

World Energy Markets Observatory 2018/2019

5 Major Global Trends



1. Oil prices are on the rise



Oil prices rose as high as **\$80/barrel** for the first time since 2014; up almost **100%** since January 2016

Global oil consumption is expected to top **100 million** barrels per day by the end of **2018**

Rising fuel prices could **slow down the global economy**

2. Renewables, carbon-free generation, and storage are expanding



2017 investment in electric renewables generation **decreased by 7%** to **\$298 billion***



Investments in the **oil and gas** value chain witnessed an **increase**



In early December 2017, the largest **floating solar power station** in the world – **40 MW, 800,000 m²** was launched in China



Triggered by **electric vehicle** development, **battery technologies** are progressing quickly

*Source: IEA, 2018

3. Climate change objectives are in question as a result of economic growth



Global energy-related **CO₂ emissions** spiked in 2017, reaching a historic high of **32.5 gigatons**

The Paris 2015 Climate Accord objective to keep the global temperature rise below **2°C** in 2050 is becoming **difficult** to achieve

The **US, UK, Mexico, and Japan** showed declines in **Carbon emissions**



4. China's growing importance in energy



China is a large consumer with growing needs and the **biggest emitter of GHG**, well above the US



China is building new **coal plants** domestically and worldwide, making it a significant **global energy equipment provider**

Controlling most of the **world's rare earth metals**, China is a formidable player in critical resources



5. The digital revolution is accelerating



Digital adoption has huge potential to **decrease costs** in the industry and service sectors



IoT and blockchain have witnessed **progressive adoption**

Grid operators will strongly **benefit** from **digitization**



Cybersecurity remains a big concern but this will **not prevent** utilities from **deploying their digital transformation plans**

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