

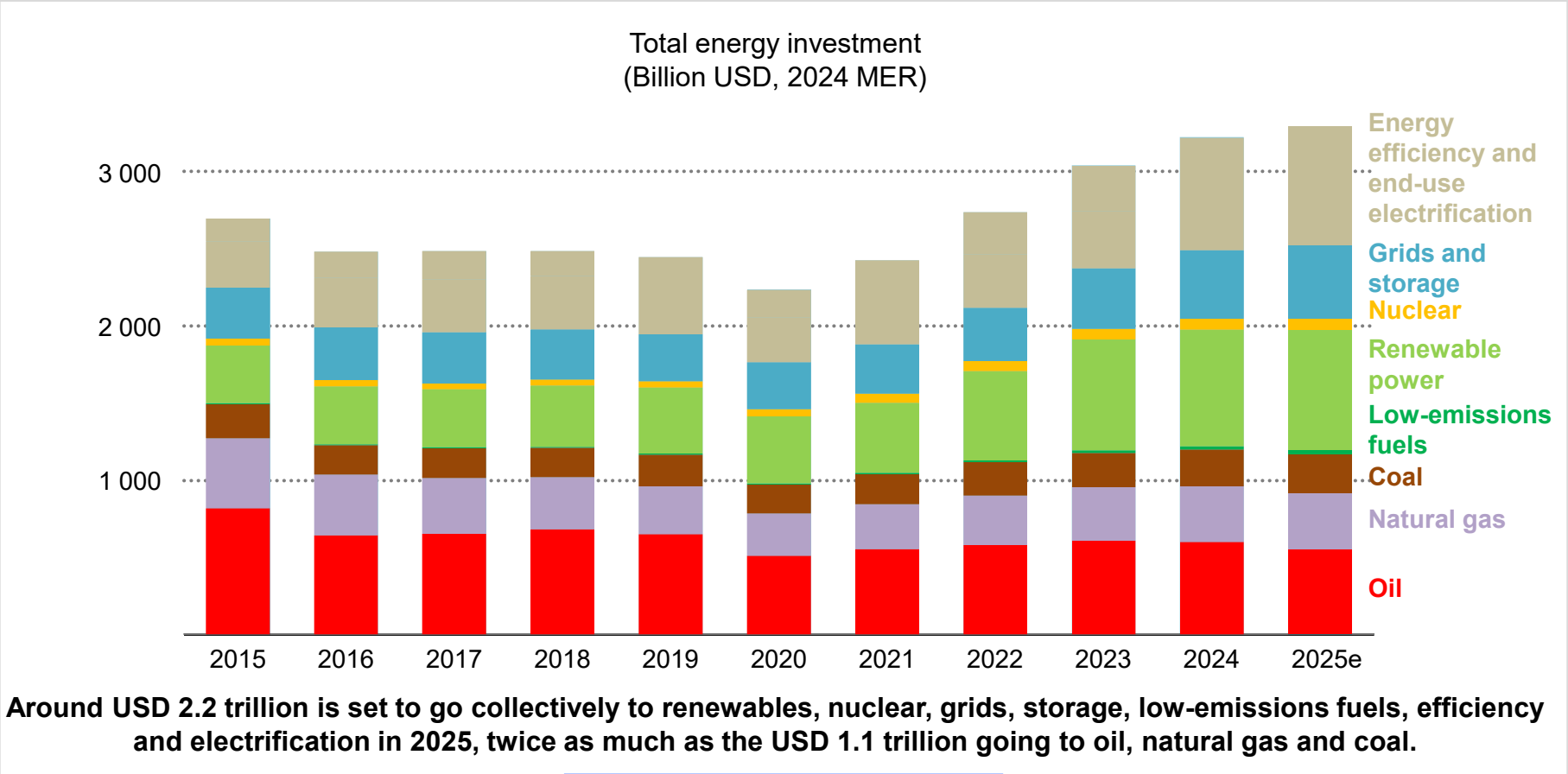


Global energy investment trends

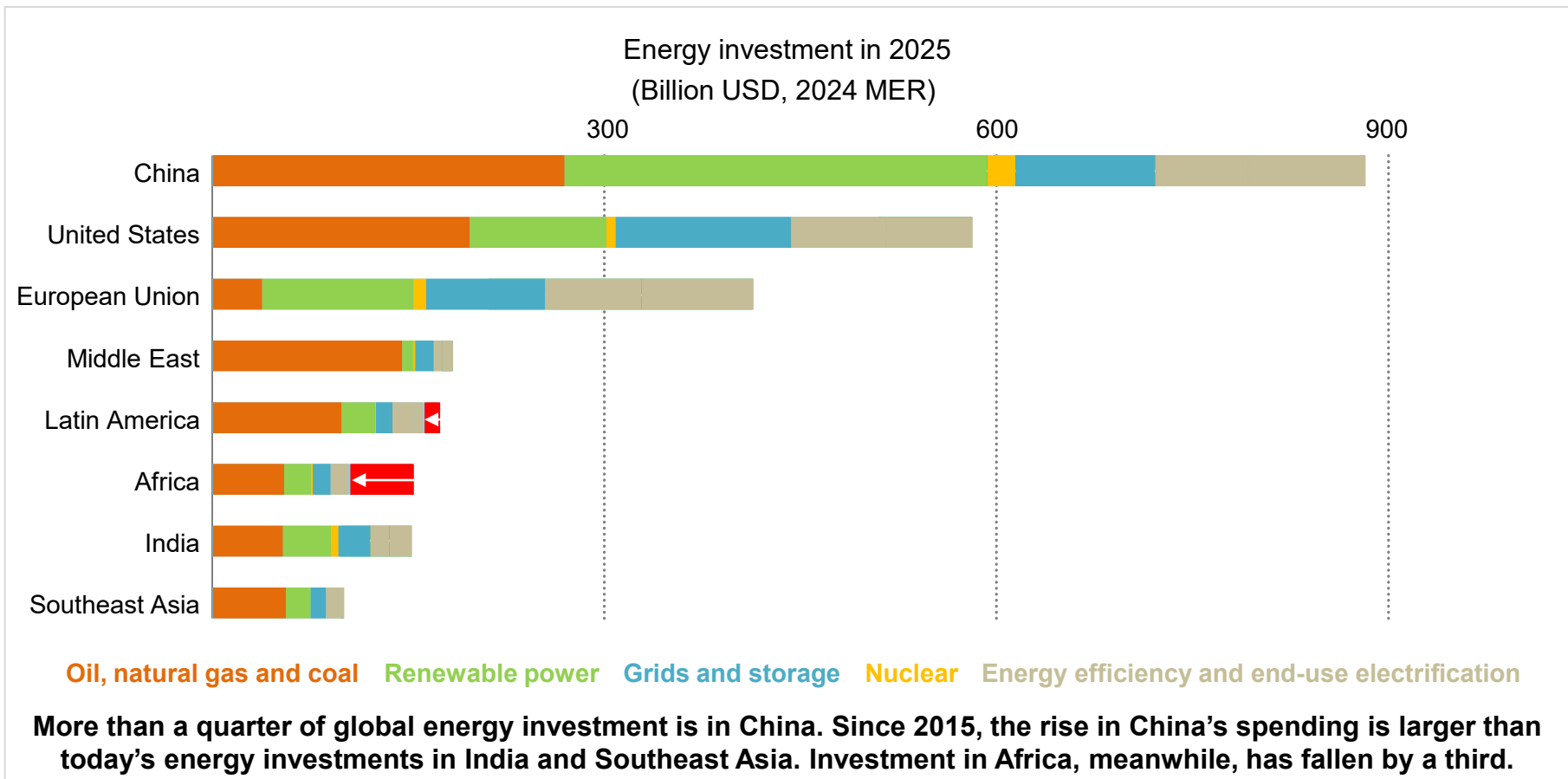
7th Symposium on Gas and Coal Market Outlooks

Tim Gould, 8 October 2025

Energy investment continues to rise amid economic uncertainty

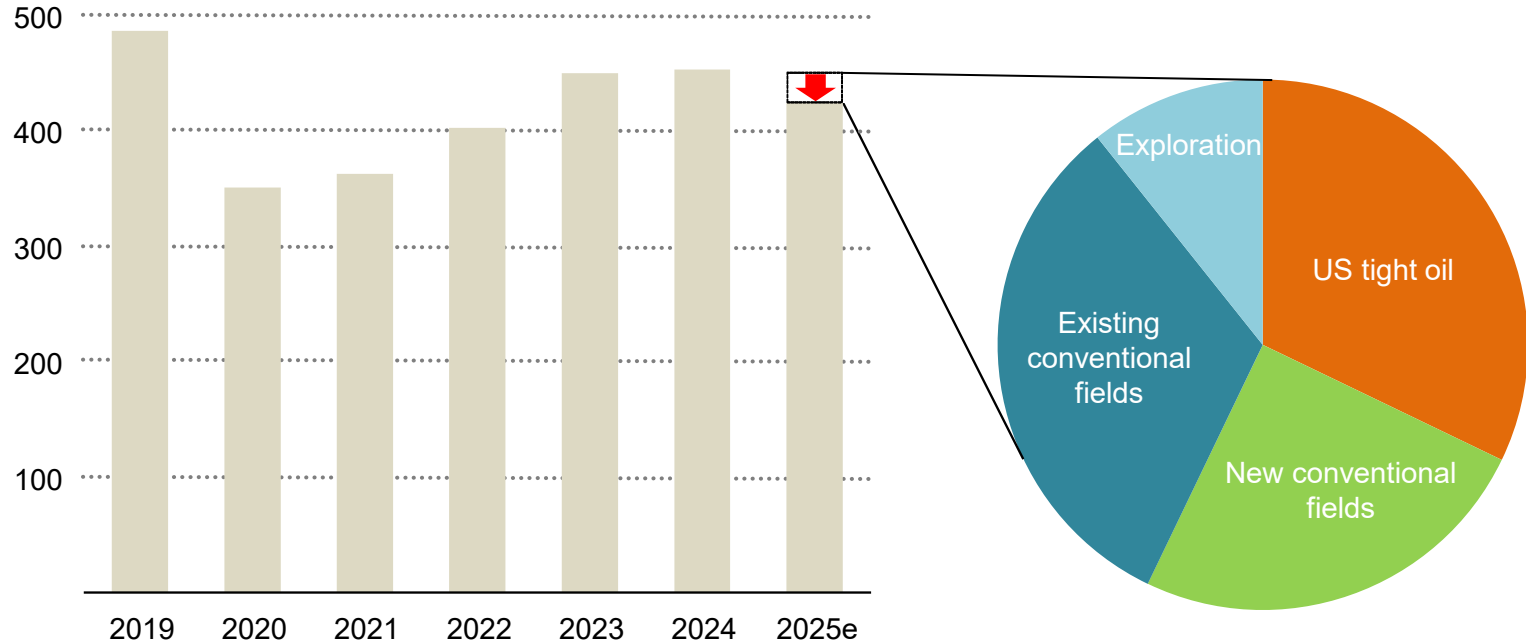


China sets the investment pace



Upstream oil investment is set to fall for the first time since 2020

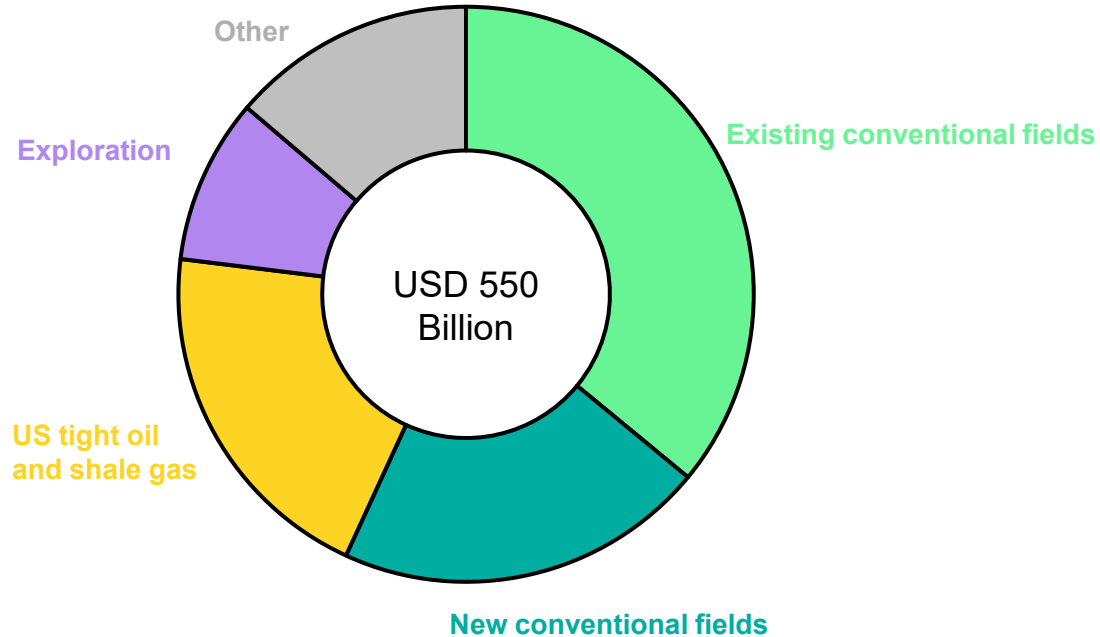
Upstream oil investment changes in 2025, given first early 2025 guidance
(Billion USD, 2024 MER)



Investments in natural gas – especially in LNG – are robust, but spending on oil has been revised down in light of the new economic outlook and cost pressures

Today's spending on oil and gas is mainly focused on existing fields

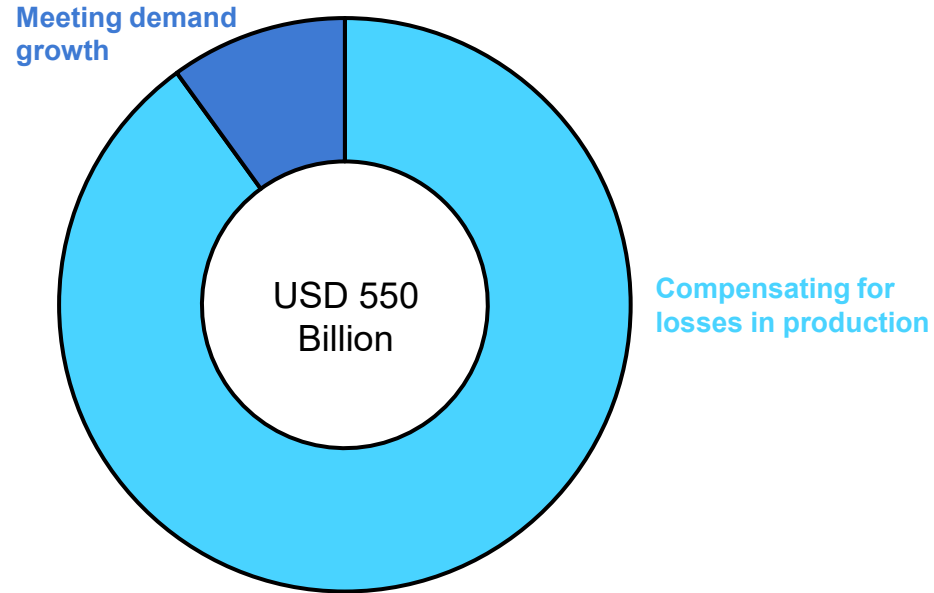
Average annual capital spending on oil and gas production by focus area, 2019-2025



Around 40% of capital spending on oil and gas goes towards managing existing conventional fields, compared with around 20% on developing new conventional fields globally.

Most spending on oil and gas ends up offsetting supply losses

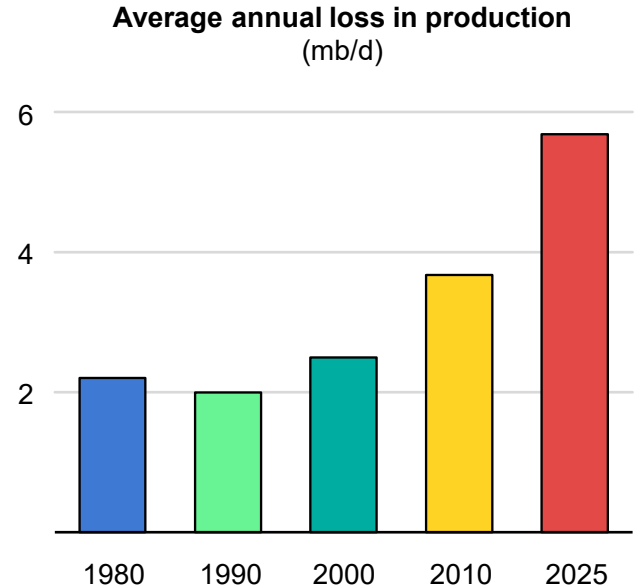
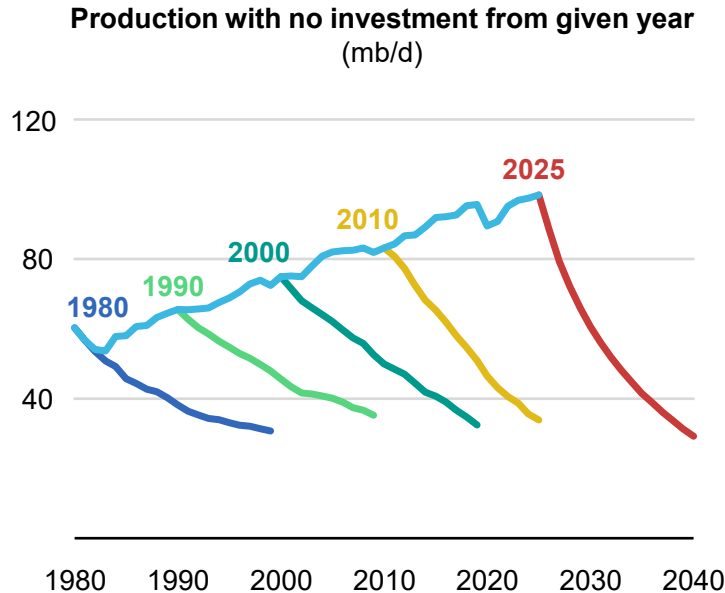
Outcome of capital spending on oil and gas production, 2019-2025



Nearly 90% of annual upstream oil and gas investment since 2019 has been required to offset production declines, with the remaining 10% meeting demand growth.

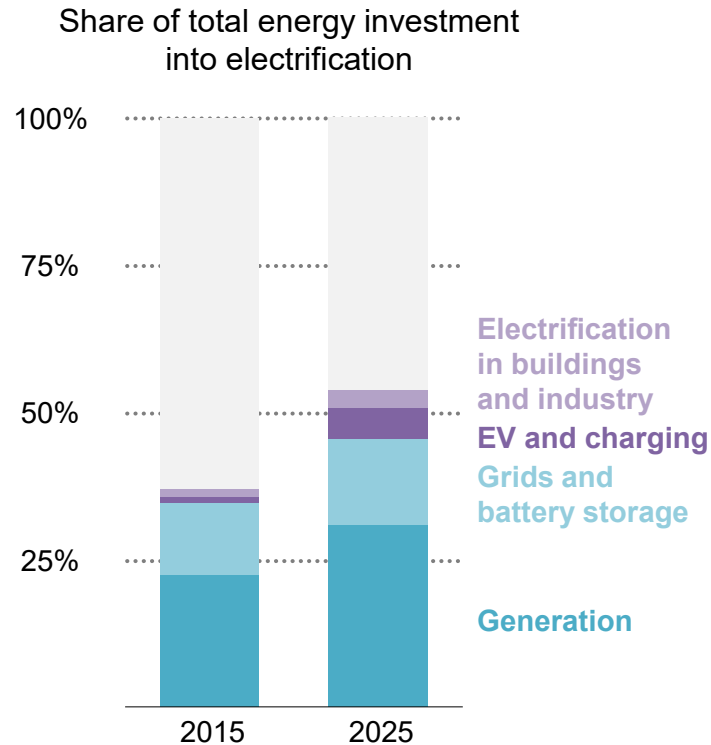
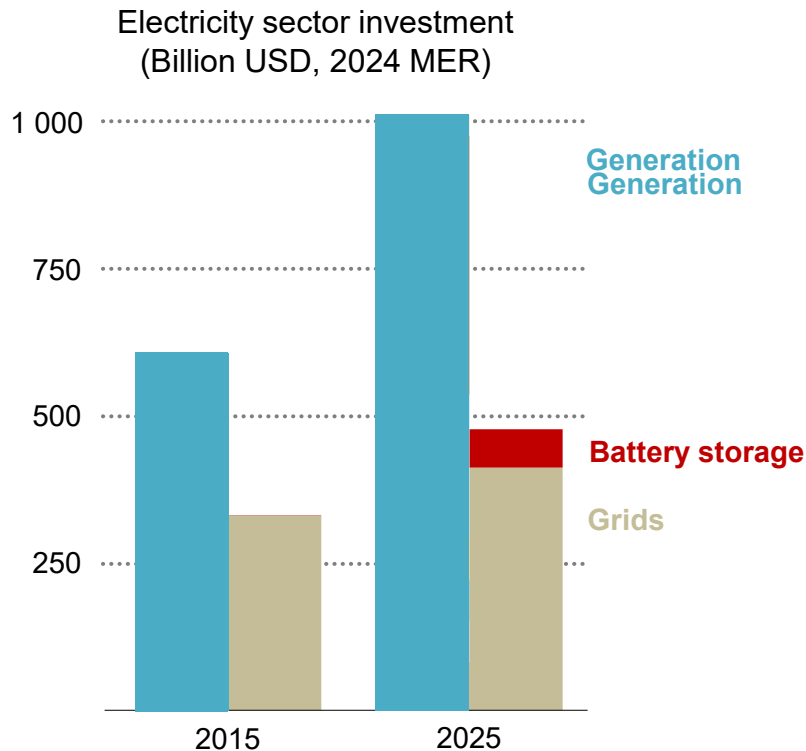
Declines are now steeper than they were in the past...

Oil production under natural declines in historical years



Oil production under natural decline rates has risen rapidly. In 2010, natural declines would have meant a loss of 4 mb/d per year. It now stands at 5.5 mb/d, largely due to the rise of unconventional oil and deep offshore production.

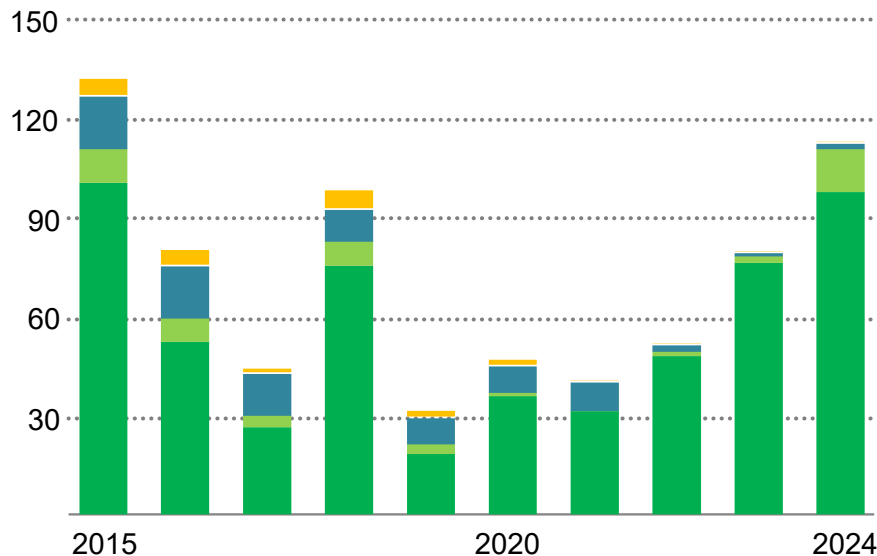
The Age of Electricity is shaping investment trends



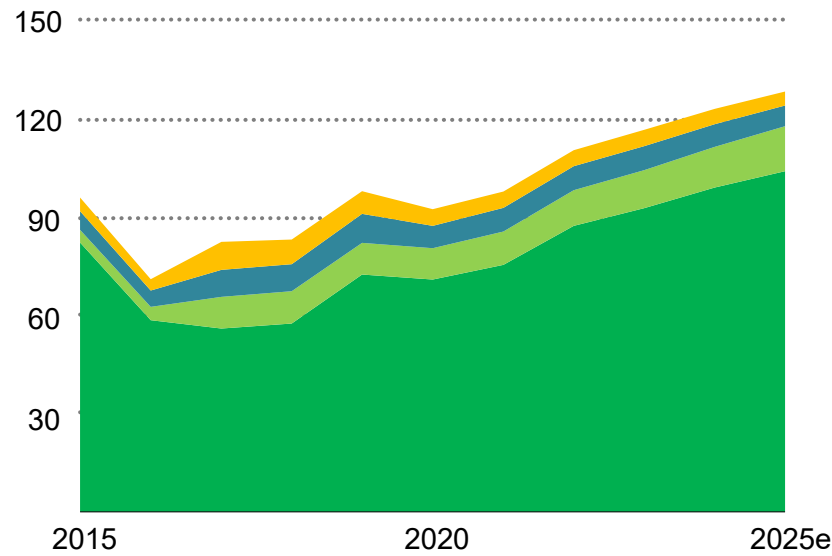
Solar PV and wind accounted for almost all the growth in investment in electricity generation over the past decade. Today, over half of all energy investment goes into the power sector and towards the electrification of end-uses.

Investment in coal is pushing steadily higher

Coal-fired power FIDs
(GW)



Investment in coal supply
(Billion USD, 2024 MER)



China India Other emerging & developing economies Advanced economies

New construction starts in China took coal plant FIDs to their highest level since 2015. Investment in coal supply globally is now 25% higher than 10 years ago, driven largely by higher domestic needs in China and India.

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