



## **PETRONAS Activity Outlook 2017-2019 Frequently Asked Questions (FAQs)**

**1. How does this report benefit the OGSE industry?**

This Report will improve visibility on PETRONAS domestic activities, hoped to allow for better planning of resources & investments by vendors.

**2. Is this a once-off exercise or a regular effort?**

This is part of PETRONAS' effort to increase engagement with the OGSE industry. Moving forward, we will endeavor to provide this report on annual basis.

**3. What is the accuracy and reliability of the outlook data? Would this be in line with what has been previously disclosed in the public?**

This data is based on projection of activities with high/low scenarios evincing the project milestones, per time of release. Changes are to be expected in response to market dynamics and operational requirements.

**4. Is this outlook referring to tender to be issued or contracts to be awarded?**

The outlook provided is based on activity per year, not by tender issuance nor contract award. Therefore, it includes activity which may have been contracted at the time of reporting.

**5. Should I make my investment decisions/business planning based on this report?**

The intent of this outlook is to provide a general direction for the industry and sufficient for players to make their high level planning. We recommend players to also make reference to other sources of data/information to complement your decision-making.

**6. What is ~USD50-60/bbl expectation based on? Does this figure represent PETRONAS's view on the crude price?**

Most industry analysts e.g., research houses and banks, publicly share this expectation. Companies may take conservative approach in their assumption. Malaysian Government for example; took USD45/bbl in their 2017's budget assumption.

**7. How will the OGSE industry be affected if oil price recovers?**

If oil price recovers for a sustainable period, we expect a higher number of greenfield and brownfield projects to become commercially viable; provided that we keep the cost at a competitive level. Thus activities for OGSE services may increase accordingly.

**8. WHP, CPP and Rigs info are primarily for larger players—are there any information targeted for smaller players?**

Outlook provided are leading indicators for a broad spectrum of activities in the Oil & Gas industry.

**9. From the categories shared, example Offshore Fabrication, the activity outlook is only covering CPP and WHP. How about others e.g. Compression Module etc.?**

For the inaugural release, this Report mainly cover core activities within the Category. Requirements for other supporting activities are on need basis, but not covered in this Report. Future releases may be expanded to cover more activities.

**10. Activity levels seems flat for the next 3 years—does this mean that there's no room for OGSE industry to grow?**

This reflects the general trend of conservative activity throughout the global Oil & Gas industry, in particular for Upstream capital intensive project-driven activities. Whilst in other segments of the industry such as operations/maintenance and Downstream, a stable outlook can be expected.

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## **Contact Us**

We want to hear from you. Please share your feedback/enquiries with our team via [pdtdcorporateprojects@petronas.com.my](mailto:pdtdcorporateprojects@petronas.com.my)

Thank you for showing your interest to PETRONAS Activity Outlook 2017-2019