

*SWOT Analysis*

# Saudi Aramco

*The world's lowest-cost barrel. For now.*

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SECTOR

Energy / Oil & Gas

MARKET CAP

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STRATEGIC ASSESSMENT

# Saudi Aramco: SWOT Matrix

## STRENGTHS

- Production cost <\$3/barrel — lowest globally by far
- 261B barrels proven reserves — 2nd largest worldwide
- Captive domestic market: Saudi government's core revenue
- Downstream diversification across petrochemicals

## OPPORTUNITIES

- Asian energy demand (India, SE Asia) growing through 2040
- Natural gas: North Field expansion and LNG monetisation
- Petrochemicals: Sabic integration creating downstream value
- Aramco trading and shipping expanding market reach

## WEAKNESSES

- Saudi government extracts \$100B+ dividends annually
- ESG investor exodus limits institutional ownership
- Revenue entirely dependent on oil price (Brent sensitivity)
- Minimal diversification outside hydrocarbons

## THREATS

- Energy transition accelerating EV adoption globally
- OPEC+ quota conflicts limiting production flexibility
- Iran war risk targeting refineries and Gulf shipping
- Saudi Vision 2030 dependency on oil to fund diversification



STRATEGIC IMPLICATIONS

# Saudi Aramco: The Strategic Bet

*Aramco is the lowest-cost producer in the most capital-intensive commodity on earth. The energy transition is real. But it is slow. And Aramco will be the last barrel standing.*

KEY STRATEGIC BET

*Remain the marginal-cost winner through the energy transition — grow petrochemicals, lock in Asian supply contracts, and outlast higher-cost producers.*

WATCH LIST

## Three things to monitor.

### 01 Oil Price Trajectory

Brent sensitivity to OPEC+ discipline and global demand shifts

### 02 EV Adoption Curve

Speed of petroleum demand peak in key transport markets

### 03 Geopolitical Stability

Iran conflict risk and Strait of Hormuz shipping disruption

**Lowest cost. Largest reserves. Longest runway.**