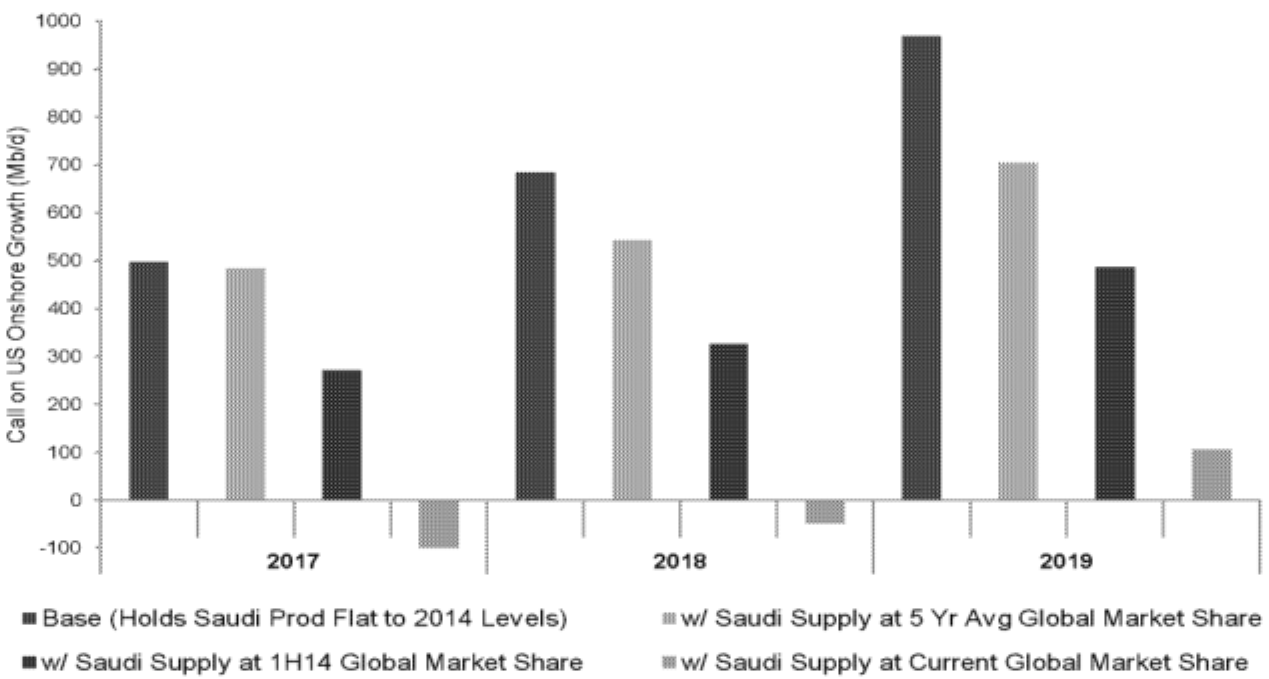
Government (KRG). As a result of the damage to pipeline infrastructure in the early part of 2014 from repeated ISIS attacks, pipeline exports from Northern Iraq averaged ~185 Mb/d in 2014. Increased production from the Tawke and Taq Taq fields in Kurdistan amid the proposed financing backing from Baghdad and alongside re-built infrastructure, the KRG has announced a targeted pipeline export capacity/volumes of 800 Mb/d. However with current Northern Iraq export levels in excess of 600 Mb/d upside to Iraq production from the North is limited while contributions from the South remain more long-term in nature (see below section). The key driver for driving sustainability in the near-term (6-12 months) will be the extent to which Baghdad can continue to fund payments to the KRG – funds needed to pay the region's crude producers, if sustained our call on US onshore crude growth would be reduced by over 400 Mb/d.

b) **Saudi Production Outlook? Who knows…but our outlook looks reasonable assuming Saudi market share of global supply remains consistent with 5 year averages.** With much speculation around what production level is consistent with forward Saudi strategy; our aim is not to identify a specific production level but rather to sensitize our outlook around Saudi's market share of global oil supply (a reasonable driver for Saudi production going forward). Assuming a 5 year average for Saudi market share of global oil, our call on US onshore growth remains ~500 Mb/d through 2017. The US call on shore crude growth dips 200 Mb/d annually if we instead assume a forward market share similar to that in the 1H of 2014 for Saudi, and is effectively non-existent if Saudi were to maintain its current share.

Figure 57: YoY Call on US Crude Growth (Mb/d) Vs. Assumed Saudi Market Share of Global Crude (%)



Source: Deutsche Bank, IEA