches of their own. In Germany, the government says it aims to phase out Russian oil imports by the end of the year and has already cut its reliance on Russian crude to 12% from the prewar 35%. This means the Schwedt refinery, majority owned by Rosneft, would have to source alternative supplies even if pipeline crude imports from Russia — in this case delivered via the Druzhba conduit — are not banned by then. The Russian major is unlikely to be interested in other crudes, while EU sanctions against Rosneft would further complicate matters.

Schwedt supplies Berlin and the surrounding Brandenburg region with 90% of their refined product needs, so the plant could not be closed without major consequences. No surprise, then, that the German authorities are not only reviewing Rosneft's agreed purchase of another 37.5% stake in the plant from Shell but also looking to pass legislation that will allow them to take over management of Schwedt for national security reasons. Rosneft remains mute on its possible response but could dispute any expropriation in court. Russia could also blacklist the expropriated refinery as it did with gas giant Gazprom's European subsidiaries after regulators took control of Gazprom Germania.

Even in pro-Russian Serbia, the EU restrictions on Russian oil will likely impact Gazprom Neft and its Naftna Industrija Srbije (NIS) joint venture. Landlocked Serbia is only an EU candidate country but NIS imports crude for its Pancevo refinery via EU member Croatia, where pipeline operator Jadranski Naftovod (Janaf) threatened to stop shipments because of sanctions on Gazprom Neft. It later dropped the threat but a formal EU ban on Russian crude could form a legal basis to halt deliveries. Gazprom Neft on May 6 reduced its stake in NIS to 50% from around 56%, hoping the move could protect NIS from any new restrictions.

NIS has long been trying to diversify imports and has tested out various crudes, including Iraqi and Nigerian barrels. In the past couple of years, Pancevo's main sources of supply have been Iraqi Kirkuk crude and Gazprom Neft's Novy Port crude from the Arctic. NIS earlier said it buys roughly 70% of its crude under long-term contracts, with the rest being purchased on a spot basis. Industry sources believe NIS will find options to replace Russian barrels but say some alternative arrangements will take time to become permanent.

Staff Reports,

CORPORATE STRATEGY

Total Turbocharges US Renewable Power Ambitions

- *TotalEnergies has long seen opportunity in the US but its priorities have shifted, with more recent M&A moves underlining vast potential in renewable power and LNG.*
- *The high-growth US market could help the French major make significant inroads on its low-carbon goals.*
- *Total's desire to integrate across the gas value chain could see it increase its US shale exposure to backstop LNG offtake volumes.*

The Issue

TotalEnergies CEO Patrick Pouyanne views the US energy market as "one of the most dynamic in the world" and a core country in which to invest excess cash to accelerate its transformation. Total's strong growth in US solar, wind and low-carbon LNG in recent years exemplifies its focus on the energy transition. But more recent moves also underscore a "geopolitical remodeling" of Total's asset portfolio since Russia's invasion of Ukraine, both to help Europe replace unwanted Russian energy imports and to reassure shareholders as Western sanctions are tightened.

TOTALENERGIES' US LNG ASSETS

Project	Stake	Operator	Capacity *(million tons/yr)*
Cameron LNG Phase 1	16.60%	Sempra Energy	13.5
Cameron Phase 2 Expansion	16.60%	Sempra Energy	6.75 (Subject to FID)
Hackberry Carbon Sequestration (at Cameron LNG)	16.60%	Sempra Energy	2 million tons/yr CO2 (subject to US govt. approval)
Sabine Pass LNG	Offtake Agreement	Cheniere Energy	2.70 Offtake Volume
Freeport LNG	Offtake Agreement	Freeport LNG	2.20 Offtake Volume
Corpus Christi	Offtake Agreement	Cheniere Energy	0.40 Offtake Volume

Source: TotalEnergies, Energy Intelligence

Chasing Global Goal

Total believes the US offers high-growth demand to help underpin its plans for a long-term increase in renewable power generation capacity. That includes a goal to have 35 gigawatts of gross operational renewable capacity and energy storage globally by 2025, up from about 10.7 GW now, with a 2030 target of 100 GW. The US is expected to account for at least 25% of the latter goal.

To that end, Total has shifted gears this year. Most recently, it struck a deal to buy a 50% stake in Clearway Energy Group, the fifth-largest renewable player in the US, for a total consideration of about $2.4 billion. The company will pay Global Infrastructure Partners (GIP) $1.6 billion in cash and effectively hand GIP half its stake in the Total subsidiary that owns Nasdaq-listed SunPower, the second-largest residential solar company in the US. Clearway has 7.7 GW of wind and solar assets in operation and a 25 GW pipeline of renewable and storage projects, with 15 GW at an advanced stage of development.

Total is already developing 8 GW of large-scale US solar projects. That follows the acquisition in April of Texas-based solar photovoltaic (PV) and energy storage developer Core Energy, and last year's deal for large-scale solar PV and battery storage projects from SunChase, its partnership with South Korea's Hanwha Energy.

In US offshore wind, Total will develop 4 GW of projects off the coast of New York and New Jersey and off the Carolinas after winning recent tenders. The Clearway deal gave Total its first US onshore wind assets and the company is also planning to join the lease sale for wind acreage offshore California later this year.

'Less Russia, More US'

Total has also stepped up its exposure to US LNG to secure volumes that were once meant to come from Russia as Europe moves to replace Russian gas. The company has been forced to row back from plans to grow its footprint in Russia's LNG sector through its partnership with Novatek due to EU sanctions limiting LNG technology transfer to Russia. Accordingly, US LNG may seem a safer geopolitical bet relative to other markets set for expansion.

"Our transformation strategy ... comes with a remodeling of the geopolitics of our portfolio in order to reassure our shareholders: less Russia, more US," Pouyanne told the company's recent annual shareholders meeting. Moreover, Total is focusing on gas and LNG on top of renewable energy to help achieve its goals of reducing Scope 1 and 2 emissions — direct and indirect emissions from operations — by 40% from 2015 levels by 2030, and a 20% reduction in overall carbon intensity, including Scope 3 emissions, or end-use emissions from products.

The French major has in recent months bolstered its relationship with US LNG developer Sempra, agreeing to a brownfield expansion of the Cameron LNG facility in Southwest Louisiana, which could be sanctioned in late 2023 for start-up in 2026. Last month, Total, Sempra and the other Cameron LNG partners agreed to develop the proposed Hackberry Carbon Sequestration project alongside it. The scheme will capture and store carbon from both Cameron LNG Phase 1 and the planned Phase 2 expansion in an important step to green up the LNG sector. More such projects in the LNG space could follow.

While much of its activity is focused on the US, where Total has the largest portfolio of LNG interests, the company is also adding volumes through Sempra-owned equity projects on Mexico's Pacific coast: yet-to-be-sanctioned Vista Pacifico and in-development Energia Costa Azul; it holds 16.6% stakes in both.

Shoring Up With Shale

Any future Total projects in the US will likely involve upstream integration. The company is potentially looking to add US shale gas exposure to help shore up its large offtake volumes of US LNG. The company has assets in the Barnett Shale in Texas, where production has fallen from its peak. "Gas in the US will be part of the strategy in order to economically integrate this LNG chain," Pouyanne told investors. Methane emissions along that chain must also be brought to a strict minimum, he emphasized.

Total hopes to make big inroads on its pledge to cut methane emissions by 80% by 2030, having halved them already over 2010-20, with an ambition to get to zero methane. To that end, the company is leveraging a new technology to replace gas-driven pneumatic systems with air-driven ones across its Barnett Shale operations. The move will eliminate about 7,000 tons of methane emissions annually by 2024.

Deb Kelly, London

TOTALENERGIES -- SELECT US RENEWABLE INVESTMENTS/JVS

Date	Target	Seller	Investment Type	Project Category	Value *($ million)*
May '22	50% Stake ClearWay Energy Group	Global Infrastructure Partners	Acquisition	Solar, Wind and Storage	$1,600 plus 50% (minus 1 share) of Total's 50.6% stake in SunPower Corp.
Apr '22	Core Solar	NA	Acquisition	Solar and Storage	Undisclosed
Feb '22	SunPower's Commercial & Industrial Solutions Unit	SunPower Corp.	Acquisition	Distributed Generation Storage	$250
Oct '21	TotalEnergies, Simply Blue Energy	NA	Joint Venture	Floating Wind	NA
Feb '21	2.2 GW Solar Projects, 600 MW storage assets in Texas	SunChase Power and MAP RE/ES.	Acquisition	Solar and Storage	Undisclosed
Jan '21	TotalEnergies, 174 Power Global (Hanwha affiliate)	NA	Joint Venture	Solar and Storage	NA

Source: TotalEnergies, Energy Intelligence

INDUSTRY TREND

Investors Pause Climate Push To Take Stock of Progress

- *Investors are willing to see how energy transition strategies may deliver resiliency for oil companies before making additional demands, shareholder votes show.*

- *This pause extends to European majors and top US producers, suggesting acceptance of a spectrum of transition strategy approaches.*

- *Tangible delivery on existing plans will be critical to maintaining buy-in; so, too, will continued shareholder engagement to stay on top of evolving expectations.*

The Issue

Climate pressures on Western oil company corporate strategies are easing after years of continually ratcheting up. Rising concerns surrounding energy security and inflation risk — as well as a growing recognition that more effective climate action is likely to happen on the demand side — are behind the pause. Crucially, though, this is not a retreat. Accelerated pledges on low-carbon capital spending and more aggressive emissions reduction targets over the past year explain why investors are willing to stop and take stock. Falling flat on delivery or signaling any pullback in commitment would invite renewed investor backlash and activism, in our view.

Polls Apart

Shareholder resolutions are not the only — or even most widely used — tool for pushing change at publicly traded companies. But they provide an important barometer for satisfaction with a company's strategic direction. They can also pinpoint areas of concern that management teams must address to avoid losing investors or inviting disruptive activist campaigns. In that sense, this year's annual general meetings (AGMs) offer a revealing glimpse into wider investor thinking around must-haves in climate strategy.

After years of gaining steadily higher proportions of votes, resolutions demanding oil companies adopt Paris climate agreement-aligned targets for all emissions (Scope 1-3) saw support fall across the board this time around. In fact, not a single relevant resolution garnered majority backing this year — something that happened three times in 2021: at Chevron, ConocoPhillips and Phillips 66.

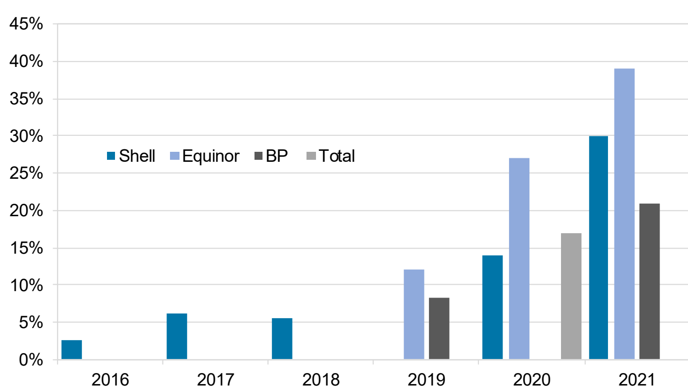
The drop-off does not reflect waning interest in strategy-defining emissions standards. Instead, this year's slate of resolutions sought to move the bar on those targets by specifying compliance with more aggressive well below 2°C and 1.5°C Paris climate pathways. Previous resolutions asked only for general Paris alignment. The indication is that fewer investors see these much more exacting targets as mission-critical — at least at a time when major institutional investors are still in the process of defining what "Paris-compliant" portfolios mean for them. Furthermore, government policies globally remain far short of delivering a 1.5°C world.

Backing the Board

As we previously flagged, US AGM votes in particular provided a critical litmus test given US companies' more conservative strategies that steer clear of renewable electricity and often incorporate minimal Scope 3 emission standards — covering end-use emissions from products — if any at all. Here, companies received the green light to proceed — at least for now.

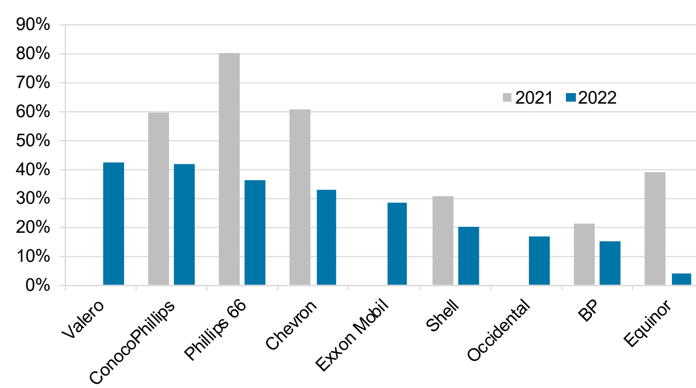
The acceptance is most clearly evident in the voting records for board directors. Exxon Mobil, which suffered a historic board coup last year, said its directors received 96% support for re-election, on average. Chris James, founder of coup organizer Engine No. 1, told the *Financial Times* recently he was "impressed" with the amount of change at the major over the past year. This AGM, Exxon supported the activist-named directors in its voting guidance.

CLIMATE RESOLUTIONS GAINED MOMENTUM HEADING INTO 2021 ...



Note: Shareholder support for climate resolutions demanding Paris-aligned targets for Scope 1-3 emissions. *Source: Follow This*

... BUT SUPPORT EASED THIS YEAR AS RESOLUTION DEMANDS GOT TOUGHER



Note: Shareholder support for climate resolutions demanding Paris-aligned targets for Scope 1-3 emissions. *Source: Energy Intelligence, preliminary voting results, SEC filings, Follow This*

ConocoPhillips' board members received 93% of shareholder votes or higher, despite the company's decision not to adopt any form of Scope 3 targets even after last year's general vote in support. Chevron's board also received high marks.

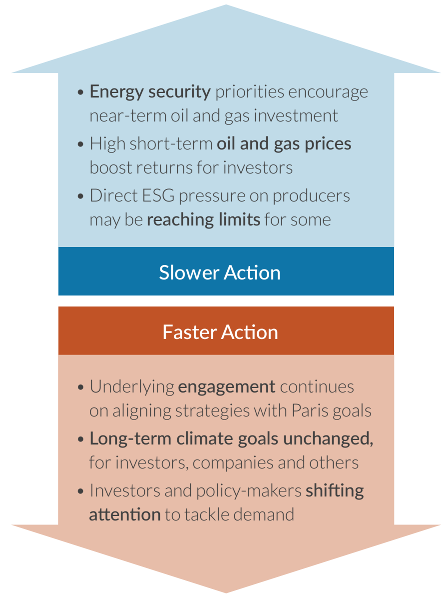
The strong votes are notable as influential institutional investors increasingly tip their willingness to vote against directors at companies deemed to be falling behind on climate risk mitigation. What qualifies as "falling behind" is in the eye of the beholder, but "Big Three" oil and gas investors BlackRock, State Street and Vanguard spoke in their 2022 voting guidelines of looking for robust emissions disclosure and some form of targets. None specified a need for Scope 3 to be included, while BlackRock noted a desire to not "micromanage" company strategies. Abstention numbers were high on votes on European producers' in-house energy transition strategies as many institutional investors sat out taking such a granular view on approach.

Work Still to Do

Despite the voting outcome, now is not the time for oil companies to do a victory lap. Shareholder support for more demanding emissions reduction targets may have dipped, but it wasn't zero. More than 25% of shareholders at Exxon, Chevron, Phillips 66, ConocoPhillips and Valero came out in support of them this year — a sizable share that deserves notice and reminds boards that not all investors welcome a pause on climate pressures.

A majority vote at Exxon in favor of a report detailing the impact of the International Energy Agency's *Net Zero by 2050* scenario on its business makes clear that investors intend to actively do their homework to assess successful climate risk mitigation during this pause. Chevron investors are meanwhile keen for more information on gaps and challenges surrounding methane monitoring and emissions reporting.

INVESTORS: CONFLICTING PRESSURES



Source: Energy Intelligence

Energy Intelligence also sees investors keeping an especially close eye on capital spending in the months ahead, ensuring that a floor is maintained under low-carbon capex and a ceiling placed on oil and gas expenditures. Furthermore, the shift in institutional investor focus toward demand centers is being done with the intention of expediting the arrival of peak — and declining — oil and gas demand.

Successful efforts here would benefit producers of all stripes planning to diversity their energy offerings, be it in renewable electricity, biofuels or hydrogen — provided they are truly ready to enact their promised transformations. Putting those pieces in place therefore remains as critical as ever.

Casey Merriman, Phoenix

ENERGY AND EQUITY MARKET DATA

For the week ended May 27, 2022

EIF GLOBAL INDEX COMPONENTS*

	Close May 27	1-Wk Chg.	1-Wk	% Chg. 52-Wk	YTD
TotalEnergies (par)	58.87	+4.26	+7.81	+26.92	+16.03
Equinor (osl)	37.30	+2.69	+7.77	+72.92	+39.26
CNOOC-H (sehk)	1.53	+0.11	+7.70	+40.24	+48.43
Ecopetrol (bvc)	0.76	+0.05	+6.67	+27.97	+15.43
Suncor (tse)	40.60	+2.53	+6.65	+76.08	+62.08
Exxon Mobil (nyse)	97.59	+5.73	+6.24	+66.65	+59.49
Chevron (nyse)	178.28	+10.46	+6.23	+73.07	+51.92
PetroChina-H (sehk)	0.53	+0.03	+5.61	+29.63	+18.21
BP (lse)	5.43	+0.22	+4.29	+24.77	+21.51
Eni (mise)	15.22	+0.56	+3.79	+23.63	+9.59
Sinopec-H (sehk)	0.53	+0.02	+2.97	-1.84	+13.00
Shell (lse)	30.03	0.85	+2.91	+56.39	+36.85
Sinopec-S (sesh)	0.50	0.01	+2.70	-14.96	-24.50
Saudi Aramco (sse)	10.85	0.25	+2.39	+15.44	+25.15
Petrobras-3 (spse)	7.13	+0.15	+2.11	+75.37	+54.85
Petrobras-4 (spse)	6.47	+0.06	+1.00	+50.14	+53.91
Reliance Industries (bse)	33.19	-0.49	-1.47	+21.97	+4.36
Rosneft (mos)	6.27	-0.18	-2.86	-12.04	-22.03
Lukoil (mos)	67.03	-4.88	-6.79	-18.00	-23.93
ONGC (bse)	1.85	-0.23	-10.86	+20.47	-3.09
EIF Global Index	**350.56**	**+11.04**	**+3.25**	**+26.60**	**+26.39**

*Converted US$/share.

INDEXES

Equity Indexes	Close May 27	1-Wk Chg.	1-Wk	% Chg. 52-Wk	YTD
DJIA	33,212.96	+1951.06	+6.24	-3.63	-8.60
S&P 500	4,158.24	+256.88	+6.58	-1.02	-12.76
FTSE 100	7,585.46	+195.48	+2.65	+8.06	+2.72
FTSE All-World	781.45	+39.02	+5.26	-6.35	-12.98
EIF Global	350.56	+11.04	+3.25	+26.60	+26.39
S&P Global Oil	1,926.73	+119.61	+6.62	+34.89	+24.12
FT Oil, Gas & Coal	8,052.96	+164.51	+2.09	+63.77	+40.58
TSE Oil & Gas	3,231.98	+142.73	+4.62	+59.34	+41.85
Emerging Markets					
Hang Seng Energy (HK)	22,871.02	+1302.53	+6.04	+44.21	+36.09
BSE Oil & Gas (India)	18,304.15	-697.81	-3.67	+13.76	+4.55
RTS Oil & Gas (Russia)	+187.99	-15.91	-7.80	-12.81	-20.96

COMMODITY PRICES

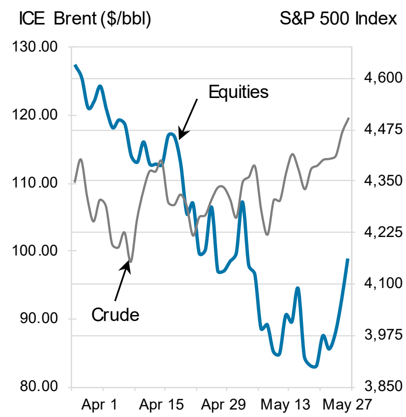
	Close May 27	1-Wk Chg.	1-Wk	% Chg. 52-Wk	YTD
Dated Brent	120.59	+6.59	+5.78	+73.69	+55.92
Brent 1st ICE	119.43	+6.88	+6.11	+71.94	+53.55
WTI 1st (Nymex)	115.07	+1.84	+1.63	+72.13	+53.00
Oman 1st (DME)	112.40	+2.93	+2.68	+66.67	+46.56
RBOB (Nymex)	4.02	+0.18	+4.66	+86.63	+80.20
Heating Oil (Nymex)	4.00	+0.26	+7.06	+94.66	+71.79
Gas Oil (ICE)	1,168.75	+100.75	+9.43	+108.06	+75.22
Henry Hub (Nymex)	8.73	+0.64	+7.97	+195.03	+133.97
Henry Hub (Cash)	8.30	+0.10	+1.17	+185.56	+117.15
UK NBP (Cash)	134.00	+25.00	+22.94	+105.84	+3.08

SHARE PRICES IN LOCAL CURRENCY†

NOCs	Close May 27	1-Wk Chg.	1-Wk	% Chg. 52-Wk	YTD
CNOOC-S (sesh)	18.50	+2.78	+17.68	NA	NA
Gazprom (micex)	294.50	+31.50	+11.98	+12.41	-14.21
CNOOC-H (sehk)	12.00	+0.86	+7.72	+41.84	+49.44
PetroChina-S (sesh)	5.55	+0.33	+6.32	+19.61	+13.03
PTTEP (set)	165.50	+9.00	+5.75	+41.45	+40.25
Ecopetrol (bvc)	2,999.00	+160.00	+5.64	+35.09	+11.49
PetroChina-H (sehk)	4.13	+0.22	+5.63	+31.11	+19.02
Equinor (osl)	352.75	+16.15	+4.80	+96.15	+49.53
Rosneft (mos)	401.50	+17.25	+4.49	-23.22	-33.07
Sinopec-H (sehk)	4.13	+0.12	+2.99	-0.72	+13.77
Sinopec-S (sesh)	3.32	+0.09	+2.79	-10.75	-20.38
Saudi Aramco (sse)	40.70	+0.95	+2.39	+15.46	+25.06
Petrobras-3 (spse)	33.74	-0.35	-1.02	+58.34	+31.48
Petrobras-4 (spse)	30.60	-0.65	-2.10	+35.56	+30.67
Majors					
Exxon Mobil (nyse)	97.59	+5.73	+6.24	+66.65	+59.49
Chevron (nyse)	178.28	+10.46	+6.23	+73.07	+51.92
TotalEnergies (par)	54.88	+3.17	+6.13	+44.25	+22.97
BP (lse)	430.65	+13.45	+3.22	+40.48	+30.30
Shell (lse)	2,380.00	+43.50	+1.86	+76.09	+46.75
Regional Integrateds					
OMV (vse)	53.86	+3.87	+7.74	+13.58	+7.83
Repsol (bme)	14.99	+0.58	+4.02	+36.20	+43.64
Eni (mise)	14.19	+0.30	+2.17	+40.51	+16.14
Lukoil (mos)	4,290.00	+11.00	+0.26	-28.42	-34.70
Global Independents					
Kosmos Energy (nyse)	7.98	+1.06	+15.32	+147.83	+130.64
APA (nyse)	47.62	+5.96	+14.31	+128.61	+77.09
EOG Resources (nyse)	136.85	+14.80	+12.13	+76.54	+55.39
Occidental (nyse)	70.86	+7.60	+12.01	+171.81	+144.43
ConocoPhillips (nyse)	114.60	+9.58	+9.12	+106.37	+58.77
Hess (nyse)	123.28	+9.94	+8.77	+44.71	+66.53
Woodside Petroleum (asx)	30.14	+1.37	+4.76	+38.89	+37.44
Refiners					
Phillips66 (nyse)	101.73	+7.94	+8.47	+20.52	+40.39
HollyFrontier (nyse)	49.85	+3.38	+7.27	+51.06	+52.07
Valero (nyse)	131.81	+8.83	+7.18	+63.15	+75.49
PBF Energy (nyse)	32.94	+2.13	+6.91	+104.22	+153.97
Marathon Petroleum (nyse)	102.10	+5.54	+5.74	+66.29	+59.56
Eneos (tyo)	516.00	+0.70	+0.14	+15.28	+19.92
Reliance Industries (bse)	2,575.20	-46.95	-1.79	+30.74	+8.74
Oil-Field Services, EPC					
Schlumberger (nyse)	48.21	+7.09	+17.24	+53.83	+60.97
TechnipFMC (nyse)	8.56	+0.98	+12.93	-1.27	+44.59
Halliburton (nyse)	41.36	+4.66	+12.70	+83.66	+80.85
Saipem (mise)	5.62	+0.48	+9.30	+172.75	-36.08
Baker Hughes (nyse)	37.20	+2.64	+7.64	+52.83	+54.68
Fluor (nyse)	27.97	+1.93	+7.41	+48.70	+12.92
Transocean (nyse)	4.18	+0.28	+7.18	+8.01	+51.45
Wood Group (lse)	250.30	+7.40	+3.05	+0.12	+30.98
Worley (asx)	14.96	+0.18	+1.22	+43.16	+40.73
Petrofac (lse)	147.80	-8.70	-5.56	+12.73	+28.19
Midstream					
Plains All-American (nyse)	11.48	+0.68	+6.30	+8.20	+22.91
Williams (nyse)	37.46	+2.08	+5.88	+42.43	+43.86
Kinder Morgan (nyse)	19.94	+0.91	+4.78	+9.20	+25.73
Enterprise Products (nyse)	27.60	+0.84	+3.14	+16.95	+25.68
Enbridge (tsx)	58.78	+1.61	+2.82	+26.00	+18.96
TC Energy (tsx)	73.13	-0.23	-0.31	+18.99	+24.31

*set=Bangkok; bme=Madrid; sehk=Hong Kong; osl=Oslo; bvc=Bogota; micex=Moscow; bse=Mumbai; par=Paris; nyse=New York; lse=London; mise=Milan; tyo=Tokyo; tsx=Toronto; asx=Sydney; spse=Sao Paulo; sse=Riyadh

CRUDE VS. EQUITIES



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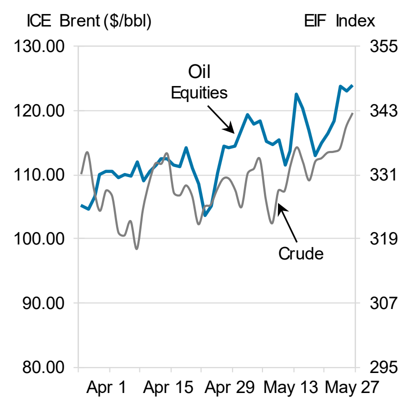
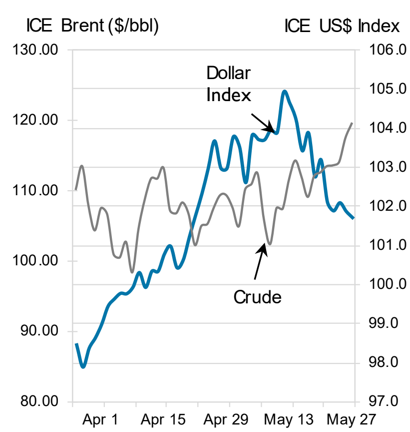


CRUDE VS. CURRENCY



EIF Index based on share prices of the 22 equities listed under EIF components, adjusted for US$ market capitalization. All equities listed are ordered by percentage change over the previous week. Local share prices are shown in local currency. Crude prices in $/bbl; Nymex oil products prices in $/gallon; ICE gas oil in $/ton; Henry Hub natural gas prices in $/MMBtu; UK NBP natural gas prices in pence/therm.