

DVB research video – November 2014

Henriette Brent-Petersen
on Offshore drilling

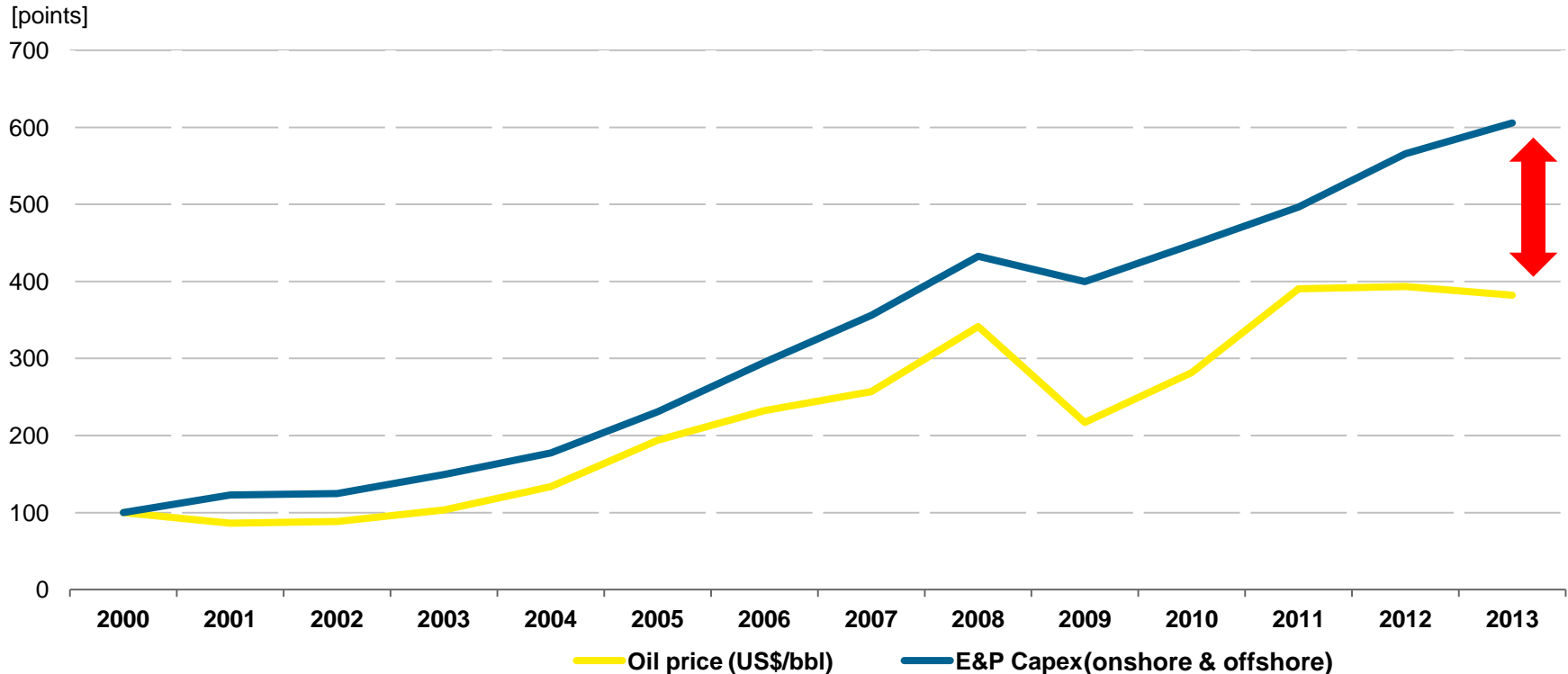


Offshore drilling – Market review



Offshore drilling – Demand dynamics

Evolution of E&P Capex and oil price

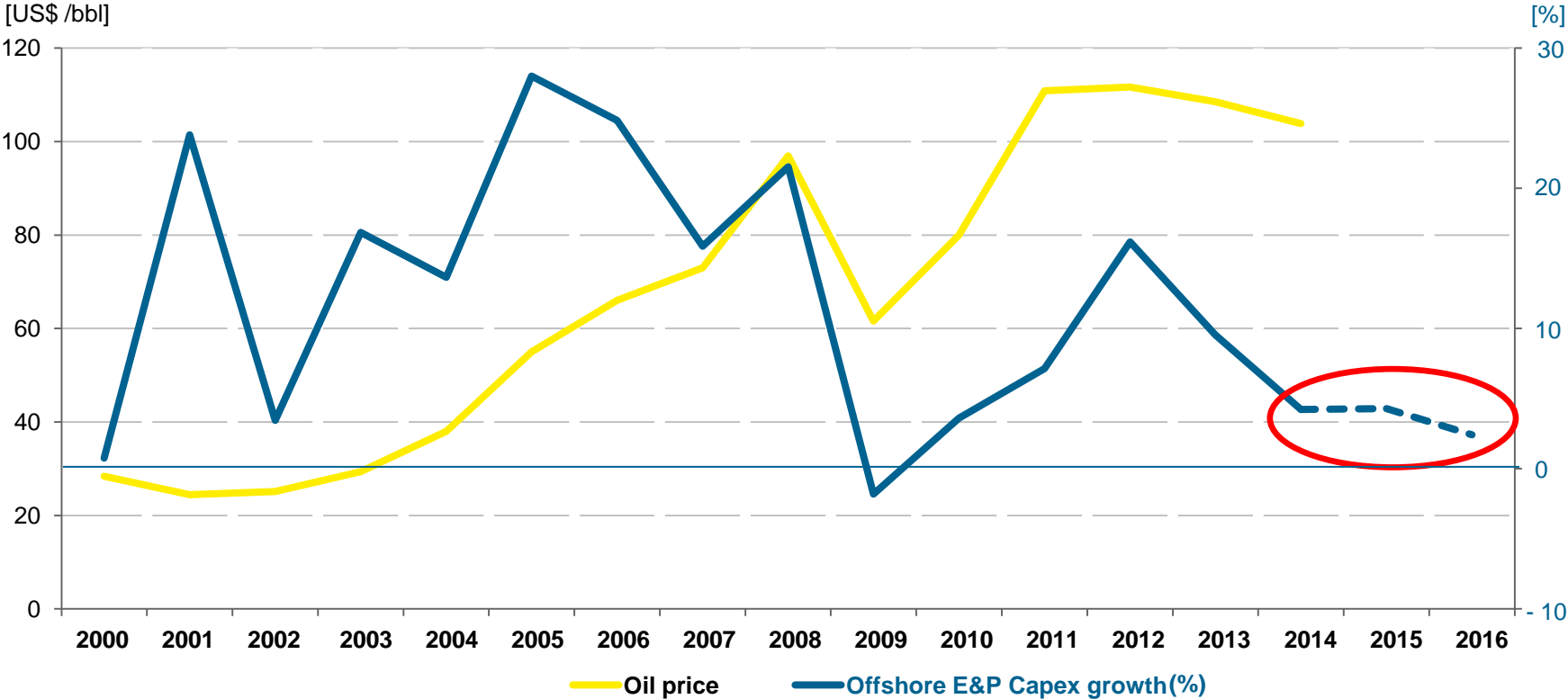


- Stagnant oil prices versus rising E&P spending is squeezing profits for oil & gas companies, which are now cutting costs.

Source: Rystad Energy, Barclays Capital / DVB Shipping & Offshore Research

Offshore drilling – Demand dynamics

Offshore E&P Capex



- Offshore E&P Capex are still expected to increase, but at a slower pace.

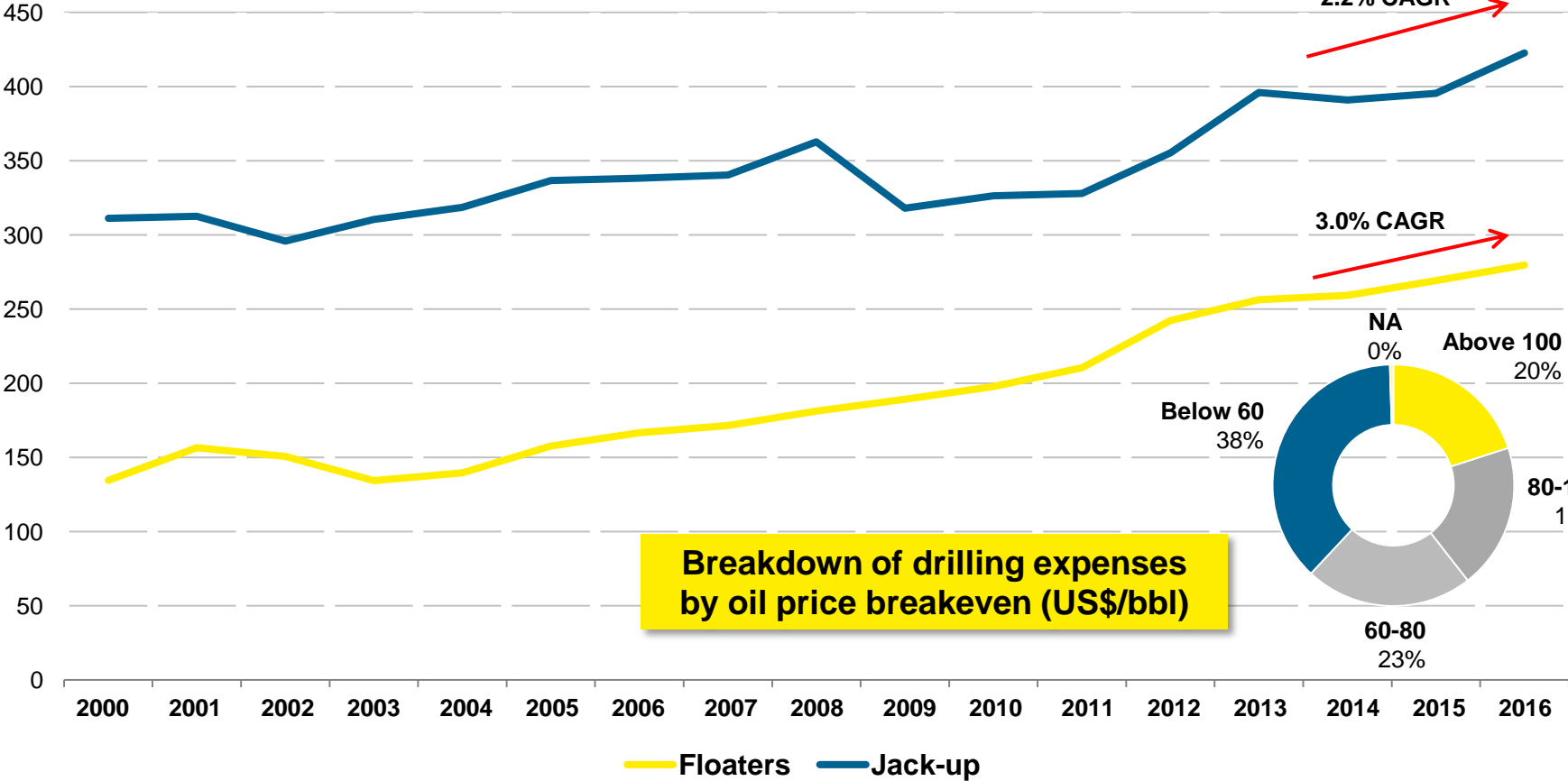
Source: Rystad Energy, Barclays Capital / DVB Shipping & Offshore Research



Demand for floaters and jack-ups

Drilling demand

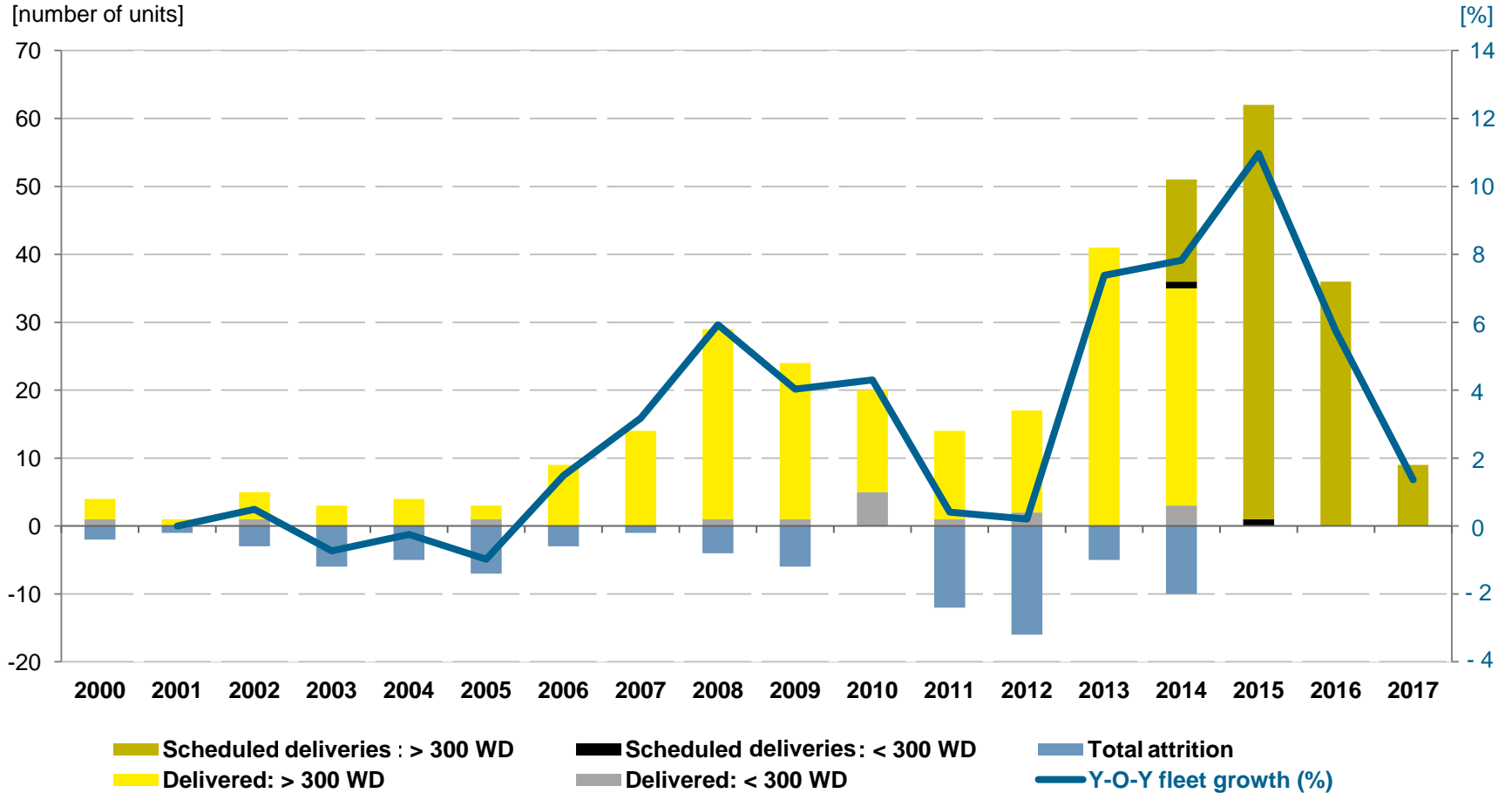
[number of units]



Source: Rystad Energy, Riglogix / DVB Shipping & Offshore Research



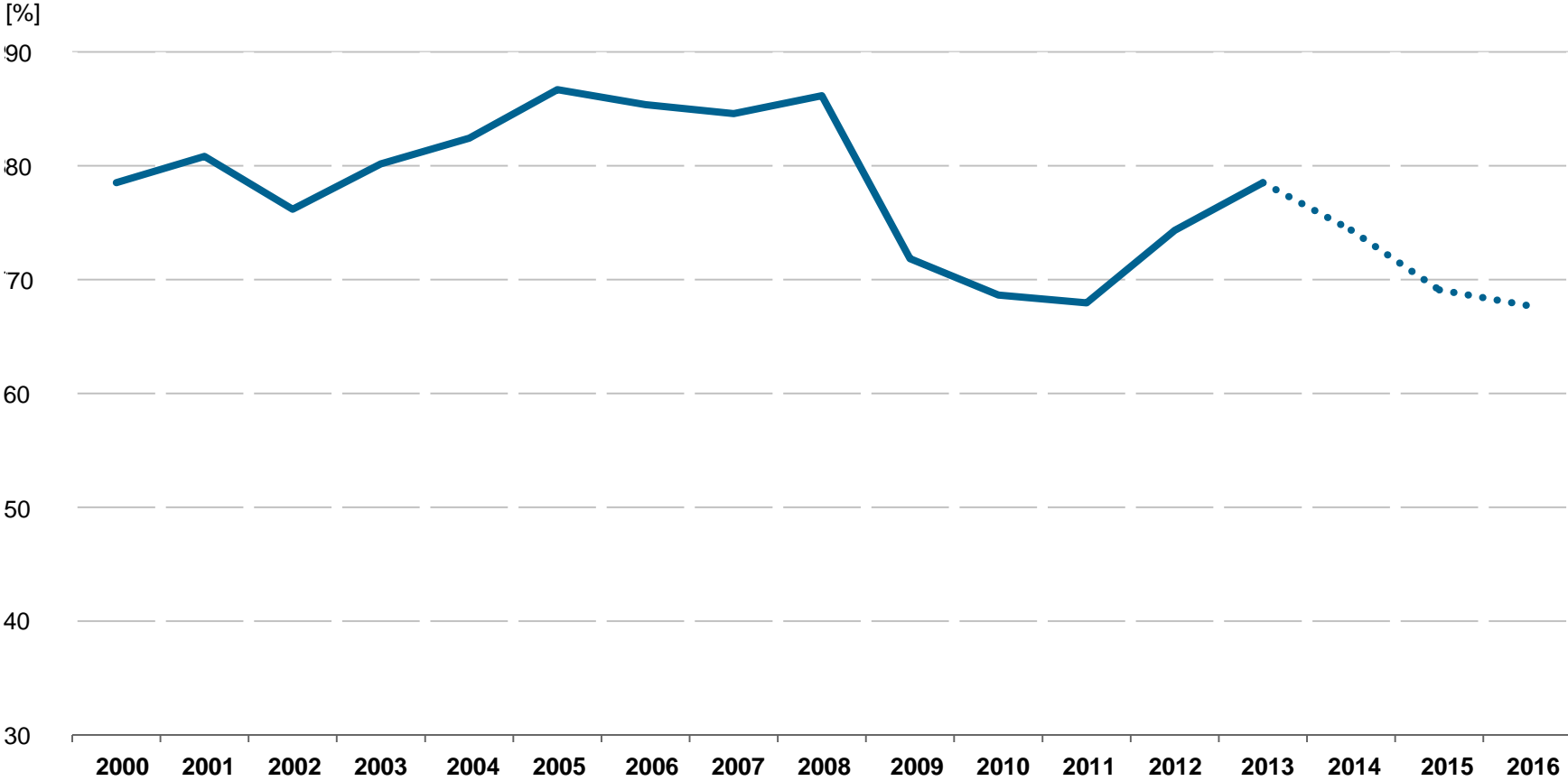
Jack-up fleet development



Source: Rystad Energy, Riglogix / DVB Shipping & Offshore Research



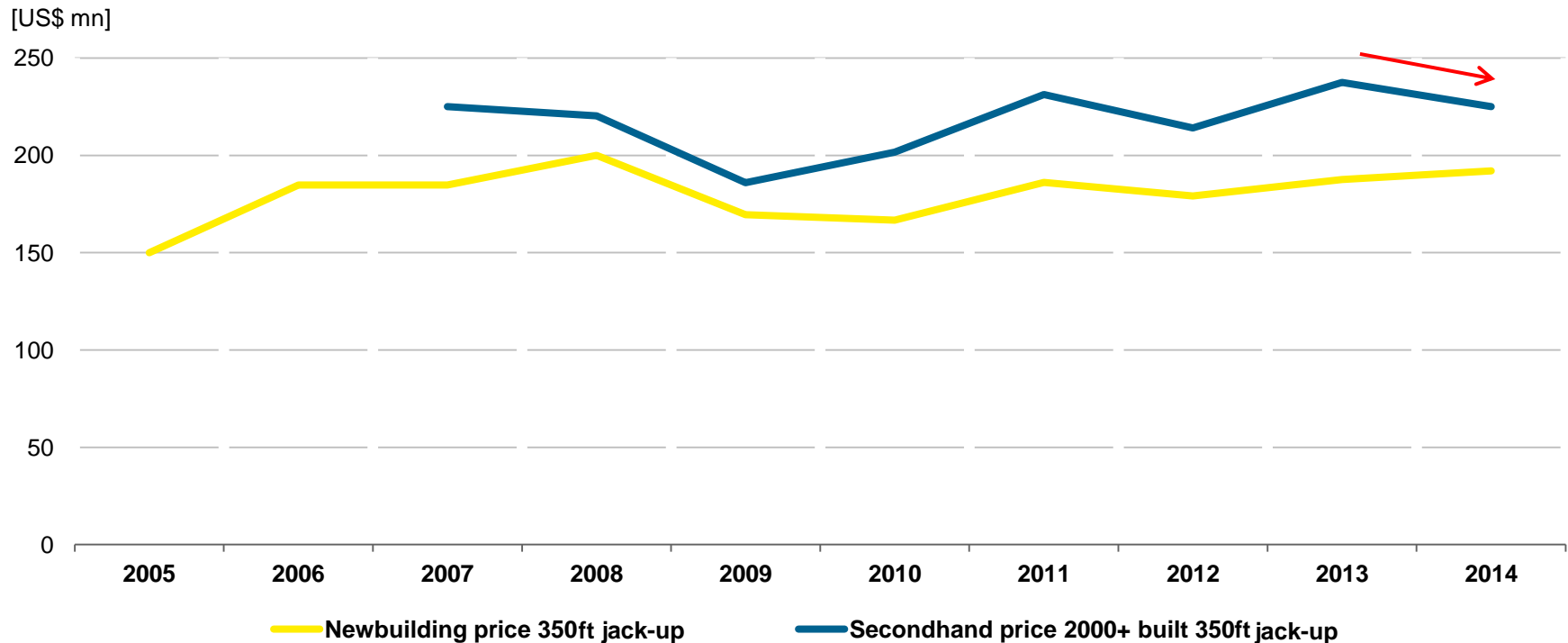
Forecast utilisation for jack-ups



Source: Rystad Energy, Riglogix / DVB Shipping & Offshore Research



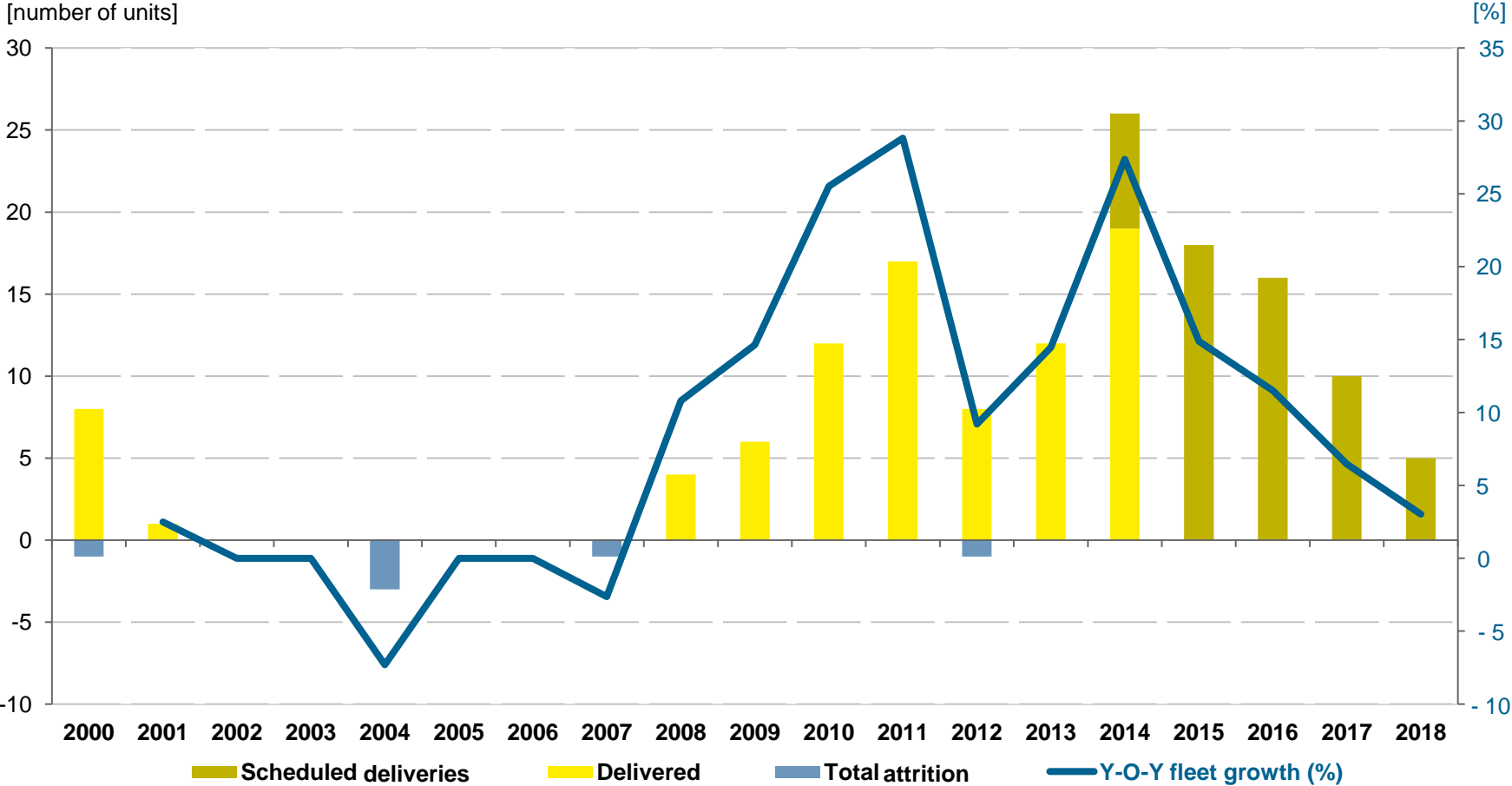
Newbuilding and secondhand values for jack-ups



- Secondhand prices for modern units have started to decrease and are expected to continue doing so due to oversupply concerns.

Source: RS Platou / DVB Shipping & Offshore Research

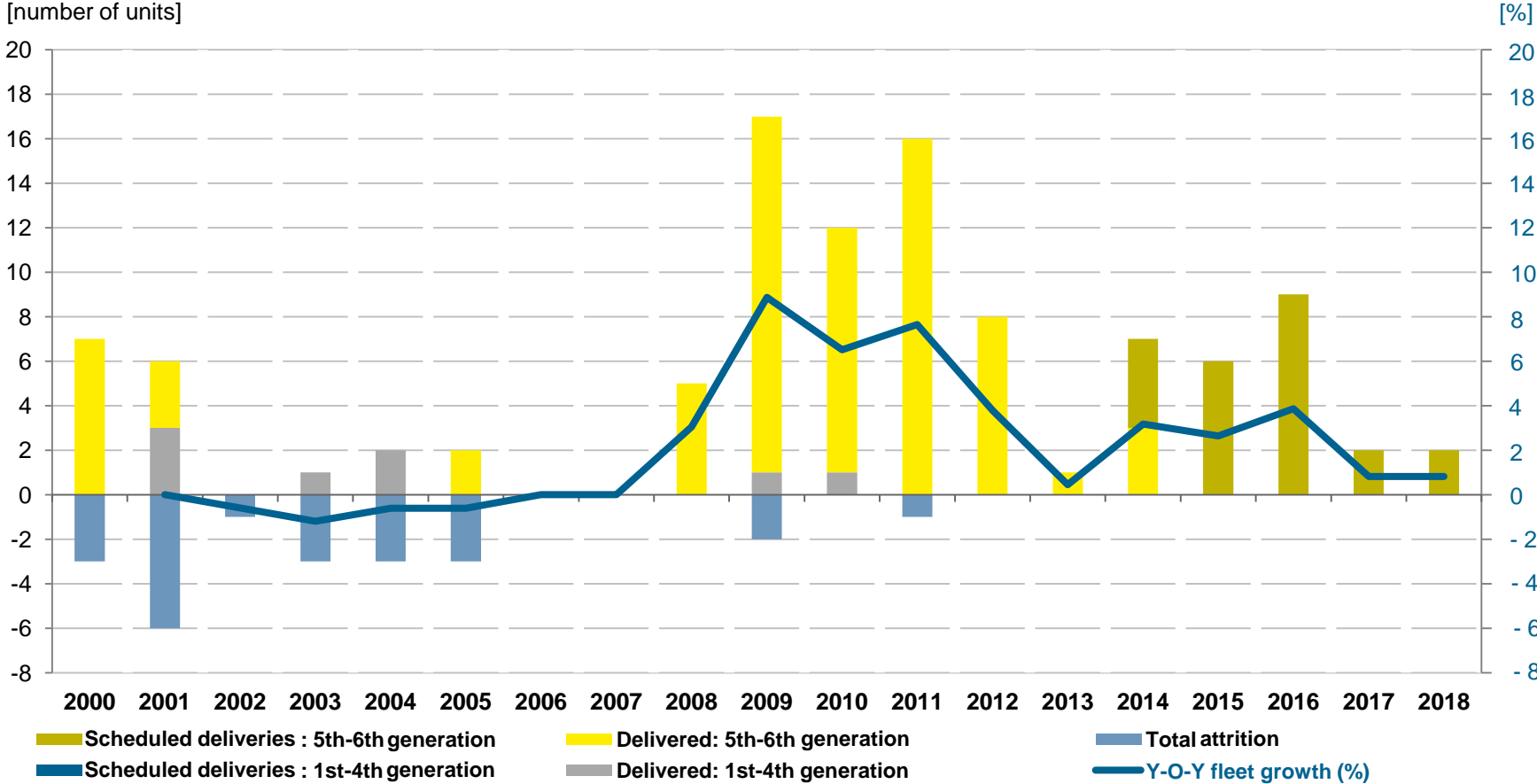
Drillship fleet development



Source: Rystad Energy, Riglogix / DVB Shipping & Offshore Research



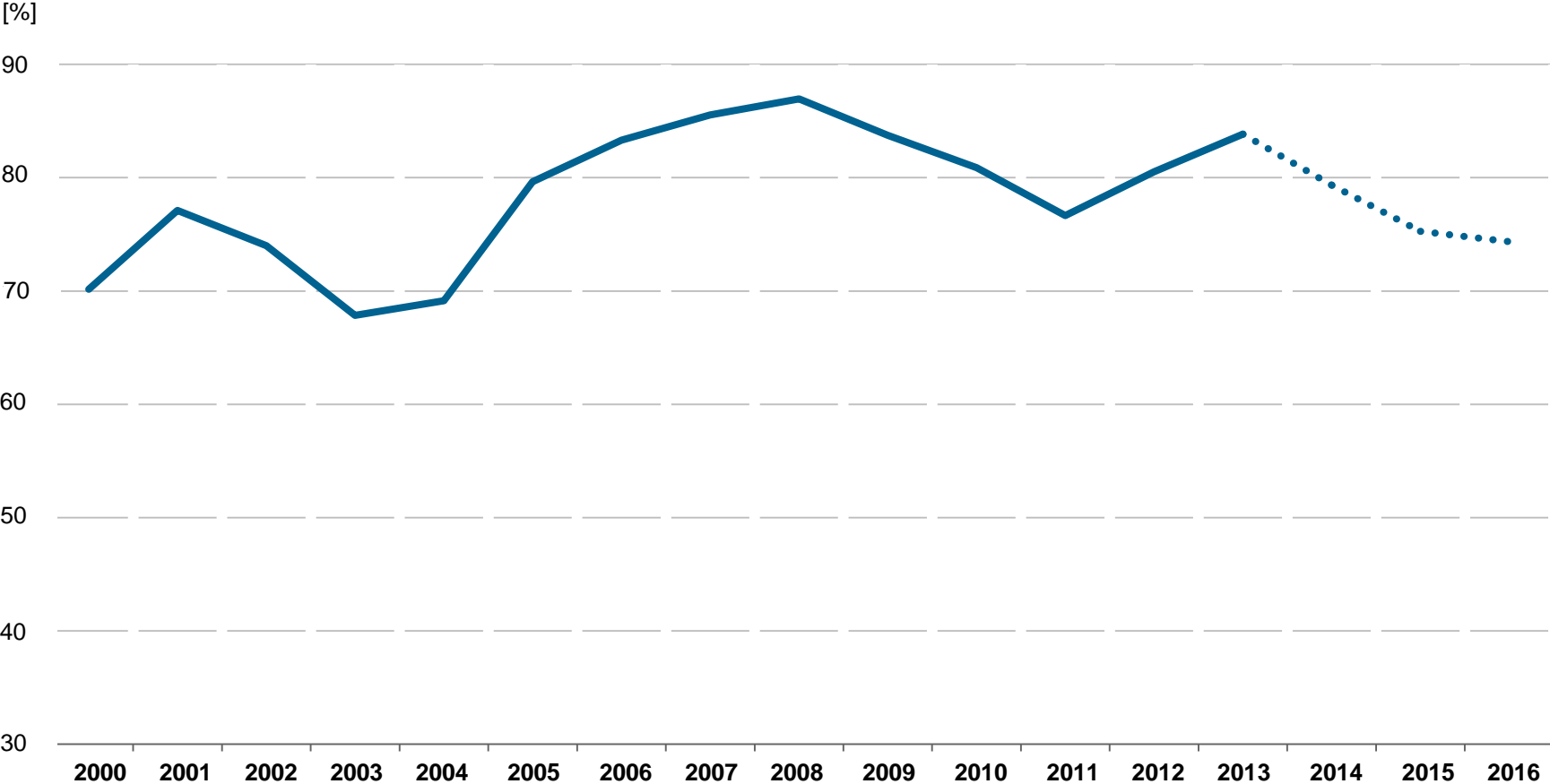
Semi-submersibles fleet development



Source: Rystad Energy, Riglogix / DVB Shipping & Offshore Research



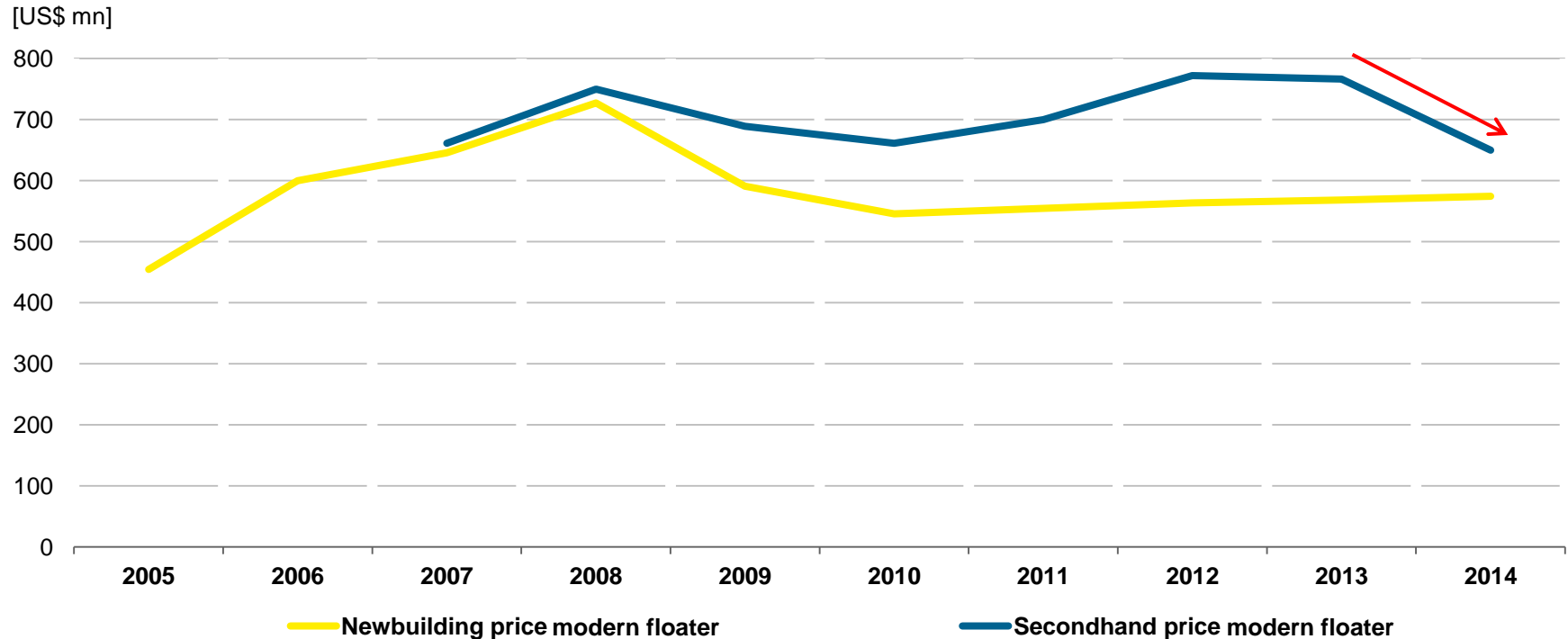
Forecast utilisation for floaters



Source: Rystad Energy, Riglogix / DVB Shipping & Offshore Research



Newbuilding and secondhand values for modern floaters



- Secondhand prices are expected to continue to follow a downward trend, in line with the expected decrease in earnings. Older units are and will continue to be more affected.

Source: RS Platou / DVB Shipping & Offshore Research